

REPUBLIC OF KENYA



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ON

COUNTY ASSEMBLY OF NYAMIRA

FOR THE YEAR ENDED
30 JUNE, 2025

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REPUBLIC OF KENYA



NYAMIRA COUNTY ASSEMBLY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

Nyamira County Assembly
Annual Report and Financial Statements for the year ended 30th June, 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 County Assembly should include all from the annual report and financial statements prepared)

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2. Key County Assembly 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 thirty-five (35) Members of County Assembly (MCAs), twenty (20) elected and fifteen (15) 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

Nyamira County Assembly's day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly (from December 2024.	▪ Hon. Thaddeus Nyabaro
2.	Speaker of the County Assembly (Up to October 2024.	▪ Hon. Enock Okero
3.	Clerk of the County Assembly	▪ Mr. Duke Onyari
5.	Head of Finance & Accounting Services	▪ CPA. Leonard Nyamasege
6.	Head of Human Resource	▪ Mr. Justus Onkundi
7.	Head of Research & Communication	▪ Mr. James Gisesa
8.	Head of Supply Chain Management	▪ Mr. Alloice King'ala

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer- Clerk	▪ Mr. Duke Simeon Onyari
2.	Director Finance & Accounting Services	▪ CPA. Leonard Nyamasege
3.	Director Supply Chain Management	▪ Mr. Alloice King'ala
4.	Director Human Resource	▪ Mr. Justus Onkundi

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a) Fiduciary Oversight Arrangements

- Audit committee activities – The Audit Committee carried out its roles during the financial year and had two meetings.
- Finance committee activities – The finance committee examined the consolidated financial reports for quarter 1, quarter 2 and quarter 3 for Nyamira County Government. The Committee also deliberated the Nyamira County Finance Bill that was approved by the County Assembly.
- Public Accounts and Investment committee – The Public Accounts and Investments Committee examined the Nyamira County Government Audit reports for the financial year 2023/2024.
- Budget and Appropriation committee – The Budget and Appropriations Committee deliberated and approved the ADP, CFSP, DMSP and the County revenues and expenditure estimates for financial year 2024/2025. The Committee also examined utilization of resources allocated to the County departments.

b) County Assembly Headquarters

P.O. Box 590 - 40500
Nyamira County Assembly Building
Off Nyamira – Nyabite Road
NYAMIRA, KENYA.

c) Contacts

Telephone: (254) 0701-967-200
E-mail: info@nyamiraassembly.go.ke
Website: www.nyamiraassembly.go.ke

d) County Assembly Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

1. Kenya Commercial Bank
Nyamira Branch
P.O Box 403 - 40500
NYAMIRA, KENYA

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2. Family Bank of Kenya
Nyamira Branch
NYAMIRA, KENYA

3. Cooperative Bank of Kenya
Nyamira Branch
NYAMIRA, KENYA

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

3. Governance Statement

a. Background and roles


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

- a) The speaker of the county assembly.
- b) The leader of the majority party; 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.

b. The County Assembly Leadership

 <p>Hon. Thaddeus Nyabaro The Speaker</p>	<p>Hon. Nyabaro was elected as the speaker of Nyamira County Assembly on 19th December, 2024. Prior to his election as the speaker, he served as the Member of the County Assembly representing Ekerenyo Ward. Hon. Nyabaro previously served as the deputy speaker of the County Assembly from August 2022 to October, 2024.</p>
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 <p>Hon. CPA. George Abuga Majority Leader</p>	<p>Hon. CPA. George Abuga is the Majority Leader of County Assembly of Nyamira. He an elected Member of County Assembly representing Bogichora ward.</p> <p>Hon. CPA. George is a certified public accountant and a registered member of ICPAK.</p>
 <p>Hon. Julius Nyangána Minority Leader</p>	<p>Hon. Julius Nyangána is the Minority Leader of County Assembly of Nyamira. Hon. Nyangána serves as the Member of County Assembly representing Bomwagamo ward. He is serving his second term as an MCA having served also as the MCA for Bomwagamo ward in the year 2013 to 2017.</p>
 <p>Mr. Duke Simeon Onyari The Clerk</p>	<p>Mr. Duke Simeon Onyari is the clerk of the County Assembly and the secretary to the County Assembly Service Board. Prior to his appointment Mr. Onyari served as a Senior Deputy Clerk in the County Assembly. Mr. Onyari is an Advocate of the High Court of Kenya.</p> <p>He also holds a certificate of Senior Management course (SMC) and Strategic Leadership Development Programme (SLDP) from the Kenya School of Government.</p>

c. Sectoral Committees

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

The County Assembly has the following Select and Sectoral committees:

- i. Powers and Privileges Committee
- ii. Procedure and Rules Committee
- iii. Public Accounts & Investment Committee
- iv. Budget and Appropriations Committee
- v. House Business Committee
- vi. Committee on Implementation
- vii. Committee on Delegated Legislation

d. Select Committees

Select committees are generally responsible for overseeing the work of county departments and agencies.

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i. Committee of Powers and Privileges

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held three meetings in FY 2025. The committee members during FY 2025 were:

Name	Designation	Ward
1. Hon. Thaddeus Nyabaro	Chairperson	Speaker
2. Hon. George Abuga	Vice Chairperson	Bogichora
3. Hon. Julius Nyangána	Member	Bomwagamo
4. Hon. Duke Masira	Member	Township
5. Hon. Vincent Benecha	Member	Kiabonyoru
6. Hon. Julius Matwere	Member	Bonyamatuta
7. Hon. Michelle Omwoyo	Member	Nominated Member
8. Hon. Abigail Matini	Member	Nominated Member
9. Hon. Josephine Atunga	Member	Nominated Member

ii. Public Accounts and 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 two extra sittings to deal with arising matters. The members who served in the committee during the year were:

Name	Designation	Ward
1. Hon. Kenneth Nyameino	Chairperson	Gesima
2. Hon. Doris Nyamanga	Vice Chairperson	Nominated Member
3. Hon. James Matinga	Member	Kemera

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4. Hon. Charles Keganda	Member	Bosamaro
5. Hon. Duke Masira	Member	Township

iii. Budget and Appropriations Committee

The budget and appropriations committee provide 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
1. Hon. Duke Masira	Chairperson	Township
2. Hon. Michelle Omwoyo	Vice Chairperson	Nominated Member
3. Hon. George Abuga	Member	Bogichora
4. Hon. Henry Obwaya	Member	Gachuba
5. Hon. Julius Nyangána	Member	Bomwagamo
6. Hon. Evans Juma Matunda	Member	Nominated Member
7. Hon. Samuel Ogeto	Member	Manga
8. Hon. Alfayo Ngeresa	Member	Mekenene
9. Hon. Abigail Matini	Member	Nominated Member
10. Hon. Josephine Atunga	Member	Nominated Member

iv. Agriculture, Livestock and Fisheries Committee

The Agriculture, Livestock and Fisheries Committee is a County Assembly sectoral committee that provides guidance on All matters relating to agriculture, including crop and animal husbandry, livestock sale yards, county abattoirs, plant and animal disease control and fisheries, animal control and welfare, including licensing of dogs and facilities for the accommodation, care and burial of animals and veterinary services (excluding regulation of the profession). The members who served in the committee during the year were;

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Name	Designation	Ward
1. Hon. Julius Matwere	Chairperson	Bonyamatuta
2. Hon. George Abuga	Member	Bogichora
3. Hon. Josiah Mangéra	Member	Esise
4. Hon. James Matingá	Member	Kemera
5. Hon. Evans Juma Matunda	Member	Nominated Member
6. Hon. Zipporah Matundura	Member	Nominated Member
7. Hon. Abel Mokaya	Member	Magwagwa
8. Hon. Abigail Matini	Member	Nominated Member
9. Hon. Priscilla Mokora	Member	Nominated Member

e. Communication with all Stakeholders

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

The County Assembly also subjected four bills through public participation namely;

No.	Name of Bill	Venue of Public participation
1.	The Nyamira County Health Facilities Improvement Financing bill, 2025	Borabu/Nyamira North/Nyamira South/Kitutu Masaba
2.	The Nyamira County Revolving Health Products and Technologies Financing bill, 2025	Nyamira North Sub County/Borabu sub county/ Kitutu Masaba sub county/Nyamira South sub county.
3.	The Nyamira County Community Health Services (Amendment) bill, 2025	Kitutu Masaba/ Nyamira South/ Borabu/ Nyamira North
4	The Nyamira County Appropriation bill, 2025	Kitutu Masaba/ Nyamira South/ Borabu/ Nyamira North

Risk management

The County Assembly has ensured that there are arrangements to manage possible occurrence of risks within the institution. Through the Risks Management policy framework, the County Assembly is able to identify, assess and mitigate risks that may affect the operations of the County Assembly.

f. Compliance

The County Assembly is governed by the following laws and regulations;

- Article 185 of the Constitution that has vested legislative authority to the County Assembly. The County Assembly legislated various laws that assisted in governance of County departments among them was the Nyamira County Finance Act, 2024.
- The County Assembly ensured that it is in compliance with the County Assembly's Service Act, 2017.

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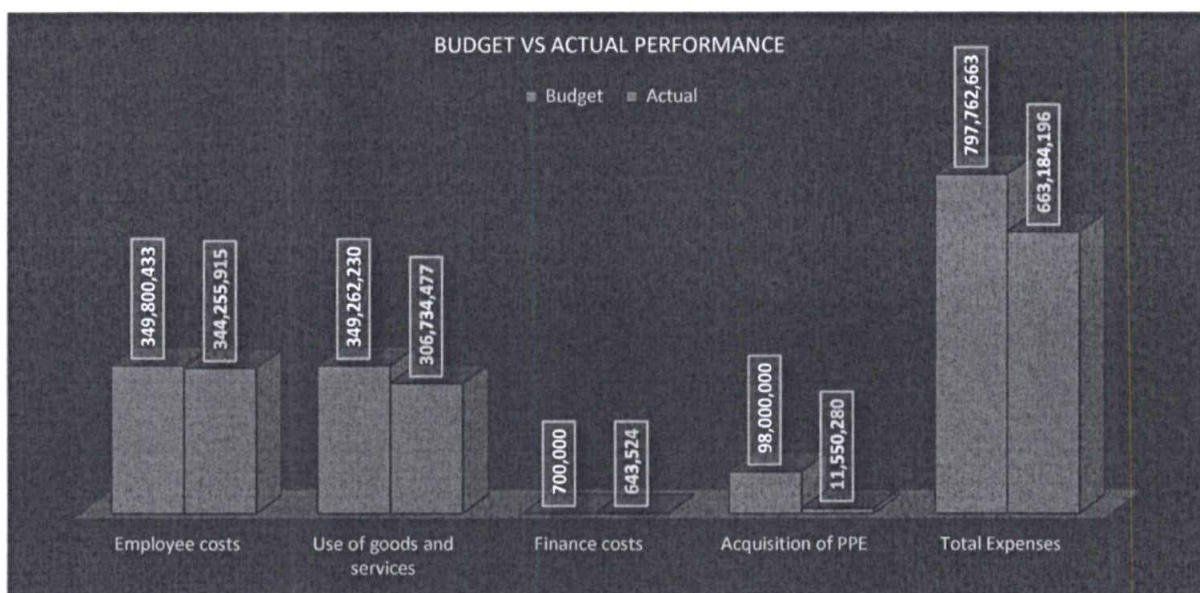
4. Foreword by the Clerk of The Assembly

Nyamira County Assembly has the mandate of representation, legislation and oversight of the functions of the Nyamira County Government. During the financial year, the Assembly legislated laws that enhanced the operations of the County departments.

(i) Budget performance

During the financial year ended 30th June 2025, the County Assembly had a total budget estimate of Kshs.895,762,663. The budget estimate was reduced by Kshs.98,000,000 to Kshs.797,762,663 made up of Kshs.699,762,663 and Kshs.98,000,000 for Recurrent budget estimates and development budget estimates respectively.

- Out of the total budget estimates of Kshs.797,762,663, the County Assembly received a total of Kshs.692,528,311 which is 87% of the total approved budget estimate.
- The County Assembly spent Kshs.344,255,915 (98%) towards compensation of employees compared to an allocation of Kshs.349,800,433. Kshs.306,734,477 (88%) compared to an allocation of Kshs.349,262,230 was utilized towards provision of goods and services; Kshs.11,550,280 (12%) of allocated amounts of Kshs.98,000,000 was spent on acquisition of assets, while Kshs.643,524 (92%) out of an allocation of Kshs.700,000 was spent on finance costs.



(ii) Operational Performance

- a) Nyamira County Assembly passed five laws that are expected to improve efficiency of operations of the County Government as well as benefit the population of the Nyamira County. The laws passed are as below;
 - **The Nyamira County Health Facilities Improvement Financing Act, 2025** – The objective of the Act will be to provide for the retention, management and use of revenue

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derived from health and other services rendered at County health facilities; administration of health facilities and enhanced quality of healthcare and for connected purposes. The Act, will provide for decision making autonomy, community participation and a sustainable financing framework for county health facilities to improve efficiency, effectiveness and ultimately delivery of quality healthcare services.

- **The Nyamira County Revolving Health Products and Technologies Financing Act, 2025** – The objective of the Act is to provide for an efficient, effective and sustainable financing and supply management system that guarantees availability and access to health products and technologies; to provide for the establishment of a specialized revolving health products and technologies Agency; and for connected purposes. The Act, establishes a semi-autonomous county government Agency to manage the selection, procurement, warehousing and distribution of health products and technologies to county health facilities and other registered health facilities.
- **The Nyamira County Community Health Services (Amendment) Act, 2025** – The objective of the Act is to amend the Nyamira County Community Health Services Act, 2022 and for connected purposes.
- **The Nyamira County Supplementary Appropriation Act, 2025** – The objective of the Act, is to authorize the issue of funds from the County Revenue Fund and application of the funds towards the public services to the people of Nyamira County for the year ending 30th June, 2025.
- **The Nyamira County Appropriation Act, 2025** - The objective of the Act, is to authorize the issue of funds from the County Revenue Fund and application of the funds towards the public services to the people of Nyamira County for the year ending 30th June, 2025.

b) The County Budget for the financial year 2024/2025

S/No.	Document Name	Date Approved by the County Assembly
i.	Annual Development Plan FY2024/2025	13 th February, 2024
ii.	County Fiscal Strategy Paper, 2025	26 th March, 2024
iii.	Annual Estimates of Revenue & Expenditure: FY2024/2025	25 th June, 2024
iv.	Supplementary Budget Estimates: FY2024/2025	25 th June, 2025

c) County Assembly committees, their mandates and successes over the period.

The County Budget & Appropriation Committee

- To investigate, inquire into and report on all matters related to coordination control and monitoring of the County Budget estimates.
 - Discuss and review the estimates and make recommendations to the County Assembly.
 - Examine the County Budget Policy Statement presented to the County Assembly.
 - Examine the Bills related to the National Budget including the Appropriations Bill.
 - Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.
- The committee deliberated and presented before the County Assembly for approval the County Appropriations bill that helped the County Government in utilization of the allocated resources.

The County Public Accounts and Investment committee

- The Committee is responsible for examination of the accounts showing appropriations of the sum voted by the County Assembly to meet public expenditure and of such other accounts laid before the County Assembly.
- The committee deliberated on audit reports for County Government of Nyamira for the financial year 2022/2023 and financial year 2023/2024.

The County Education Committee

- The County Education committee is responsible for all matters related to pre-primary education, village polytechnic, home craft centres and childcare facilities.
- The County Education committee oversighted the allocation of bursary funding to the needy students in the County. The committee equally monitored the status of ECDE facilities within Nyamira County.

The County Roads Committee

- The County Roads Committee is responsible on all matters related to county transport, including county roads, street lighting, traffic and parking, public road transport; county public works and services including monitoring of public facilities constructed using county resources.
- The County Roads Committee monitored closely the ongoing tarmacking of the County roads within the municipalities of Nyamira and Keroka towns.

The County Health Committee

- The County Health Committee is responsible for all matters related to County Health services including in particular County Health facilities and pharmacies, ambulance services, promotion of primary health care, licensing and control of undertakings that sell food to the public, veterinary services (excluding regulation of the profession), cemeteries, funeral parlours and crematoria and refuse removal, refuse dumps and solid waste disposal.
- The county Health committee provided oversight to the County department of Health by frequently visiting the County Health facilities and ensuring that they meet the required health standards and also monitored implementation of the Facility Improvement Fund act approved by the County Assembly.

d) Highlights on the oversight role of the County Assembly.

The County Assembly discharged its role of oversight to the County Government by ensuring that sufficient resources are allocated to various County departments and ensuring that the resources allocated are utilized towards benefiting the County citizens. The County Assembly oversight role is performed through the County Assembly committees.

(iii) Performance of key development projects

a) The key development projects that the County Assembly planned to undertake.

▪ Construction of County Assembly office block

The project commenced on 13th June, 2018 with initial completion period expected to have been 11th June, 2021. However, the contractor sought extensions up to 17th July,

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2024 to enable him complete the works. The contractor was not able to do the final finishing of the project within the extension period granted, the contractor has further sought extension to enable him complete the remaining work within the financial year 2025/2026.

b) The progress made and how if completed, will improve the effectiveness and efficiency of operations.

The County Assembly office block is still work in progress and is expected to be completed within the financial year ending 30th June, 2025. Once the office block is completed it will host the Members of County Assembly and staff of the County Assembly who will be able to serve the members of the public.

c) Efforts by the County Assembly to treat its own suppliers responsibly

The County Assembly has conducted its procurement processes in an open and transparent manner in order to promote fair competition. As exhibited in the procurement plan, the County Assembly has strictly adhered to and awarded contracts to the reserved categories whenever awarding contracts to suppliers. The County Assembly has equally honoured its financial obligations whenever they fall due.

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(iv) Comment on value-for-money achievements

- Completion of the County Assembly office block will ensure that committee activities are conducted within the County Assembly precinct's, this will further enable members of the public participate in such forums to give their views and inputs.
- The ward offices constructed have ensured that the MCAs are within easy reach with their electorates. The offices have also helped proper coordination of public participation and engagements within the wards.

(v) Challenges and recommended way forward

- Delays in approving of requisitions by County Treasury caused a lot of inconveniences especially with the statutory deductions that requires specific timelines for payments and payment to contractors for work done.
- Trainings and capacity building – constant advancement in technology and emerging new operational trends at workplace has necessitated changes in policies hence requiring continuous training for the MCAs and staff to cope up with the trends. This in return requires additional budgetary allocation for capacity building and trainings.



.....
Mr. Duke S. Onyari

Clerk of the County Assembly

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4. Statement of Performance against Predetermined Objectives

Strategic development objectives

The key mandate of the County Assembly of Nyamira is legislation, oversight, and representation. To achieve this, the Assembly's program was documented in terms of objective, key performance indicators, and output. Below is the performance of the Assembly in FY 2025.

Program	Strategic Objective	Outcome	Indicator	Performance	Remarks
Program 1: Legislation, oversight and representation	Ten Bills passed into Acts of the County Assembly	Improved service delivery to citizens	No of bills passed in the County Assembly	In FY 2024/2025 five number of bills were passed by the County Assembly	The County Assembly enacted laws to enhance operations of Health sector in the County.
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	There was Increased in efficient Assembly operation	The County Assembly is yet to review its standing orders	For effective management of the County Assembly's operations.
Program 2: General Administration	To provide for effective and efficient support services for the effective execution of technical mandates of the County Assembly.	Infrastructural development and improvement, training of staff and payment of utility bills and salaries	Construction of office block for MCAs and staff of the County Assembly	County Assembly office block is still work in progress.	Delayed funding has affected the contractor towards timely completion of the project.

5. Environmental and Sustainability Reporting

a) Sustainability strategy and profile

The County Assembly of Nyamira has played a supportive legislative role in critical sustainability initiatives evidenced by its involvement in adopting the Climate Change Action plan and overseeing the implementation of environmental laws. The County Assembly has emphasized on the implementation of the County Integrated Development plan and departmental strategic plans. The County Assembly ensures focus on implementation progress of approved plans and monitoring frameworks. The County Assembly has equally ensured that the Members of the County Assembly and staff have been trained on their roles. The key roles of the County Assembly are representation, legislation and oversight. Emphasis has been on constant capacity building of the members of the County Assembly in order to promote good governance and ethical values. The County Assembly through its budget and appropriation committee has ensured that resources though scarce are allocated to the marginalised groups including the youths in order to promote creation of employment within the County. The County Assembly equally has development stakeholders' engagements by promoting public involvement in County affairs through public participations.

b) Environmental performance

Through the legislative and oversight efforts, the Environment, Energy, Water and Natural resources committee has actively engaged in shaping environmental policy whose key initiatives includes, The Nyamira County Climate Policy that is at draft stage. The draft legislative is meant to guide future environmental regulation through the Assembly's scrutiny. The County Assembly played a crucial role in fast-tracking and adopting the Nyamira County Climate Change Action Plan (2023-2028). This foundation document enables the County to measure, track and reduce greenhouse gas emissions and implement climate adaptation measures over a period of five years.

c) Employee welfare

The County Assembly's Directorate of Human Resource Management and Administration plays a central role in staff welfare, with structured responsibilities that includes;

- **Staff Welfare Committee:** - The Committee oversees employee well-being, including benefits, discipline and workplace relations.

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- **Remuneration & Payroll:** -Salaries and allowances are managed in compliance with SRC guidelines and Employment Act provisions, ensuring fair pay and labour practices.
- **Training & Development:** - The County Assembly proactively assesses training needs and runs capacity-building programs for both the staff and Members of the County assembly.
- **Staff Discipline & Performance:** - Performance management systems and discipline procedures are enforced through established committees such as the staff advisory committee as guided by the County Assembly service Act.
- **Infrastructure & Work Environment:** - The infrastructure Department maintains safe, clean and functional working spaces-covering repairs, power and water supply, gardening and the general facilities upkeep.

d) Marketplace practices-

The County Assembly has put more efforts to:

a) Responsible Supply chain and supplier relations-

The Directorate of Supply Chain Management, at Nyamira County Assembly is a well-structured unit, headed by a Director and staffed with multiple procurement officers, its key responsibilities include;

- Maintaining updated lists of registered suppliers and coordinating with the Public Procurement Regulatory Authority (PPRA).
- Preparing procurement and disposal plans, conducting market surveys, and ensuring orderly record-keeping and compliance with procurement laws.
- Monitoring contract implementation, inspection and accepting goods/services, certifying invoices and endorsing supplier payments.

Nyamira County Assembly has also invited bidders based on performance with all the tenders handled through the IFMIS and publicized via County Assembly official channels. The County Assembly encourages consideration of environmental, social, and economic impacts across the supply chain by prioritizing local suppliers, promoting inclusion and uploading ethical standards.

b) Responsible ethical practices-

The County Assembly officers are bound by multiple layers of law that establishes the principles of ethical conduct. Chapter six of the Kenyan Constitution (2010), along with the leadership and integrity Act (2012) and the Public Officer Ethics Act, (2003)

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set basic standards of honesty, accountability and integrity for public officers. The staff of the County Assembly uphold to professionalism, public trust, transparency and financial probity. The staff have always declared their assets and liabilities and participated regularly in trainings on leadership and integrity with annual compliance reporting.

c) Stewardship of goods and services

The County Assembly as a custodian of the citizens has always ensured that the citizen is given quality goods and services by the County Government. The County Assembly continuously assesses public goods such as quality of roads, water, early and tertiary education and hospital facilities offered to the citizens through the County Assembly committees.

e) Community Engagements

The members of the community have had participation and involvement through the County Integrated Development Plan (CIDP 2023-2027) that was shaped through extensive ward-level public participation including forums, memos and events across all twenty wards. Citizens raised priorities that span health, education, infrastructure, environment and security ensuring planning processes are representative and transparent.

6. Management Discussion and Analysis

The County Assembly's key Programmes are Legislation, oversight and representation and General administration and support services. The County has always adhered to maintain its approved budget estimates within the legal thresholds of the approved County Fiscal strategy paper and in line with the public finance management Act, 2012.

Lack of financial autonomy to the County Assemblies has caused delays in the approvals of requisitions by the County Treasury thus affecting timely settlement of financial obligations when they fall due. This in return has weakened the ability of the County Assemblies to function independently notably affecting the legislative procedures, committee operations and oversight missions.

The County Assembly has demonstrated solid foundations in citizen engagements and strategic budget planning process. The citizens were involved in participation of the County integrated development plan at the ward levels, with the MCA's ward offices serving as the centres where the citizens can access or give views on key projects or programmes that should be implemented for their benefits.

The County Assembly will continue to ensure that it fights for more allocations to the marginalised groups to ensure that they do not remain behind on matters development.

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

7. 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 County Assembly 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 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 30th June, 2025. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county 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 Assembly;
- (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 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 30th June, 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.

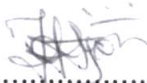
The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants, and that the County Assembly funds received during the year under audit were used for the eligible purposes for which they were intended and were properly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

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

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.

Approval of the financial statements

The County Assembly's financial statements were approved and signed by the Clerk of the County Assembly on 26th August, 2025.



.....
Duke Onyari

Clerk of County Assembly

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for 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 Nyamira set out on pages 1 to 45, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison

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

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 Nyamira County Assembly as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the County Government Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unreconciled Domestic Subsistence Allowance

The statement of financial performance and Note 8 to the financial statements reflects use of goods and services expenditure of Kshs.306,734,477 which includes domestic travel expenses of Kshs.198,135,872. However, the domestic travel expense as per the IFMIS ledger was Kshs.192,352,663 resulting in an unreconciled variance of Kshs.5,783,209.

In addition, the analysis of IFMIS data revealed that the Assembly made domestic and subsistence allowance payments to two advocates totalling Kshs.2,054,855, various private companies totalling Kshs.2,837,400 and cash payments to undisclosed persons of Kshs.1,847,558 all of whom were non-staff members but was charged under Domestic Travel expense. Management did not explain the reason for payment of domestic travel to non-staff.

In the circumstances, accuracy of domestic travel expenditure of Kshs.198,135,872 payments 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 Nyamira Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total receipts final budget and actual on comparable basis of Kshs.797,762,663 and Kshs.692,199,965 respectively resulting in an underfunding of Kshs.105,562,698 or 13% of the budget.

Similarly, the County Assembly spent Kshs.663,184,196 against actual receipts of Kshs.692,199,965, resulting in an under-absorption of Kshs.29,015,769.

The underfunding and under-absorption affected the implementation of planned activities and programs and may have negatively impacted on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several matters were raised under the Report on Financial Statements, Report of Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance as indicated in the table below. However, Management had not resolved the issues contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated to resolve any issues resulting from an audit that remain outstanding.

Unresolved Prior Year Matters

SNo.	Financial Year	Audit Issue
1	2023/2024	Non – Adherence to Cut – Off
2	2023/2024	Budgetary Control and Performance
3	2023/2024	Pending Accounts Payables
4	2023/2024	Unresolved Prior Year Matters
5	2023/2024	Delayed Construction of County Assembly Offices
6	2023/2024	Delayed Completion of Speaker’s Residence
7	2023/2024	Non - Compliance with Law and Ethnic Composition
8	2023/2024	Non – Compliance with One Third Rule on Basic Salary
9	2023/2024	Overpayment of Salary Market Adjustment
10	2023/2024	Irregular Procurement oof Legal Expenses
11	2023/2024	Unsupported Purchase of Office Furniture
12	2023/2024	Lack of Approved Disaster Recovery and IT Strategic Plans
13	2023/2024	Failure to Maintain and Asset Register
14	2023/2024	Ineffective Internal Audit and Audit Committee

Other Information

Management is responsible for the Other Information set out on page iv to xxvi which comprise of Key Entity Information and Management, Governance Statement, Foreword

by the Clerk of the County Assembly, Statement of Performance Against County Assembly's Predetermined Objectives, Environmental and Sustainability Reporting, Management Discussion and Analysis and Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance 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 reflects transfers from the County Revenue Fund of Kshs.692,528,311 or 11% of the total revenue of Kshs.6,147,139,110 collected by the County Government. The amount is more than 7% of the county government's total collections of 6,147,139,110, which is Kshs.430,299,738. This is contrary to Regulation 25(1)(f) of the Public Finance Management (County Governments) Regulations, 2015, which stipulates that the approved expenditure of a County Assembly shall not exceed seven percent (7%) of the total county revenue or twice the personnel emoluments, which is Kshs.688,511,830, whichever is lower.

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

2. Non-compliance with the Third Rule on Net Salary Payment

Review of payroll records for the months of August to October, 2024 revealed that there were fifty (50) employees who earned net salaries below a third of their basic salaries. This was contrary to section 19(3) of the Employment Act, 2007 which requires employees not to commit their salaries in excess of two thirds of their basic salaries.

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

3. Failure to Observe Ethnic Diversity

Review of the personnel records for the month of June, 2025 revealed that two hundred and forty-one (241) or ninety-nine 99% of the two hundred and forty-three (243) Assembly's employees were from the dominant local community in the County. This is contrary to the provisions of Section 65 (1) of County Governments Act, 2012 which provides that in selecting candidates for appointment, the County Public Service Board shall consider—(e) the need to ensure that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the county.

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

4. Failure to Make Reservation for Persons Living with Disability

Review of the personnel records revealed that the Assembly had two hundred and forty-three (243) employees both permanent and contractual out of which only two (2), less than 1% were people with disability which was contrary section 21(1)(2) of the Persons with Disabilities Act, 2025 which requires employers to reserve at least five per cent direct employment opportunities for persons with disabilities. The Act provides that the Assembly shall endeavor to secure the reservation of five (5) per cent of all casual, emergency, permanent and contractual positions in employment in the public and private sectors.

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

5. Lack of Insurance Policy for the Employees

Review of records and interview of Management revealed that, during the year under review, the Assembly did not have an Insurance cover for the employee's contrary to Section 7 (1) of the Work Injury Benefit (WIBA) Act, 2007. The Act provides that every employer shall obtain and maintain an insurance policy, with an insurer approved by the Minister in respect of any liability that the employer may incur under this Act to any of the employees.

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

6. Non-Compliance with the Staffing Level Ceiling

Review of personal records revealed that the Assembly had one hundred and four (104) permanent employees. This was contrary to Commission on Revenue Allocation Circular No. CRA/FA/01 VOL 11 (22) dated 28 June, 2018 which limited number of employees to one hundred (100) resulting in unauthorized employment of four (4) employees.

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

7. Failure to Adhere to Reservations for Disadvantaged Groups Threshold in Procurements

Review of the approved procurement plan and the budget for the financial year 2024/2025 revealed that the Assembly had an estimated procurement budget of Kshs.449,821,129. Out of the budget, 30% or Kshs.134,946,338 should have been reserved for disadvantaged groups for various goods, works, and services as per the requirement of section 157 (5) of the Public Procurement and Assets Disposal Act, 2015. However, no provisions or allocations were made for disadvantaged group's enterprises owned by youth, women, and persons with disabilities.

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

8. Irregular Procurement of Medical Insurance

The statement of financial performance reflects Kshs.306,734,477 in respect to use of goods and services which includes insurance cost of Kshs.35,495,017 as disclosed in Note 8 to the financial statements. Review of records provided for audit revealed that, The entity entered into a contract with APA insurance for Kshs.35,036,339 inclusive of all taxes for medical insurance for staff. The insurance services were procured using direct procurement method. However, the procurement plan for the year under review indicated the medical insurance would be procured using open national tender method. The criteria for use of direct method were not met.

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

9. Long Outstanding Payables

The statement of financial position reflects trade and other payables balance of Kshs.30,405,009 and as disclosed in Note 16 to the financial statements. An analysis of payables schedule provided for audit revealed that payables totalling to Kshs.19,868,776 related to invoices that were overdue for more than 60 days, contrary to regulation 150(1) of the Public Procurement and Assets Disposal (PPAD) Regulations, 2020 which requires that subject to availability of funds and after proper certification of goods, works or service prompt payments are made within 60 days from date of receipt of invoice. Further, pending bills amounting to Kshs.18,860,676 out of the Kshs.19,868,776, remained outstanding for over 365 days.

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

10. Delay in Completion of County Assembly Offices Block

The County Assembly entered into a contract for construction of a modern office block (5 storey) that would host offices of the County Assembly staff and provision of other supporting amenities. The contract sum was Kshs.367,000,000 and the works officially commenced on 03 July, 2018 with expected completion date of 30 June, 2021. The completion date has been severally revised with the latest completion date of 07 March, 2025. The scope of works entailed the construction of the office block, installation of lifts, waste water management, civil works and other associated works.

Physical verification carried out in September, 2025 revealed completed works included the casting of the first floor to sixth floor (roof slab), offices partitions, plastering and skimming works, external walling, painting, aluminum windows fixing, mechanical and electrical works and procurement of finishes material. The other works were incomplete although the contractor was on site.

The payment records shows that amount spent as at 31 May, 2025 was Ksh.267,239,182 or 100% of works certified. Thus, the outstanding balance as per the status report dated 31 May, 2025 was Kshs.99,760,818.21. The percentage of the work done and the payments are both at 73%.

In the circumstances, the Assembly may not obtain value for money and the expected benefits from the projects to the residents of the County may not be realized, since the work has stalled.

11. Avoidable Interest on Bank Overdraft

The statement of financial performance and Note 11 to the financial statements reflects finance costs amount of Kshs.643,524, being interest on bank overdraft. The County Assembly arranged with cooperative bank to operate a salary account, allowing the bank to pay staff salary at a fee or penalty in case of late salary disbursements. Further, records including bank statements and salary schedules to indicate the salaries were disbursed late and the related months were not provided for audit review.

In addition, no evidence was provided to confirm that the overdrafts that occasioned the penalties were guaranteed by the National Government as required by Regulations 177(3) of the Public Finance Management (County Government) Regulations, 2015, which requires that, any borrowing by a County Government under shall require a National Government guarantee pursuant to section 58 of the Act.

In the circumstances, the value for money for the expenditure of Kshs.643,524 could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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 County 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 County Assembly financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, SBS

AUDITOR-GENERAL

Nairobi

04 December, 2025

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

9. Statement of Financial Performance for the year ended 30th June 2025.

	Notes	30 th June, 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from CRF	6	692,528,311
Total		692,528,311
Expenses		
Employee costs	7	344,255,915
Use of goods and services	8	306,734,477
Transfers to other Government Entities	9	-
Depreciation and amortization expense	10	-
Finance costs	11	643,524
Total expenses		651,633,916
Surplus for the year		40,894,395

The Financial Statements set out on pages 1 to 4 were signed by:

.....
Mr. Duke S. Onyari
Clerk of County Assembly

.....
CPA. Leonard K. Nyamasege
Director Finance
ICPAK M/No: 10008

Nyamira County Assembly

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

10. Statement of Financial Position as at 30th June 2025

	Notes	30 th June, 2025	Opening Statement 1 st July 2025
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	12	16,502,897	(328,336)
Receivables from Non-Exchange Transactions	13	-	71,824,553
Inventories	14	166,020	-
Total Current Assets		16,668,917	71,824,553
Non-Current Assets			
Property, Plant and Equipment	15	654,160,111	642,609,831
Total Non- Current Assets		654,160,111	642,609,831
Total Assets (A)		670,829,028	714,106,048
Liabilities			
Current Liabilities			
Trade and Other Payables	16	30,405,009	120,186,595
Refundable Deposits and Prepayments	17	15,949,838	10,339,549
Total Current Liabilities		46,354,847	130,526,144
Non-Current Liabilities			
Non-Current Provisions	18	-	-
Total Non- Current Liabilities		-	-
Total Liabilities (B)		46,354,847	130,526,144
Net Assets(A-B)		624,474,181	583,579,904
Represented By:			
Reserves		-	-
Accumulated Surplus		624,474,181	583,579,904
Net Assets		624,474,181	583,579,904

The financial statements set out on pages 1 to 4 were signed by:



.....
Mr. Duke S. Onyari
The Clerk County Assembly



.....
CPA. Leonard K. Nyamasege
Director Finance
ICPAK M/No: 10008

11. Statement of Changes in Net Assets for the year ended 30th June 2025

	Accumulated Surplus	Reserves	Capital Fund	Total
As at 30th June 2024 (cash basis)	(10,667,884)	-	-	(10,667,884)
Adjustments:				
Exchequer receipts received after 30 th June, 2024	71,824,553	-	-	71,824,553
Recognition of assets	642,609,831	-	-	642,609,831
Recognition of liabilities	(120,186,595)	-	-	(120,186,595)
As at 1st July, 2024	583,579,905	-	-	583,579,905
Return to CRF	(119)	-	-	(119)
Surplus for the year	40,894,395	-	-	40,894,395
As at 30th June, 2025	624,474,181	-	-	624,474,181

12. Statement of Cash Flows for the year ended 30th June 2025.

		30 th June, 2025
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Transfers from CRF		692,528,311
Total receipts		692,528,311
Payments		
Employee costs		344,255,915
Use of goods and services		306,734,477
Transfers to other Government Entities		-
Finance costs		643,524
Total payments		651,633,916
Working capital adjustments		
Increase in inventories		(166,020)
Decrease in Receivables		71,824,553
Increase in payables		(84,171,297)
Net cash flows from operating activities		28,381,631
Cash flows from investing activities		
Purchase of PPE		(11,550,280)
Proceeds from sale of PPE		-
Purchase of investments		-
Net cash flows used in investing activities		(11,550,280)
Cash flows from financing activities		
Returns to CRF		(119)
Proceeds from borrowings		-
Net cash flows from financing Activities		(119)
Net increase in cash & Cash equivalents		16,831,233
Cash and cash equivalents at 1 July 2024		(328,336)
Cash and cash equivalents at 30 June 2025		16,502,897

Nyamira County Assembly

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

13. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025

Recurrent and Development Budgets Combined

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Balance brought forward		-	-	(328,336)	328,336	-
Receipts						
Transfers from the CRF	895,762,663	(98,000,000)	797,762,663	692,528,311	105,234,352	87%
Total Receipts	895,762,663	(98,000,000)	797,762,663	692,199,965	105,562,688	87%
Payments						
Compensation of employees	349,800,433	-	349,800,433	344,255,915	5,544,518	98%
Use of goods and services	359,962,230	(10,700,000)	349,262,230	306,734,477	42,527,753	88%
Transfers to other government entities	-	-	-	-	-	-
Acquisition of assets	186,000,000	(88,000,000)	98,000,000	11,550,280	86,449,720	12%
Finance costs, including loan interest	-	700,000	700,000	643,524	56,476	92%
Total	895,762,663	(98,000,000)	797,762,663	663,184,196	134,578,467	83%
Surplus	-	-	-	29,015,779	(29,015,779)	

Reconciliation table

Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	29,015,779
Timing difference - Exchequers	(12,346,743)
Inventory differences	(166,020)
Transfers to CRF	(119)
Closing Cash and Cash Equivalent as per the statement of Cash flows	16,502,897

14. Notes to the Financial Statements

1. General Information

Nyamira County Assembly is established by and derives its authority and accountability from The Constitution of Kenya 2010. Nyamira County Assembly is domiciled in Kenya and its roles are set out under article 185 of the Constitution of Kenya (2010).

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).

The County Assembly has taken advantage of the transitional provisions under IPSAS 33 and therefore these first-year financial statements are transitional financial statements and the following elements of the financial statements have not been recognised as the County Assembly has taken advantage of the transition provisions outlined in IPSAS 33. The Assembly is yet to do valuation of its historical assets and adopt a depreciation policy in order to ensure that the assets are fairly represented in the financial statements. Nyamira assembly is in the process of valuing its assets so as to full comply with the provisions of IPSAS Accrual.

These financial statements were authorised for issue by the accounting officer on 26th 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. 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 30th June, 2025.

Notes to the financial statements

Critical accounting judgements

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

Recognition of revenue

Revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (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 the County Assembly 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. Judgment is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported.

The 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 Assembly's policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the County Assembly's 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 MtCO₂eq. The County Assembly's commitment to climate change action does not constitute a present obligation on the balance sheet and therefore not disclosed.

Notes to the financial statements

Physical assets

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

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

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Standard	Effective date and impact:
	<p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

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

Standard	Effective date and impact:
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that the County Assembly shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> 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 County Assembly's financial statements arising from the exploration for and evaluation of mineral

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Standard	Effective date and impact:
	resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

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

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the County Assembly 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 Assembly'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 25th June, 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional or reductions of appropriations are added or reduced 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 reduced appropriations of Kshs.98,000,000 on the 2024/2025 budget following the approval by the County Assembly. The Assembly's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

Budget information

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 13 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 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 Assembly recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value

Notes to the Financial Statements (Continued)

e) Right of use asset

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the County Assembly 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 County Assembly expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

f) Tangible Natural Resources

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

Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the County Assembly. 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 County Assembly 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 County Assembly will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the Financial Statements (Continued)

g) Intangible assets

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

h) Research and development costs

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

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

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

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The County Assembly 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 County Assembly and a financial liability or equity instrument of another County Assembly. At initial recognition, the County Assembly measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

i. Financial assets

Classification of financial assets

The County Assembly 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 County Assembly'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 County Assembly 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 County Assembly classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the County Assembly 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 County Assembly 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 County Assembly recognizes a loss allowance for such losses at each reporting date.

ii. Financial liabilities

Classification

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

Notes to the Financial Statements (Continued)

j) Inventories

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

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

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

k) Provisions

Provisions are recognized when the County Assembly 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 County Assembly expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l) Contingent liabilities

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

Notes to the Financial Statements (Continued)

m) Contingent assets

The County Assembly 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 County Assembly in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

n) Nature and purpose of reserves

The County Assembly creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

q) Foreign currency transactions

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

Notes to the Financial Statements (Continued)

monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

r) Borrowing costs

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

s) Related parties

The County Assembly regards a related party as a person or an organisation 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 the Speaker of the county assembly and, Clerk of the county Assembly, Directors and senior managers.

t) Service concession arrangements.

The County Assembly 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 County Assembly 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 County Assembly also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) Cash and cash equivalents

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

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Notes to the Financial Statements (Continued)

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the County Assembly'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 County Assembly 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 County Assembly. 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 County Assembly.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions 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. During the period there were no provisions.

6. Transfers from CRF

Nature of Transfer	Amount recognized to Statement of financial performance.	Amount deferred under deferred income.	Total transfers
	Kshs	Kshs	Kshs
Recurrent	650,577,186	-	650,577,186
Development	41,951,125	-	41,951,125
Total	692,528,311	-	692,528,311

7. Employee Costs

Description	30 th June, 2025
	Kshs
Basic salaries of permanent employees	104,989,234
Basic wages of temporary employees	85,971,697
Personal allowances – part of salary	105,800,602
Personal allowances paid as reimbursements	3,166,000
Pension and other social security contributions	18,459,852
Employer contributions to Compulsory National Social Security Schemes	2,108,520
Employer contributions to National Industrial Training Authority	136,650
Employer contribution to compulsory housing scheme	4,500,062
Other social benefit schemes – Service gratuity	19,123,298
Total Employee costs	344,255,915

Notes to the Financial Statements (Continued)

8. Use of Goods and Services

Description	30 th June, 2025
	Kshs
Utilities, supplies and services	319,796
Communication, supplies and services	764,800
Domestic travel and subsistence	198,135,872
Foreign travel and subsistence	444,600
Printing, advertising, and information supplies & services	1,831,100
Training expenses	1,771,072
Hospitality supplies and services	16,124,620
Insurance costs	35,495,017
Specialized materials and services	1,314,000
Other operating expenses	36,026,995
Office and general supplies and services	9,232,386
Fuel Oil and Lubricants	2,246,000
Routine maintenance – vehicles and other transport equipment	2,448,219
Routine maintenance – other assets	580,000
Total	306,734,477

Notes to the Financial Statements (Continued)

9. Transfers to Other Government Entities

Description	30 th June, 2025
	Kshs
Transfers to other County Government entities	-
Transfers to car loan and mortgage schemes	-
Total	-

10. Depreciation and Amortization Expense

Description	30 th June, 2025
	Kshs
Property, plant and equipment	-
Intangible assets	-
Total	-

11. Finance Costs

Description	30 th June, 2025
	Kshs
Interest on bank overdrafts	643,524
Interest on loans from commercial banks	-
Total finance costs	643,524

Interest on bank overdraft is a charge on salary facility advanced by Cooperative Bank.

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Notes to the Financial Statements (Continued)

12. Cash and Cash Equivalents

Description	30 th June, 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Recurrent Account	2,039	7,395,346
Development Account	1	59
Deposits Account	15,949,838	10,339,549
KCB Operation Account	412,543	1,159,331
KCB Salary Account	17,207	1,231,731
Cooperative Bank – Salary Facility Account	121,269	(20,454,352)
Total	16,502,897	(328,336)

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

		30 th June, 2025	Opening Statement 1 st July 2024
Financial Institution	Account number	Kshs	Kshs
CBK Recurrent Account	1000239751	2,039	7,395,346
CBK Development Account	1000326905	1	59
CBK Deposits Account	10000343559	15,949,838	10,339,549
KCB Operation Account	1145126987	412,543	1,159,331
KCB Salary Account	1203826095	17,207	1,231,731
Cooperative Bank Account	01893646783300	121,269	(20,454,352)
Total		16,502,897	(328,336)

Nyamira County Assembly

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

Notes to the Financial Statements (Continued)

13. Receivables from Non-Exchange Transactions

Description	30 th June, 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Other debtors (non-exchange transactions)	-		71,824,553	
Less: impairment allowance	(-)		(-)	
Total receivables from non- exchange transactions	-		71,824,553	
Ageing Analysis- Receivables from non-exchange transactions	30 th June, 2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	100%	71,824,553	100%
Between 1-2 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total	-	0%	-	0%

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

Description	30 th June, 2025
	Kshs
At the beginning of the year	-
Additional provisions during the year	-
Recovered during the year	(-)
Written off during the year	(-)
At the end of the year	-

Nyamira County Assembly
Annual Reports and Financial Statements for the year ended 30th June 2025.
 Notes to the Financial Statements (Continued)

14. Inventories

Description	30 th June, 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Goods held for distribution	166,020	-
Less: allowance for impairment	(-)	(-)
Total	166,020	-

Inventories were items held for use in the stores as at 30th June 2025.

Nyamira County Assembly

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

Notes to the Financial Statements (Continued)

15. Property, Plant and Equipment

	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	534,364,641	9,541,350	1,224,201	75,259,841	22,219,798	642,609,831
Additions	11,335,680	-	-	-	214,600	11,550,280
Disposals	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-
As At 30 th June 2025	545,700,321	9,541,350	1,224,201	75,259,841	22,434,398	654,160,111
Depreciation						
Depreciation for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-
As at 30 th June, 2025	-	-	-	-	-	-
Net Book Values						
Opening Bal as at 1 st July 2024	534,364,641	9,541,350	1,224,201	75,259,841	22,219,798	642,609,831
As At 30 th June 2025	545,700,321	9,541,350	1,224,201	75,259,841	22,434,398	654,160,111

Note: The County Assembly is in the process of doing valuation of its assets and adopt depreciation policy to reflect fair value of the assets in the financial statements.

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

Notes to the Financial Statements (Continued)

16. Trade and Other Payables

Description	30 th June, 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Trade payables	30,405,009		67,565,097	
Employee payables	-		52,621,498	
Total trade and other payables	30,405,009		120,186,595	
Ageing analysis: (Trade and other payables)	30 th June, 2025	%	Opening balance	% of the Total
Under one year	11,544,333	38%	120,186,595	100%
1-2 years	18,860,676	62%	-	%
Total	30,405,009	100%	120,186,595	100%

17. Refundable Deposits and Prepayments

Description	30 th June, 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Contractors' retentions	15,949,838		10,339,549	
Prepayments	-		-	
Other deposits	-		-	
Total deposits	15,949,838		10,339,549	
Ageing analysis: (Refundable deposits)	30 th June, 2025	% of the Total	Opening Balance	% of the Total
Under one year	5,902,467	37%	4,215,821	41%
1-2 years	4,215,821	26%	4,216,802	41%
2-3 years	3,924,624	25%	449,931	4%
Over 3 years	1,906,926	12%	1,456,995	14%
Total	15,949,838	100%	10,339,549	100%

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

Notes to the Financial Statements (Continued)

18. Provisions

Description	30th June, 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Provision for bad debts	-	-
Provision for obsolete stocks	-	-
Total Deferred Income	-	-

19. Cash Generated from Operations

	30th June, 2025
	Kshs
Surplus for the year	40,894,395
Adjusted for:	
Depreciation	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Increase in inventory	(166,020)
Increase in receivables	71,824,558
Increase in payables	(84,171,296)
Net cash flow from operating activities	28,381,632

Notes to the Financial Statements (Continued)

20. Financial Risk Management

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

i) Credit risk

The County Assembly 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 County Assembly'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 County Assembly's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	16,502,897	16,502,897	-	-
Total	16,502,897	16,502,897	-	-

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

Notes to the Financial Statements (Continued)

Financial Risk Management

The amounts under the fully performing category are paid up as they Assembly continue operating. The credit risk associated with these receivables is minimal. The County Assembly's objectives lay down parameters within which the various aspects of credit risk management can be operated.

ii) Liquidity risk management

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

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

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Trade payables	-	11,544,333	18,860,676	30,405,009
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	11,544,333	18,860,676	30,405,009

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

a) Foreign currency risk

The County Assembly has no transactional currency exposures since it doesn't do purchase of goods and services using currencies other than the local currency.

21. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the County Assembly 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.

22. Events after the Reporting Period

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

23. Currency

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

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

15. 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.	Observations from Auditor	Management comments	Status:	Timeframe:
531	<p>Unsupported Legal Expenses - The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflect use of goods and services amounting to Kshs.248,837,687. The amount includes other operating expenses totalling Kshs.17,678,007 out of which an amount of Kshs.4,659,674 was in respect to legal fees. Review of records revealed that the County Assembly engaged private legal firms to represent the County Assembly in ten (10) matters without the approval of the County Executive Committee. This was contrary to Section 16(1) of the Office of the County Attorney Act, 2020 which specifies a department or public entity established within a county executive shall not engage the services of a consultant to render any legal services relating to the functions of the County Attorney without the approval of the County Executive Committee.</p>	<p>The County Assembly is not established within the County Executive; it is established in line with Article 176 (1) of the Constitution of Kenya 2010. The operations of the County Assembly are independent from those of the County Executive.</p>	Resolved	

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
532	<p>Budgetary Control and Performance - The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis amounting to Kshs.914,979,149 and Kshs.767,033,615 respectively resulting in under-funding of Kshs.147,945,534 or 16% of the budget. However, the County Assembly spent Kshs.777,838,864 against actual receipts of Kshs.767,033,615 resulting to an over-expenditure of Kshs.10,805,249 of the actual receipts. The source of the excess expenditure over receipts has not been explained. The under-funding affected implementation of the planned activities and may have impacted negatively on service delivery to the Public.</p>	<p>Underutilization of the budget was attributed to delayed in funding from the National Treasury and disbursements received after year end. Annex 4 to the financial statements on reconciliation of transfers from CRF as at 30 June, 2024 as agreed by County Treasury and County Assembly shows an amount of Kshs.71,824,553 for 2023/2024 period was received after close of the financial year. The late Exchequer releases could have had adverse effects on the implementation of the planned activities during the year.</p>	Unresolved	
533	<p>Pending Account Payables - Other disclosures Notes 1 and 2 to the financial statements reflects pending account payables and pending staff payables totalling Kshs.67,565,097 and Kshs.52,621,498 respectively. The outstanding amounts include payables</p>	<p>Due to the delayed funding, statutory deductions for May and June, 2024 could not be paid as at 30th June, 2024 since the funds were received after 30th June, 2024. The statutory deductions were paid immediately on 4th July 2024 once the disbursement was received.</p>	Resolved	

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
	<p>balance of Kshs.45,231,445 in respect of construction of an office block and Kshs.2,457,540 in respect of construction the Speaker's residence. The office block project had a brought forward balance from 2022/2023 financial year of Kshs.39,855,551 which ought to have been paid as a first charge. This was contrary to Regulation 41(2) of the Public Finance management (County Governments) Regulations, 2015 which requires debt service payments to 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.</p>			
534	<p>Unresolved Prior Year Matters - In the audit report of the previous year, several issues were raised under the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the issues remained unresolved as at 30 June 2024.</p>	<p>The management is handling the matters progressively and solving a number of them. The County Assembly is however yet to appear before the Senate County Public Accounts Committee</p>	Unresolved	

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
535	<p>Unremitted Statutory Deduction - The pending staff payables includes Pay As You Earn (PAYE) deductions for May and June 2024 amount of Kshs.11,822,958, NHIF amount of Kshs.301,000 and loan deductions and other deductions totalling Kshs.21,192,200 which had not been remitted to the beneficiary institutions as at 30 June 2024. This was contrary to Income Tax Act CAP 470 and Section 19(1) of the Employment Act, 2007 which allows an employer to deduct from employee's salary any amount as a contribution to any fund or scheme approved by the Commissioner for Labour to which the employee has agreed to contribute to. Failure to remit statutory deductions on time may result in the County Assembly incurring interests and penalties.</p>	<p>Due to the delayed funding, statutory deductions for May and June, 2024 could not be paid as at 30th June, 2024 since the funds were received after 30th June, 2024. The statutory deductions were paid immediately on 4th July 2024 once the disbursement was received.</p>	Resolved	
536	<p>Delayed Construction of County Assembly Offices - As previously reported, the County Assembly entered a contract for the construction of a modern office block (5 storied building) that would host offices of the County Assembly and staff besides</p>	<p>Construction of the office block is ongoing. Late disbursement of funds from Exchequer and lack of autonomy in spending development monies has caused the delays. The Assembly is hopeful that once the bill in the senate of giving County Assemblies autonomy</p>	Unresolved	2025

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
	<p>provision of other supporting amenities. The contract sum was Kshs.367,000,000 and the works commenced on 3 July 2018 with expected completion date of 30 June 2021. However, the completion date has been severally revised with the latest completion date set for 7 March 2025. The scope of works included the construction of an office block, installation of lifts, wastewater management, civil works and other associated works. Physical inspection of the project in September 2024 revealed completed works which included the casting of the 1st floor to 5th floor roof slab, offices partitions, plastering and skimming works, external walling, painting, aluminium windows fixing, mechanical and electrical works and procurement of finishes material. However, review of records revealed that although the contractor was on site, 88% of works were certified and Kshs.224,678,748 paid leaving a balance of Kshs.45,231,445 as further disclosed in Annexure 1 to the financial statements.</p>	<p>commences, the contractor will be settled promptly.</p>		

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
537	<p>Delayed Completion of Speaker's Residence - The County Assembly entered a contract with a local contractor to construct the Speaker's residence at a contract price amount of Kshs.34,377,805. The contract commenced on 06 February 2023 with an expected completion date of 06 August 2024. However, the project remained incomplete one month after the scheduled completion date and the contract period had not been extended. Further, the performance bond from a local bank provided by the contractor expired on 7 February 2024 and had not been renewed. Review of Project Status report issued on 28 May 2024 revealed that the construction was 77% complete and payments totalling Kshs.24,158,208 had been made representing 70% of contract price. Physical inspection undertaken in September 2024 revealed that the contractor was on site and construction was still in progress. However, internal and external finishes, plumbing, tiling, electrical works, interior fittings and painting were still not completed.</p>	<p>The County Assembly sought extension of two years from Salaries and Remuneration commission to allow for the project to commence. The project commenced on 7th September 2023 this as per the order of works and the stated completion date is 7th March 2025.</p>	Resolved	

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
	Further, the contractor used Cyprus door frames instead of mahogany door frames as was specified in the Bills of Quantities.			
538	Non-Compliance with the National Cohesion and Integration Act, 2008 - Review of the payroll revealed that over ninety-nine percent (99%) of the one hundred and fourteen staff were from the dominant ethnic community in the County. This was contrary to Section 7(2) of the 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 County.	The County Assembly is already at the peak of recommended personnel establishment; this matter will be addressed gradually going into the future with positive discrimination and affirmative action in order to give other ethnic communities priority in vacancies that will arise.	Unresolved	
539	Non-Compliance with One-Third Rule on Basic Salary - Review of the payroll revealed that thirty-four (34) employees had salary deductions more than two-thirds of their basic salary. This was contrary to Section D22(2) of the County Public Service Human Resource Manual and Section 19(3) of the Employment Act, 2007 which requires that the total amount of deductions which may be deducted by	Salary overcommitment was due to the introduction of Housing levy order which was introduced during the year. The Members of the Assembly adjusted their payslips and are not below the one third rule as at June 2024 payroll.	Resolved	

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
	an employer from the salary and wages of the employee at any one time shall not exceed two-thirds of the basic pay.			
540	Overpayment of Salary Market Adjustment - Review of payroll records revealed Member County Assembly (MCA) Majority/Minority Leader, Deputy Speaker and Speaker were paid monthly salary market adjustments of Kshs.12,750, Kshs.26,625 and Kshs.130,210 respectively for the months of July 2023, August 2023 and October 2023. This was contrary to Gazette notice No 10350 dated 9 August 2023 which indicated the monthly remuneration structure for state officers in the County Assembly for implementation in the financial year 2023/2024 was Kshs.11,972 for MCA, minority/majority leader Kshs.26,530, Deputy Speaker Kshs.32,689 and Kshs.134,801 for the Speaker.	The County Assembly uses the Integrated Payroll and Personnel database (IPPD) for processing of salaries. The IPPD update to have the market adjustment conform with the gazette notice 10350 dated 9 th August 2023 was done after the Assembly had run the October 2023 payroll. The Assembly has so far recovered the monies from the Members.	Resolved	
541	Irregular Purchase of Office Furniture - Review of procurement records revealed that the County Assembly paid an amount of Kshs.20,851,336 for supply of office	The furniture were procured towards the end of the financial year, the same has since been planned for to be settled	Unresolved	

Nyamira County Assembly

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


Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
	furniture to eighteen (18) firms. Management split the procurements in quotations. The pending accounts payables further reflect an amount of Kshs.13,296,860 payable to nine (9) firms, remained unsettled. This was contrary to Section 43(1) of Public Procurement and Asset Disposal Act, 2015. Further, no evidence was provided that the enterprises were registered with The National Treasury and the advertisement relating to an open tender under a preference and reservations scheme stated the tender was open to small and micro enterprises and to disadvantaged groups registered with The National Treasury or regions, as appropriate.			
542	Lack of Approved Disaster Recovery and IT Strategic plans - Review of the County Assembly's ICT environment revealed that the ICT strategic plan expired in 2022, and a new ICT strategic plan had not been developed. Further, the County Assembly had not developed a Disaster Recovery Plan or Business Continuity Plans to ensure that County Assembly is able to	Management provided an approved Disaster Recovery and IT Strategic Plan for audit review.	Resolved	

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
	respond to disaster or other emergencies affecting information systems and minimize the effect on business operations. In the absence of the plans, the operations of the County Assembly would be disrupted on occurrence of unfavourable events.			
543	Failure to Maintain Assets Register - Annex 3 to the financial statements on summary of current assets register reflects a balance totalling Kshs.642,609,831 in respect of various assets held by the County Assembly. However, the assets register was not updated and lacked identification or serial numbers, acquisition date, description of the asset, location, class and cost of the acquisition. The assets were also not tagged to ensure that proper control systems exist for assets and that movement and conditions of assets can be tracked. Further, the County Assembly had not taken over and or reported assets and liabilities inherited from the defunct Local Authorities.	Management has updated the assets register. However, the County Assembly is on the process of valuing its assets so as to reflect the fair value of the assets.	Unresolved	
544	Ineffective Internal Audit and Audit Committee - The County Assembly	The quarterly Internal audit reports done by the internal audit department and	Resolved	

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

Reference No.	Observations from Auditor	Management comments	Status:	Timeframe:
	had an Internal Audit Department and an Audit Committee in place. However, Management did not provide quarterly or annual internal audit reports and follow-up on the implementation of the recommendations by internal and external auditors.	reviewed by the audit committee have been availed for review		



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**Clerk of County Assembly
Dated 26th August 2025.**

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

Appendix II: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers during the year	Historical Cost c/f 30 th June 2025 (Kshs)
Land	-	-	-	-	-
Buildings and structures	534,364,641	11,335,680	-	-	545,700,321
Transport equipment	9,541,350	-	-	-	9,541,350
Office equipment, furniture and fittings	75,259,841	-	-	-	75,259,841
ICT Equipment	21,992,223	214,600	-	-	22,206,823
Machinery and Equipment	227,575	-	-	-	227,575
Infrastructure Assets	1,224,201	-	-	-	1,224,201
Intangible assets	-	-	-	-	-
Total	642,609,831	11,550,280	-	-	654,160,111

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

Appendix III: Contingent Liabilities

CASE NO & DETAILS	LEVEL OF THE COURT	STATUS OF THE CASE	CASE ADVOCATES	CLAIM AND OBLIGATION	COST IMPLICATION
HIGH COURT AT NYAMIRA CONSTITUTIONAL PETITION NO. E001 OF 2023: MS EMILY ONGAGA VS. THE COUNTY ASSEMBLY OF NYAMIRA & SPEAKER/COUNTY ASSEMBLY OF NYAMIRA	HIGH COURT AT NYAMIRA	CONCLUDED AS MATTER WITHDRAWN BY THE PETITIONER	MS. GEDION M. NYAMBATI & CO, ADVOCATES KISII	NONE	YET TO RECEIVE FEE NOTE
CHIEF MAGISTRATE'S COURT AT NYAMIRA NO. E002 OF 2023 GRACE MASESE BUNDI & VIVCENT NYAMBANE NYAKIENI & 10 OTHERS VS CASB, SPEAKER, CLERK & THE COUNTY ASSEMBLY	CHIEF MAGISTRATES' COURT AT NYAMIRA	MATTER ON-GOING	MOSE & MOSE CO, ADVOCATES KISII	NONE	MATTER NOT CONCLUDED
HIGH COURT KISUMU CASE NO. ELRCA/E021/2023 CASB & SPEAKER COUNTY ASSEMBLY OF NYAMIRA VS GRACE MASESE BUNDI & THE COUNTY ASSEMBLY OF NYAMIRA	EMPLOYMENT AND LABOUR RELATIO S COURT AT KISUMU	MATTER CONCLUDED	MOSE & MOSE CO, ADVOCATES KISII	NONE	YET TO RECEIVE FEE NOTE
HIGH KISUMU ELRC NO. E050 OF 2022 EVANS ATUNGA NYAMBANE VS COUNTY ASSEMBLY OF NYAMIRA & 5 OTHERS.	HIGH COURT AT KISUMU	ON-GOING	DEPARTMENT	NONE	N/A
HIGH COURT KISUMU ELRC PETITION NO. E022 OF 2022 GEOFFREY ONGERI VS. CHAIRMAN COUNTY ASSEMBLY SERVICE BOARD, COUNTY PUBLIC SERVICE BOARD NYAMIRA & THE COUNTY ASSEMBLY OF NYAMIRA	HIGH COURT AT KISUMU	CONCLUDED. PETITION DISMISSED	MAKORI MAHINDA & CO, ADVOCATES NAIROBI	NONE	FEE NOTE KSHS.2,420,000
HIGH COURT AT KISUMU ELRC NO. 042 OF 2022 VINCENT MARIITA OMAO VS. COUNTY GOVERNMENT OF NYAMIRA, GOVERNOR NYAMIRA COUNTY, COUNTY SECRETARY NYAMIRA COUNTY, CLERK COUNTY ASSEMBLY, SPEAKER COUNTY ASSEMBLY AND NYAMIRA COUNTY PUBLIC SERVICE BOARD	HIGH COURT AT KISUMU	CONCLUDED PETITION STRUCK OUT	MAKORI MAHINDA & CO, ADVOCATES NAIROBI	NONE	FEE NOTE KSHS 3,000,000
HIGH COURT NYAMIRA CONST. PETITION NO. 2 OF 2021 DANIEL OSIEKO ALPHONSE VS. THE GOVERNOR NYAMIRA COUNTY, THE SPEAKER NYAMIRA COUNTY ASSEMBLY,	HIGH COURT AT NYAMIRA	CONCLUDED PETITION DISMISSED	OCHOKI & CO. ADVOCATES KISII	NONE	

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

CASE NO & DETAILS	LEVEL OF THE COURT	STATUS OF THE CASE	CASE ADVOCATES	CLAIM AND OBLIGATION	COST IMPLICATION
NYAMIRA COUNTY ASSEMBLY, THE CLERK NYAMIRA COUNTY ASSEMBLY					
HIGH COURT KISUMU ELRC NO. E005 OF 2023 JAMES OROKO OURU VS. THE COUNTY ASSEMBLY OF NYAMIRA, DR. JACK MAGARA, THE GOVERNOR NYAMIRA COUNTY AND THE PUBLIC SERVICE BOARD	HIGH COURT AT KISUMU	CONCLUDED PETITION DISMISSED	DEPARTMENT	NONE	NONE
HIGH COURT BOMET E005 OF 2025 FORMELY HCCHRPET/E00/2025 EDWIN ONCHOKO V NYAMIRA ASSEMBLY AND 2 OTHERS	HIGH COURT	CONCLUDED	MOKUA NDUBI& COMPANY	NONE	Kshs 1,972,000
HIGH COURT BOMET JR 1 OF 2025 FORMELY HCCJR/E007/2025 COUNTY ASSEMBLY OF NYAMIRA V ENOCK OKERO OGORI	HIGH COURT	ALLOWED	MOKUA NDUBI& COMPANY	NONE	Kshs 1,972,000
ELRCPET/E001/2025 KISHI THADDEUS NYAMBOKI OMWENGA V DUKE ONYARI, THADDEUS NYABARO AND 4 OTHERS	HIGH COURT	WITHDRAWN	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000
HCCC/E005/2025 NYAMIRA COUNTY ASSEMBLY SERVICE BOARD VS DUKE SIMEON ONYARI	HIGH COURT	WITHDRAWN	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000
ELRC/E001/2025 KISUMU FORMERLY HCCHRPET/E011/2024 COUNTY ASSEMBLY SERVICE BOARD VS DUKE SIMEON ONYARI	HIGH COURT	ONGOING	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000
HCCHRPET/E012/2024 NYAMIRA VINCENT MARIITA OMAO VS THE SPEAKER COUNTY ASSEMBLY OF NYAMIRA AND COUNTY ASSEMBLY OF NYAMIRA AND 2 OTHERS	HIGH COURT	ONGOING	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000
ELRCPET/E001/2024 KISHI ENOCK OKERO OGORI V NYAMIRA COUNTY ASSEMBLY & ANOTHER	HIGH COURT	ONGOING	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000
HCHRPET/E013/2024 NYAMIRA	HIGH COURT	ONGOING	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000

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

CASE NO & DETAILS	LEVEL OF THE COURT	STATUS OF THE CASE	CASE ADVOCATES	CLAIM AND OBLIGATION	COST IMPLICATION
LEONARD MOGARU & ANOTHER V SPEAKER NYAMIRA COUNTY ASSEMBLY & 4 OTHERS					
HCHRPET/E009/2025 NYAMIRA GILBERT ATEL ONSOMU V NYAMIRA COUNTY ASSEMBLY & 7 OTHERS	HIGH COURT	ONGOING	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000
HCHRPET/E010/2025 NYAMIRA HON JOEL OMBONGI & 18 OTHERS V HON THADDEUS NYABARO & 5 OTHERS	HIGH COURT	ONGOING	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000
NAKURU COURT OF APPEAL APPLICATION E060 OF 2025 NAKURU EDWIN ONCHOKO & 2 OTHERS V NYAMIRA COUNTY ASSEMBLY & OTHERS	HIGH COURT	ONGOING	MOKUA NDUBI& COMPANY	NONE	Kshs 1,160,000

Note: The court cases have not been exclusively concluded and hence do not form part of the expenditure for the financial year.