

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NYERI COUNTY EXECUTIVE CAR LOAN  
AND MORTGAGE (STAFF) SCHEME FUND**

**FOR THE YEAR ENDED**

**30 JUNE, 2024**

DATE	6/3/2025
TABLED BY	Dep. Mas. Whir
COMMITTEE	
CLERK AT THE TABLE	Maalim

Revised 30<sup>th</sup> June 2024



---

**NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME  
FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2024**

---

Prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

Table of Content

1. Acronyms and Glossary of Terms	ii
2. Key Entity Information and Management	iv
3. Fund Administration Committee	viii
4. Management Team	xi
5. Fund Chairperson's Report	xiii
6. Report of The Fund Administrator	xiv
7. Statement of Performance Against the County Fund's Predetermined Objectives	xvi
8. Corporate Governance Statement	xvii
9. Management Discussion and Analysis	xix
10. Environmental and Sustainability Reporting	xx
12. Statement of Management's Responsibilities	xxiii
13. Report of The Independent Auditor on the Financial Statements Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Scheme	xxiv
14. Statement of Financial Performance for the Year Ended 30 <sup>th</sup> June 2024	1
15. Statement of Financial Position As at 30 June 2024	2
16. Statement of Changes in Net Assets for the year ended 30 <sup>th</sup> June 2024	3
17. Statement of Cash Flows for The Year Ended 30 June 2024	4
18. Statement Of Comparison of Budget And Actual Amounts For The Period 2024	5
19. Notes to the Financial Statements	6
20. Annexes	39



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**1. Acronyms and Glossary of Terms**

a) Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings
SRC	Salaries and Remuneration Commission
PFM	Public Financial Management Act 2012
ADM	Administration
VOL	Volume
CIR	Circular
ECL	Expected Credit Loss
CHRP	Certified Human Resource Management Professional
CPA (K)	Certified Public Accountant of Kenya
CPS (K)	Certified Public Secretary
BORAQS	Board of Registration of Architects and Quantity Surveyors of Kenya
OSHA	Occupational Safety and Health Act of 2007
CSR	Corporate Social Responsibility



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

b) Glossary of Terms

Fiduciary Management: - the key management personnel who had financial responsibility

Key management: - personnel responsible for administration and policies of the fund

Fiduciary oversight arrangements: - ensures transparent and responsible financial management



## *Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

### **2. Key Entity Information and Management**

#### **a) Background information**

The Nyeri County Executive Car Loan and Mortgage (Staff) Scheme is a revolving fund established pursuant to the Salaries and Remuneration Commission (SRC) circular number SRC/ADM/CIR/1/13/VOL.111(128) dated 17<sup>th</sup> December 2014, SRC/ADM/CIR/1/13/VOL.111(130) dated 29<sup>th</sup> January 2015, SRC/ADM/CIR/1/13/VOL.111(142), of 25<sup>th</sup> August, 2016 and Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Regulations 2017; Kenya Gazette Supplement No.14 dated 22<sup>nd</sup> November 2017. Section 167 of the Public Finance Management (PFM) Act 2012 mandates the administrator of public funds with the preparation of annual financial statements.

For proper management of the fund and as advised by the SRC in the circular under the reference, the County Government of Nyeri adopted the PFM regulations 2016 to guide in the operationalization of the fund. As advised by the SRC and as provided for under regulation 16 of the said regulations, the County Government appointed a banking institution to manage the fund. The fund is managed by financial institutions i.e. The Family Bank and Cooperative Bank of Kenya Nyeri Branch. The role of the bank is to provide administration services for the fund. This includes recovery of loan instalments, maintenance of members' loan details and safe custody of the securities.

The SRC in its circular reference SRC/ADM/CIR/1/13 Vol. III (128) dated 17<sup>th</sup> December 2014 provided guidelines for access of car loan and mortgage benefits by state and public officers. Arising therefrom, the County Executive Committee Member for Finance signed the Regulations on 3<sup>rd</sup> November, 2017.

The fund is wholly owned by the County Government of Nyeri Executive and is domiciled in Kenya.

The Fund's principal activity and objective is to provide a loan scheme for the purchase, development, renovations or repair of residential property and/or to purchase a motor vehicle for personal use by members of the scheme.



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**b) Principal Activities**

The principal objective of the fund is to provide a loan scheme for the purchase, development, renovations or repair of residential property and/or to purchase a motor vehicle for personal use by members of the scheme.

**c) Fund Administration Committee**

S/No.	Name	Position
1	Robert Thuo	Fund Chairman
2	John Ngugi	Fund Administrator
3	Kimani Ruchuiya	Committee Member
4	Beatrice Chelangat	Committee Member
5	Zachary Ngacha	Committee Member
6	Elizabeth Mathenge	Committee Member
7	Diana Kendi	Committee Member
8.	David Ruga	Committee Member
9.	Francisca Ndirangu	Co-opted Member
10.	Nancy Gatei	Co-opted Member

**d) Key Management team**

S/No.	Name	Position
1	Robert Thuo	Fund Chairman
2	John Ngugi	Fund Administrator
3.	David Ruga	Committee Member
5	Elizabeth Mathenge	Committee Member
6.	Diana Kendi	Committee Member
7.	Kimani Rucuiya	Committee Member
8.	Nancy Gatei	Fund Accountant



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**Key Entity and Management (Continued)**

**e) Fiduciary Oversight Arrangements**

S/No.	Position	Name
1	Directorate Internal Audit	Director Internal Audit
2	Staff Mortgage and Car Loan Advisory Committee	Audit and Finance Committee
3	County Assembly of Nyeri	Public Accounts and Investment Committee
4.	Senate	County Public Investments and Special Funds Committee

**f) Registered Offices**

Nyeri town hall  
P.O. Box 1112 – 10100  
Nyeri Town Hall  
Nyeri, Kenya

**g) Fund Contact**

Telephone (+254) 724417441  
Email: [nyericountytreasury@gmail.com](mailto:nyericountytreasury@gmail.com)

**h) Fund Bankers**

Family Bank.  
Nyeri Branch  
P.O Box 74145-10100  
Nyeri, Kenya.  
Cooperative Bank of Kenya  
Nyeri Branch  
P.O Box 48231-00100  
Nyeri.



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**i) Independent Auditors**

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

**j) Principal Legal Advisers**

The Attorney General  
State law office  
Harambee Avenue  
P.O Box 40112-00200  
Nairobi Kenya.


**k) County Attorney**

Nyeri Town Hall  
P.O. Box 1112-10100  
Nyeri.






*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**3. Fund Administration Committee**

Name	Details of qualifications and experience
 <p>Robert Thuo Mwangi</p>	<p>Fund Chairman            CECM Finance and Economic Planning            Date of birth 10<sup>th</sup> January, 1965            Academic qualifications Hons Degree            Work experience: County Executive Committee Member for nine years and Program Manager East and Central Africa – Geo-traceability</p>
 <p>John Mungai Ngugi</p>	<p>Fund Administrator            Chief Officer Finance and Accounting            Date of birth 24<sup>th</sup> February 1970            Professional qualifications: CPA(K)            Academic qualification: Masters in Business Administration and BSC in Agriculture Engineering,            More than ten years' experience in Senior Positions such as Chief Officer Finance and Accounting Nyeri County, Director Finance and Administration Kiambu County, City Treasurer Nairobi and Mombasa</p>
 <p>Kimani Rucuiya</p>	<p>Member of the Fund Administration Committee            County Attorney            Date of birth 27<sup>th</sup> January, 1992            Professional qualifications: Advocate of the High Court of Kenya, Associate of the Chartered Institute of Arbitrators            Academic qualifications: Bachelor of laws, Post graduate Diploma in Accounting and Business            Masters of Laws (pending dissertation) University of Nairobi</p>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

 <p>Beatrice Chelangat</p>	<p>Member of the Fund Administration Committee Director Physical Planning Date of birth 27<sup>th</sup> May, 1982 Professional qualification – Physical Planner Academic qualification – Degree in urban and regional planning Work experience – Physical Planner – Ministry of Lands, County Physical Planner, County Deputy Director Physical Planning Nyeri</p>
 <p>Zachary Ngacha</p>	<p>Member of the Fund Administration Committee Quantity Surveyor Date of birth 11<sup>th</sup> March 1969 Professional qualification – Registered as a Quantity Surveyor by the Board of Registration of Architects and Quantity Surveyors of Kenya (BORAQS) Professional membership – Corporate member Institute of Quantity Surveyors of Kenya Academic qualification – Master of Business Administration &amp; Bachelor of Arts degree Course in Building Economics (Quantity Surveying) Work experience – Worked as a Quantity Surveyor since 1997 in the following organizations County Government of Nyeri, Ministry of Roads and Public Works, Victory Construction Limited and Eastern African Construction Company.</p>
 <p>Elizabeth Wanjiru Mathenge</p>	<p>Member of the Fund Administration Committee Director Human Resource Professional qualifications: Certified Human Resource Professional CHRP(K) and a member of Institute of Human Resource Management Academic qualifications: Master’s Degree in Human Resource Management, Bachelor’s Degree in Business Administration (Human Resource Management option) and Advanced Diploma in Human Resource Management.</p>






*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

 <p>Diana Kendi</p>	<p>Member of the Fund Administration Committee CECM Trade, Tourism and Cooperative Development</p> <p>Academic qualifications: Master of Business Administration (MBA) in Strategic Management, Bachelor of Science Degree in International Business Administration, Certificate in Senior Management Skills and Policy Development Management, Certificate in Trade Related Investment measures, Trade remedies under WTO and Regional Trade agreements, Certificate in International Investment Promotion training, Certificate on Payroll Cleansing and Performance Management and Certificate of youth membership</p> <p>Experience: County Executive Committee Member County Government of Nyeri</p>
 <p>David Kiriiri Ruga</p>	<p>Member of the Fund Administration Committee Secretary and Chief Executive Officer County Public Service Board</p> <p>Date of birth: 26<sup>th</sup> May, 1978</p> <p>Professional qualifications: Certified Human Resource Management Professional (CHRP), Certified Public Accountant CPA(K), Certified Public Secretary CPS(K)</p> <p>Academic qualifications: Bachelor of Commerce (Finance Option)</p> <p>Experience: Secretary and Chief Executive Officer Nyeri County Public Service Board, Senior Manager Central Operations Faulu Microfinance Bank, Project Manager and Senior Manager Operations Sidian Bank, Manager Controls, Operations Manager and Senior Operations Officer at K-Rep Bank.</p>






*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**4. Management Team**

Name	Details of qualifications and experience
 <p>Robert Thuo Mwangi</p>	<p>Fund Chairman            CEC Finance and Economic Planning            Date of birth 10<sup>th</sup> January, 1965            Academic qualifications Hons Degree            Work experience: County Executive Committee Member for eight years and Program Manager East and Central Africa – Geotraceability</p>
 <p>John Mungai Ngugi</p>	<p>Fund Administrator            Chief Officer Finance and Accounting            Date of birth 24<sup>th</sup> February 1970            Professional qualifications: CPA(K)            Academic qualification: Masters in Business Administration and BSC in Agriculture Engineering,            More than ten years experience in Senior Positions such as Chief Officer Finance and Accounting Nyeri County, Director Finance and Administration Kiambu County, City Treasurer Nairobi and Mombasa</p>
 <p>David Kiriiri Ruga</p>	<p>Member of the Fund Administration Committee            Secretary and Chief Executive Officer County Public Service Board            Date of birth: 26<sup>th</sup> May, 1978            Professional qualifications: Certified Human Resource Management Professional (CHRP), Certified Public Accountant CPA(K), Certified Public Secretary CPS(K)            Academic qualifications: Bachelor of Commerce (Finance Option)            Experience: Secretary and Chief Executive Officer Nyeri County Public Service Board, Senior Manager Central Operations Faulu Microfinance Bank, Project Manager and Senior Manager Operations Sidian Bank, Manager Controls, Operations Manager and Senior Operations Officer at K-Rep Bank.</p>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

 <p>Elizabeth Wanjiru Mathenge</p>	<p>Member of the Fund Administration Committee Director Human Resource Professional qualifications: Certified Human Resource Professional CHRP(K) and a member of Institute of Human Resource Management Academic qualifications: Master's Degree in Human Resource Management, Bachelor's Degree in Business Administration (Human Resource Management option) and Advanced Diploma in Human Resource Management.</p>
 <p>Kimani Rucuiya</p>	<p>Member of the Fund Administration Committee County Attorney Date of birth 27<sup>th</sup> January, 1992 Professional qualifications: Advocate of the High Court of Kenya, Associate of the Chartered Institute of Arbitrators Academic qualifications: Bachelor of laws, Post graduate Diploma in Accounting and Business Masters of Laws (pending dissertation) University of Nairobi</p>
 <p>Diana Kendi</p>	<p>Member of the Fund Administration Committee CECM Trade, Tourism and Cooperative Development Academic qualifications: Master of Business Administration (MBA) in Strategic Management, Bachelor of Science Degree in International Business Administration, Certificate in Senior Management Skills and Policy Development Management, Certificate in Trade Related Investment measures, Trade remedies under WTO and Regional Trade agreements, Certificate in International Investment Promotion training, Certificate on Payroll Cleansing and Performance Management and Certificate of youth membership Experience: County Executive Committee Member County Government of Nyeri</p>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**5. Fund Chairperson’s Report**

It is my pleasure to present, on behalf of the management team, the Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund financial statements for the year ended 30th June 2024. The financial statements present the financial performance of the fund over the past year. A new member was appointed to the fund administration committee after retirement of one member. The fund and its stakeholders are increasingly emphasizing on the need to ensure sustainability through resource mobilization and financing capabilities with an objective of ensuring that the fund’s going concern is secured.

The fund received an additional funding from the County Government of Nyeri of **Kshs 100,000,000** while the interest earned from loans advanced to members amounted to **Kshs. 1,599,208.**

Disbursement of loans during the period was carried out as per members applications with the coordinated efforts by all stakeholders. The performance was also attributed to balances in the accounts and repayment of loans by members.

The total expenditure during the period amounted to **Kshs. 1,524,122** out of which the administration expenses amounted to **Kshs. 629,973** and bank charges amounted to **Kshs 8,437.** The fund also paid fringe benefit tax of **Kshs 885,712**

The outlook of the Fund for FY 2024/2025 looks brighter. The fund’s focus is to build a robust and sustainable fund with a motivated workforce and structures that enhance efficiency and effectiveness in the service delivery. The fund looks forward to continued support from the County Government and financial partners to the realization of its mandate.

I take this opportunity to express my sincere gratitude and appreciation to the County Government, partners, stakeholders, management and staff for their continued support which made us achieve these results.

I look forward to your continued support in the next financial year 2024/2025

Name: Robert Thuo Mwangi Signature..........Date.....*20.9.2024*

Chairperson of the Fund



## *Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

### **6. Report of the Fund Administrator**

It is my pleasure to present the Nyeri County Executive Car Loan and Mortgage (Staff) Scheme fund financial statements for the year ended 30<sup>th</sup> June 2024. The financial statements present the financial performance of the fund over the past year.

The fund was established in June 2018, started with an amount of **Kshs. 100,000,000** and an additional of **Kshs. 138,570,074**. The total amount of loans disbursed since inception of the fund amounted to **Kshs. 143,106,500**.

The fund issued loans to members as per their request and approval by the fund administration committee. In the year under review, a total of sixteen (16) loan applications amounting to **Kshs. 70,600,000** were disbursed.

### **Financial Performance**

#### **a) Revenue**

In the year ended 30<sup>th</sup> June 2024, the fund made revenue from interest on loans from members amounting to **Kshs. 1,599,208**. This was made possible by the fact that, all members paid up their monthly instalments as at the close of the FY 2023/2024.

In the table below, we present an analysis of revenue performance during the year.

<b>Revenue classification</b>	<b>Revenue budget (Kshs)</b>	<b>Actual (Kshs)</b>	<b>Realization (%)</b>
Revenue			
Public contributions and donations	-	-	-
Interest income	6,450,513	1,599,208	25
Fines, penalties and other levies	-	-	-
Other income	-	-	-
Total income	6,450,513	1,599,208	25

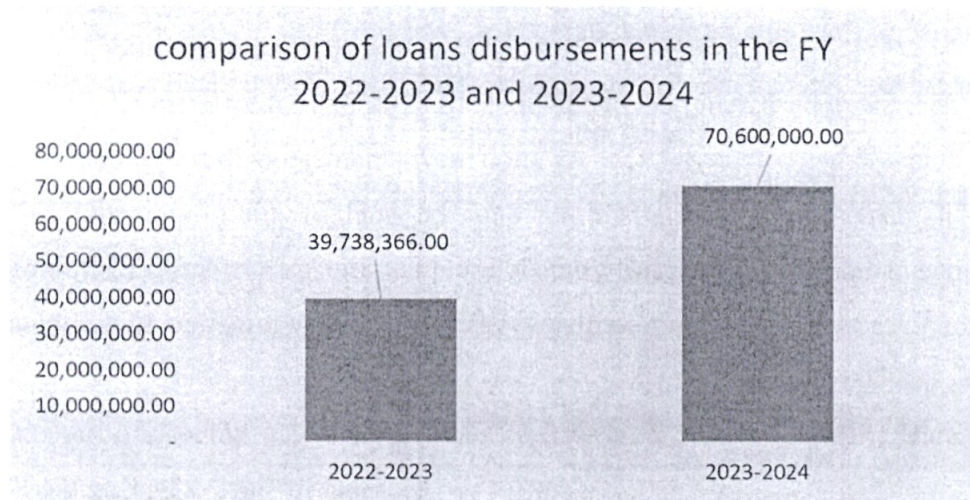


**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**b) Loans**

In the course of the financial year 2023/2024, the fund disbursed loans to sixteen (16) staff members amounting to **Kshs. 70,600,000**. Thirty-three (33) staff members have benefited from the loan’s disbursement since inception of the fund.

comparison of loans disbursed during the financial year 2022-2023 and 2023-2024



**c) Cash flows**

In the FY 2023/2024, the cash and cash equivalents amounted to **Kshs. 146,157,676**, there was no liquidity challenges in the fund since all the members of staff who had applied for the loans were disbursed.

**d) Conclusion**

During financial year 2023/2024 the loan uptake had increased by sixteen members of staff and also the highest disbursements were done

I take this opportunity to thank the fund administration committee and all stakeholders for their continued support to ensure that Nyeri County Executive Car Loan and Mortgage (Staff) Scheme achieves its objectives.

Name: John Ngugi

Signature..........Date.....20.9.2024.....

Fund Administrator.



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

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

**Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the County Government entity's performance against predetermined objectives.

The budgeted amount on interest income was **Kshs 6,450,513** and the realized amount is **Kshs 1,599,208.**

The key development objectives of the Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund is to:

- a) Provide a loan scheme for the purchase, development, renovations or repair of residential property and/or to purchase a motor vehicle for personal use by members of the scheme.

Progress on attaining the stated objectives:

<b>Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Car loans and mortgages fund	Provide car loans and mortgages to staff members	Number of staff members accessing car loans and mortgages in the County	Number of staff who have accessed loans	During the FY 2023/2024 loan access increased by 16 members of staff as compared to 7 in the FY 2022-2023



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**8. Corporate Governance Statement**

The number of committee meetings held and members attendance in FY 2023-2024

S/No	Date of the Meetings	No. of members who attended
1.	31 <sup>st</sup> July 2023	7
2.	2 <sup>nd</sup> October 2023	6
3.	19 <sup>th</sup> February 2024	8
4.	5 <sup>th</sup> March 2024	8
5.	8 <sup>th</sup> April 2024	7

**Succession plan**

The composition of the fund management committee is as per the Nyeri County Executive Car Loan and Mortgage (Staff) Scheme regulations 2017 clause 6 (1).

**Process of appointment and removal of fund administration committee**

The Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund regulations 2017 indicates that there is established a Nyeri County Executive (Car and Mortgage) Loans Management Committee, which consists of: -

- (a) The County Executive Committee Member responsible for Finance or his/her designate who shall be the chairperson;
- (b) One member of the County Executive Committee elected by members of the County Executive Committee;
- (c) The Chief Officer in charge of Land and planning;
- (d) The Chief Officer responsible for finance who shall be the Fund Administrator;
- (e) The officer in charge of human resource services in the County Public Service;
- (f) The Chief officer responsible for Public Works Officer;
- (g) The Secretary County Public Service Board or his/her designate.
- (h) The County Attorney



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**Roles and functions of the Fund Administration Committee**

- (a) Process and approve loans in accordance with the regulations;
- (b) Liaise with the financial institution where necessary to set up a Fund for the disbursement of the loans;
- (c) Oversee the management of the Fund;
- (d) Monitor and evaluate the performance of the Fund;
- (e) Approve annual work programmes and procurement plans for the Fund;
- (f) Recommend the investment of any surplus funds not immediately required in securities approved by the County Government, for the purposes of realizing the objects and purpose for which the Fund is established;
- (g) Cause to be kept all proper books and records of account of the income, expenditure, assets and liabilities of the Fund;
- (h) Receive any gifts, donations, grants or endowments made to the Fund;
- (i) Consider and recommend approval of the financial statements to the officer administering the Fund;
- (j) Recommend as when required the procurement of a financial institution to administer the Fund on its behalf;
- (k) Perform any other functions that are ancillary to the objects and purpose for which the Fund is established; and
- (l) Determine its own procedures for conducting its business.

**Fund administration committee and member performance,**

A total of 33 loan beneficiaries have made borrowings amounting to **Kshs.143,106,500** since its inception.

The fund disbursed loans to all members as per their requests and the approval by the fund administration committee.



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

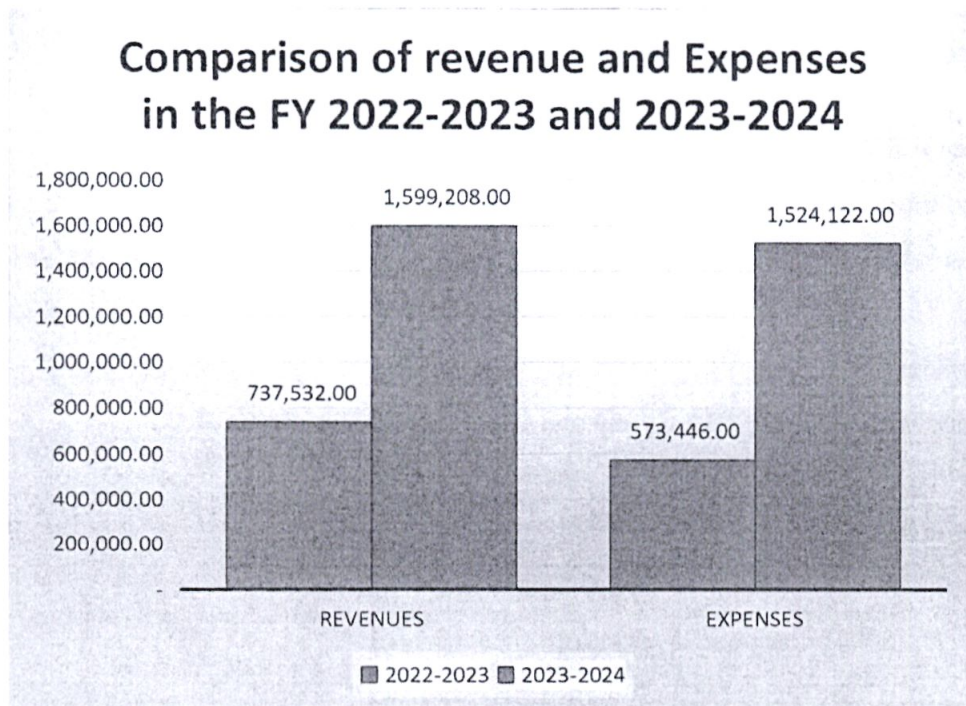
**9. Management Discussion and Analysis**

The fund was established in June 2018, started with an amount of **Kshs. 100 million** and an additional **Kshs 138,570,074**. A total of 33 loan beneficiaries have made borrowings amounting to **Kshs. 143,106,500**.

The fund has given loans to all members of staff as per their requests and the approval by the fund administration committee.

The following indicates the financial performance since inception. The revolving fund has increased by **Kshs 138,773,577** to **Kshs 238,570,074** and a surplus of **Kshs 1,292,276** in the financial year **2023-2024**.

**Comparison of Revenues and Expenditure for FY 2022-2023 and 2023-2024**





*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**10. Environmental and Sustainability Reporting**

**1. Sustainability strategy and profile -**

The top management especially the accounting officer should make reference to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

**2. Environmental performance**

Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

**3. Employee welfare**

Give account of the policies guiding the hiring process and whether they take into account the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)

**4. Market place practices-**

The organisation should outline its efforts to:

a) Responsible competition practice.

Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors

b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.



## *Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

- c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices
  - d) Product stewardship- outline efforts to safeguard consumer rights and interests
5. **Corporate Social Responsibility / Community Engagements**

The organisation gives details of CSR activities carried out in the year and the impact to the society. Give evidence of community engagement including charitable giving (cash and material), Corporate Social Investment and other forms of community engagements.

### **11. Report of Fund Administration Committee**

The Fund administration committee submit their report together with the audited financial statements for the year ended June 30, 2024 which show the state of the Fund affairs.

#### **Principal activities**

The principal activity of the fund is to provide a loan scheme for the purchase, development, renovations or repair of residential property and/or to purchase a motor vehicle for personal use by members of the scheme.

#### **Results**

The results of the Fund for the year ended June 30, 2024 are set out on page 1 to 51.

#### **Fund Administration Committee**

The members of the Fund administration committee who served during the year are shown on page (v). During the financial year a new member was appointed to the fund administration committee after retirement of one member.

#### **Auditors**

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



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

The Fund administration committee submit their report together with the audited financial statements for the year ended June 30, 2024 which show the state of the Fund affairs.

A handwritten signature in black ink, appearing to be "Z. Esau", written over a dotted line.

**Chair of the Fund Administration Committee**

Date: .....20.9.2024.....



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**12. Statement of Management’s Responsibilities**

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund regulation 2017 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

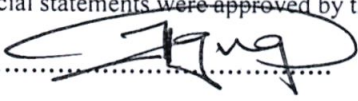
The Administrator of the County Public Fund accepts responsibility for the Fund’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund regulation 2017. The Administrator of the Fund is of the opinion that the Fund’s financial statements give a true and fair view of the state of Fund’s transactions during the financial year ended June 30, 2024, and of the Fund’s financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund’s financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund’s ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. OR

Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The Fund’s financial statements were approved by the Board on 20.9. 2024 and signed on its behalf by:

.....  


Administrator of the County Public Fund

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



HEADQUARTERS  
Anniversary Towers  
Monrovia Street  
P.O Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2024**

### PREAMBLE

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

- A. Report on the 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 the Lawfulness and Effectiveness in 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 the 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 determines that the financial statements are materially misstated and are not fairly presented in accordance with the applicable financial reporting framework. The Report on the Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### **Qualified Opinion**

I have audited the accompanying financial statements of Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund set out on pages 1 to 41, which comprise the statement of receipts and payments for the year ended 30 June, 2024 and the statement

---

*Report of the Auditor-General on Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund for the year ended 30 June, 2024*

of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the County Governments Act, 2012, the Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Regulations, 2017 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unaccounted for Fringe Benefits Tax**

The statement of financial performance reflects use of goods and services amounting to Kshs.1,524,122 as disclosed in Note 7 to the financial statements. Included in the expenditure is fringe benefits tax of Kshs.885,712 which does not agree with the supporting schedules of Kshs.621,712 resulting to an unexplained and unreconciled variance of Kshs.264,000. Further, review of tax computation schedule provided for audit revealed that the Fund had an outstanding fringe benefits tax of Kshs.881,424, an accumulated interest of Kshs.715,660 all totalling to Kshs.1,596,662 as at 30 June, 2024 and unpaid tax arrears amounting to Kshs.30,301,063.

In addition, the Fund Administrator failed to remit taxes within the prescribed time period which might attract interest and penalties on the outstanding amounts.

In the circumstances, the regularity, accuracy and completeness of the fringe benefits tax amount of Kshs.885,712 could not be confirmed.

#### **2. Unconfirmed Interest Income**

The statement of financial performance reflects interest income of Kshs.1,599,208 as disclosed in Note 4 to the financial statements. However, the schedule of the interest income during the year was not provided.

In the circumstances, accuracy of the interest income could not be confirmed.

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

## **Emphasis of Matter**

### **Budgeted Interest Income Shortfall**

The statement of comparison of budget and actual amounts reflects reported final budget under interest income amounting to Kshs.6,450,513 and actual amount of Kshs.1,599,208 resulting to income shortfall of Kshs.4,851,208 or about 75% of the budgeted interest income. In the circumstances, the budgeting of revenue income seems to have been unrealistic.

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

### **Other Information**

The Management is responsible for the Other Information set out on page iv to xxiii which comprise of Key Entity Information and Management, Fund Administration Committee Profiles, Management Team, Fund Chairperson's Report, Report of the Fund Administrator, Management Discussion and Analysis, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting, Statement of Corporate Governance and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on Fund's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact.

Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that other information is not materially inconsistent with the financial statements

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 USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matter described in the Basis for Conclusion on

Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Loans Disbursed Without Mandatory Documentation**

The report of Fund Administrator stated that during the year under review, the Fund disbursed a total of sixteen (16) loan applications amounting to Kshs.70,600,000. However, loans amounting to Kshs.21,200,000 were advanced without the required mandatory documents such as approvals, approved drawings, mortgage insurance protection policy and valuation reports.

In the circumstances, the Fund might be exposed to financial losses through non-recoverability of loans disbursed without adhering to the provisions defined in the regulations.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

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

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

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

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

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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

24 December, 2024



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**14. Statement of Financial Performance for the Year Ended 30<sup>th</sup> June 2024**

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Public Contributions and Donations	1	-	-
Transfers From the County Government	2	100,000,000	-
Fines, Penalties and Other Levies	3	-	-
		<b>100,000,000</b>	-
<b>Revenue From Exchange Transactions</b>			
Interest Income	4	1,599,208	737,532
Other Income	5	-	-
		<b>1,599,208</b>	<b>737,532</b>
<b>Total Revenue</b>		<b>101,599,208</b>	<b>737,532</b>
<b>Expenses</b>			
Employee Costs	6	-	-
Use of goods and services	7	1,524,122	573,446
Depreciation and Amortization Expense	8	-	-
Finance Costs	9	-	-
<b>Total Expenses</b>		<b>1,524,122</b>	<b>573,446</b>
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets	10	-	-
Gain /Loss on fair value of investments	11	-	-
<b>Surplus/(Deficit) for the Period</b>		<b>100,075,086</b>	<b>164,086</b>

.....  
**Name: John Ngugi**  
**Administrator of the Fund**

.....  
**Name: Nancy Gatei**  
**Fund Accountant**  
**ICPAK Member Number:8455**



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**15. Statement of Financial Position As at 30 June 2024**

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	12	146,157,676	101,462,392
Current Portion of Long- Term Receivables From Exchange Transactions	13	2,296,172	-
Prepayments	14	-	-
Inventories	15	-	-
Investments in financial assets	16	-	-
<b>Total current assets</b>		<b>148,453,847</b>	<b>101,462,392</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	17	-	-
Intangible Assets	18	-	-
Long Term Receivables from Exchange Transactions	13	91,490,129	38,324,897
Investment Property	19	-	-
<b>Total non- current assets</b>		<b>91,490,129</b>	<b>38,324,897</b>
<b>Total Assets (A)</b>		<b>239,943,977</b>	<b>139,787,289</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables from Exchange Transactions	20	81,603	-
Current Provisions	21	-	-
Current Portion of Borrowings	22	-	-
Employee Benefit Obligations	23	-	-
Social benefit liabilities	24	-	-
<b>Total current liabilities</b>		<b>81,603</b>	<b>-</b>
<b>Non-Current Liabilities</b>			
Non-Current Provisions	21	-	-
Long Term Portion of Borrowings	22	-	-
Non-Current Employee Benefit Obligation	23	-	-
Social benefit liabilities	24	-	-
<b>Total Liabilities (B)</b>		<b>81,603</b>	<b>-</b>
<b>Net Assets (A-B)</b>		<b>239,862,374</b>	<b>139,787,289</b>
<b>Represented By:</b>			
Revolving Fund		138,570,074	138,570,074
Reserves b/f		1,217,215	-
Accumulated Surplus		100,075,086	1,217,215
<b>Net Assets</b>		<b>239,862,374</b>	<b>139,787,289</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 20<sup>th</sup> 9<sup>th</sup> 2024 and signed by:

.....  
Name: John Ngugi

Administrator of the Fund

.....  
Name: Nancy Gatei

Fund Accountant  
ICPAK Member Number 8455



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**16. Statement of Changes in Net Assets for the year ended 30<sup>th</sup> June 2024**

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July (2022-2023)</b>	138,570,074	-	1,053,129	139,623,203
Surplus/(Deficit) For the Period	-	-	164,086	164,086
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June (2022-2023)</b>	<b>138,570,074</b>	<b>-</b>	<b>1,217,215</b>	<b>139,787,289</b>
<b>Balance As At 1 July (2023-2024)</b>	<b>138,570,074</b>	<b>-</b>	<b>1,217,215</b>	<b>139,787,289</b>
Surplus/(Deficit) For the Period		-	75,086	75,086
Funds Received During the Year	100,000,000	-	-	100,000,000
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June (2023-2024)</b>	<b>238,570,074</b>	<b>-</b>	<b>1,292,301</b>	<b>239,862,374</b>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**17. Statement of Cash Flows for The Year Ended 30 June 2024**

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the County Government	2	100,000,000	-
Interest received	4	1,599,208	737,532
Receipts from other operating activities		-	-
<b>Total receipts</b>		<b>101,599,208</b>	<b>737,532</b>
<b>Payments</b>			
Use of Goods and Services	7	1,524,122	573,446
General expenses		-	-
Finance cost		-	-
<b>Total payments</b>		<b>1,524,122</b>	<b>573,446</b>
<b>Adjusted for</b>			
Transfer of interest from NBK to Family Bank		375,932	-
<b>Net cash flows from operating activities</b>		<b>100,451,018</b>	<b>164,086</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and Intangible assets		-	-
Proceeds from sale of property, plant & equipment		-	-
Proceeds from loan principal repayments		14,844,266	15,578,785
Loan disbursements paid out		(70,600,000)	(39,738,366)
<b>Net cash flows used in investing activities</b>		<b>(55,755,734)</b>	<b>(24,159,581)</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash &amp; cash Equivalents</b>		<b>44,695,284</b>	<b>(23,995,495)</b>
Cash and cash equivalents at 1 July		101,462,392	125,457,886
<b>Cash and cash equivalents at 30 June</b>		<b>146,157,676</b>	<b>101,462,392</b>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**18. Statement Of Comparison of Budget And Actual Amounts For The Period 2024**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	<b>a</b>	<b>b</b>	<b>C=(a+b)</b>	<b>d</b>	<b>e=(c-d)</b>	<b>f=d/c*100</b>
<b>Revenue</b>						
Public Contributions and Donations	-	-	-	-	-	-
Transfers From County Govt.	100,000,000	-	100,000,000	100,000,000	-	-
Interest Income	6,450,513	-	6,450,513	1,599,208	4,851,305	25
Other Income	-	-	-	-	-	-
Balance B/F	101,462,392	-	101,462,392	101,462,392	-	100
<b>Total Income</b>	<b>207,912,905</b>	<b>-</b>	<b>207,912,905</b>	<b>203,061,600</b>	<b>4,851,305</b>	<b>98</b>
<b>Expenses</b>						
Fund Administration Expenses	2,150,171	-	2,150,171	451,473	1,698,698	21
General Expenses	20,000	-	20,000	6,500	13,500	33
Finance Cost	10,000	-	10,000	8,437	1,563	84
Loan Disbursements	203,040,734	-	203,040,734	70,600,000	132,440,734	35
committee members allowances	492,000	-	492,000	172,000	320,000	35
Fridge Benefit tax	2,200,000	-	2,200,000	885,712	1,314,288	40
<b>Total Expenditure</b>	<b>207,912,905</b>	<b>-</b>	<b>207,912,905</b>	<b>72,124,122</b>	<b>135,788,783</b>	<b>35</b>
<b>Surplus For the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>130,937,478</b>	<b>(130,937,478)</b>	<b>-</b>
<b>Capital expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***

**19. Notes to the Financial Statements**

**Significant Accounting Policies**

**1. General Information**

Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund entity is established by and derives its authority and accountability from PFM Act 2012. The entity is wholly owned by the Nyeri County Government and is domiciled in Kenya. The entity’s principal activity is to provide a loan scheme for the purchase, development, renovations or repair of residential property and/or to purchase a motor vehicle for personal use by members of the scheme.

**2. Statement of compliance and basis of preparation**

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

**3. Adoption of new and revised standards**

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

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

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

Standard	Effective date and impact:
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b> 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. <i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 45- Property Plant and Equipment</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b> 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. <i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 46 Measurement</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"><li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li><li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li><li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li></ul>The standard also introduces a public sector specific measurement bases called the current operational value. <i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 47- Revenue</p>	<p><b>Applicable 1<sup>st</sup> January 2026</b> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. <i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 48-</p>	<p><b>Applicable 1<sup>st</sup> January 2026</b></p>



***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***

Transfer Expenses	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. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 49- Retirement Benefit Plans	<b><i>Applicable 1<sup>st</sup> January 2026</i></b> 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. <i>State the expected impact of the standard to the Entity if relevant</i>

**(i) Early adoption of standards**

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**1. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Transfers from other government entities**

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

**ii. Revenue from exchange transactions**

**Interest income**

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

**Dividends**

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

**Rental income**

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

**b) Budget information**

The original budget for FY 2023-2024 was approved by the fund administration committee on 31<sup>st</sup> July 2023. There were no revisions or additional appropriations made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations of **Kshs 100,000,000** on the **FY 2023-2024** budget following the governing body's approval.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. 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



## ***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***

comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

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

### **c) Property, plant and equipment**

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

#### **a) Intangible Assets**

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

The useful life of the intangible assets is assessed as either finite or indefinite.

#### **b) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately)* 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



## ***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***

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.

### **c) Financial instruments**

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

### **Financial assets**

#### **Classification of financial assets**

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

#### **Subsequent measurement**

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



***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***  
**Summary of Significant Accounting Policies (Continued)**

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

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



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*  
**Summary of Significant Accounting Policies (Continued)**

**Financial liabilities**

**Classification**

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

**d) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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

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

**e) Provisions**

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

**f) Social Benefits**

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



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**g) Contingent liabilities**

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

**Contingent assets**

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

**h) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements. *Entity to state the reserves maintained and appropriate policies adopted.*

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

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

**j) Employee benefits – Retirement benefit plans**

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

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



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*  
**Summary of Significant Accounting Policies (Continued)**

**k) Foreign currency transactions**

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

**l) Borrowing costs**

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

**m) Related parties**

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

**n) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**o) Comparative figures**

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





***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***

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.



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**19. Notes To The Financial Statements Continued**

**1. Public contributions and donations**

Description	2023-2024	2022-2023
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From the Public	-	-
<b>Total</b>	-	-

**2. Transfers from County Government**

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers From County Govt. –Operations	100,000,000.00	-
Payments By County on Behalf Of The Entity	-	-
Unconditional Development grants	-	-
<b>Total</b>	<b>100,000,000.00</b>	-

**3. Fines, penalties and other levies**

Description	2023-2024	2022-2023
	Kshs	Kshs
Late Payment Penalties	-	-
Fines	-	-
<b>Total</b>	-	-

**4. Interest income**

Description	2023-2024	2022-2023
	Kshs	Kshs
Interest Income from Mortgage Loans	1,338,488	497,606
Accrued Interest Income (Not posted)	244,808	-
Interest Income from National bank of Kenya (unposted)	-	239,926
Interest Income from Car Loans	15,912	-
Interest Income from Investments in financial assets	-	-
Interest Income on Bank Deposits	-	-
<b>Total Interest Income</b>	<b>1,599,208</b>	<b>737,532</b>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**5. Other income**

Description	2023-2024	2022-2023
	Kshs	Kshs
Insurance Recoveries	-	-
Income From Sale of Tender Documents	-	-
Miscellaneous Income	-	-
<b>Total Other Income</b>	-	-

**6. Employee Costs**

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



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**7. Use of Goods and Services**

Description	2023-2024	2022-2023
	Kshs.	Kshs.
General Office Expenses	6,500	-
Loan Processing Costs	-	-
Professional Services Costs	451,473	165,869
Administration Fees of unposted interest	-	79,975
withholding tax charged	-	108,302
Committee Allowances	172,000	207,000
Bank Charges	8,437	12,300
Fridge Benefit Tax	885,712	-
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Insurance Costs	-	-
Postage And Courier	-	-
Printing And Stationery	-	-
Other ( <i>Specify</i> )	-	-
Social benefit expenses*	-	-
<b>Total</b>	<b>1,524,122</b>	<b>573,446</b>

**8. Depreciation and Amortization Expense**

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Property Plant and Equipment	-	-
Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**9. Finance costs**

Description	2023-2024	2022-2023
	Kshs	Kshs
Interest on Bank Overdrafts	-	-
Interest on Loans from Banks	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**10. Gain/(loss) on disposal of assets**

Description	2023-2024	2022-2023
	Kshs	Kshs
Property, Plant And Equipment	-	-
Intangible Assets	-	-
<b>Total</b>	-	-

**11. Gain/ (loss) on Fair Value Investments**

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

**12. Cash and cash equivalents**

Description	2023-2024	2022-2023
	Kshs	Kshs
Car Loan Account	-	-
County Mortgage Account	-	-
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account	146,157,676	101,462,392
Others ( <i>Specify</i> )	-	-
<b>Total Cash and Cash Equivalents</b>	<b>146,157,676</b>	<b>101,462,392</b>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**Notes to the Financial Statements Continued**

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

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
<b>a) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Equity Bank, Etc.		-	-
<b>Sub- Total</b>		-	-
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank - Etc.		-	-
<b>Sub- Total</b>		-	-
<b>c) Current Account</b>			
Cooperative Bank - Nyeri County Executive Car Loan And Mortgage Safe Custody	01141894597700	240	6,000
Family Bank - County Government of Nyeri (Interest Account)	055000053936	1,003,147	117,238
Family Bank - Nyeri County Loans and Mortgages Fund A/C	055000028883	20,455,289	91,695,483
Family Bank - Nyeri County Car Loan and Mortgage Staff Scheme Fund	055000065379	100,000,000	-
Family Bank - Nyeri County Loans and Mortgages Collection A/C	055000053935	24,698,975	9,643,671
Nyeri County Executive Car Loans and Mortgages Fund	01520205791900	25	-
<b>Sub- Total</b>		<b>146,157,676</b>	<b>101,462,392</b>
<b>d) Others(Specify)</b>			
Cash In Transit		-	-
Cash In Hand		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>146,157,676</b>	<b>101,462,392</b>



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**13. Receivables from exchange transactions**

Description	2023-2024	2022-2023
	FY	FY
	Kshs	Kshs
<b>Current Receivables</b>		
Interest Receivable	-	-
Current Loan Repayments Due	2,296,172	-
Other Exchange Debtors	-	-
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>2,296,172</b>	<b>-</b>
<b>Non-Current Receivables</b>		
Long Term Loan Repayments Due	91,490,129	38,324,897
<b>Total Non- Current Receivables</b>	<b>91,490,129</b>	<b>-</b>
<b>Total Receivables from Exchange Transactions</b>	<b>93,786,301</b>	<b>38,324,897</b>

**Additional disclosure on interest receivable**

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



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**14. Prepayments**

Description	2023-2024	2022-2023
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments ( <i>Specify</i> )	-	-
<b>Total</b>	-	-

**15. Inventories**

Description	2023-2024	2022-2023
	Kshs	Kshs
Consumable Stores	-	-
Spare Parts and Meters	-	-
Catering	-	-
Other Inventories ( <i>Specify</i> )	-	-
<b>Total Inventories at The Lower of Cost and Net Realizable Value</b>	-	-

**16. Investments in financial assets**

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

*(Entity should disclose whether the fixed investment financial assets are measured at amortised cost or at fair value through changes in net assets/ equity) Investments in equity should be measured at fair value through surplus or deficit. Other information to be disclosed includes: the interest rates, maturity dates, valuation methodology, and impairment of these investments.*



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**Movement of Equity Investments**

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

**e) Shareholding in other entities**

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

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



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*  
**Notes To the Financial Statements (Continued)**

**17. Property, plant and equipment**

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
<b>At 1<sup>st</sup> July (2022-2023)</b>	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
<b>At 30<sup>th</sup> June 2023</b>	-	-	-	-	-
<b>At 1<sup>st</sup> July (2023-2024)</b>					
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-
<b>Depreciation And Impairment</b>					
At 1 <sup>st</sup> July (2022-2023)	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
<b>At 30<sup>th</sup> June 2023</b>	-	-	-	-	-
<b>At 1<sup>st</sup> July (2023-2024)</b>					
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-
<b>Net Book Values</b>					
<b>At 30<sup>th</sup> June 2023</b>	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**  
**Notes to the Financial Statements (Continued)**

**18. Intangible assets**

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>Cost</b>		
<b>At Beginning of The Year</b>	-	-
Additions	-	-
<b>At End of The Year</b>	-	-
<b>Amortization And Impairment</b>		
<b>At Beginning of The Year</b>	-	-
Amortization	-	-
<b>At End of The Year</b>	-	-
Impairment Loss	-	-
<b>At End of The Year</b>	-	-
<b>NBV</b>	-	-

**19. Investment Property**

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

*(For investment property held at fair value, changes in fair value should go through the statement of financial performance. Where cost model is elected, depreciation and impairment should not be charged. Investment measured at fair value should be evaluated at the end of the reporting period for changes in fair value.). Entity should disclose the independent valuers, rental income from the investment property if any and the direct costs attributed to the investment property. Any charges on the investment property as well as any difficulty in classifying this asset as an investment property.*



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**Notes To The Financial Statements (Continued)**

**20. Trade and other payables from exchange transactions**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade Payables	-		-	
Refundable Deposits	-		-	
Accrued Expenses	81,603		-	
Other Payables	-		-	
<b>Total Trade and Other Payables</b>	<b>81,603</b>		<b>-</b>	
<b>Ageing analysis (Trade and other payables)</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (tie to above total)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**21. Provisions**

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



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*  
**Notes To the Financial Statements (Continued)**

**22. Borrowings**

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>Balance At Beginning of The Period</b>	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments of External Borrowings During the Period	-	-
Repayments of Domestic Borrowings During the Period	-	-
<b>Balance At End of The Period</b>	-	-

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

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>External Borrowings</b>		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y Organization'	-	-
Euro Denominated Loan from Z Organization'	-	-
<b>Domestic Borrowings</b>		
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
<b>Total Balance at End of The Year</b>	-	-

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
<b>Total</b>	-	-



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

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

**23. Employee benefit obligations**

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

**24. Social Benefit Liabilities**

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

*Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g poverty, age, unemployment among others.*



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*  
**Notes To The Financial Statements (Continued)**

**25. Cash generated from operations.**

Description	2023-2024	2022-2023
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year Before Tax</b>	-	-
<b>Adjusted For:</b>		
Depreciation	-	-
Amortisation	-	-
Gains/ Losses On Disposal Of Assets	-	-
Interest Income	-	-
Finance Cost	-	-
<b>Working Capital Adjustments</b>		
Increase In Inventory	-	-
Increase In Receivables	-	-
Increase In Payables	-	-
<b>Net Cash Flow From Operating Activities</b>	-	-

*(The total of this statement should tie to the cash flow section on net cash flows from operating activities)*



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**  
**Notes To The Financial Statements (Continued)**

**26. Related party balances**

**a) Nature of related party relationships**

Entities and other parties related to the Fund include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The fund/scheme is related to the following entities:

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

**b) Related party transactions**

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers From Related Parties'	-	-
Transfers To Related Parties	-	-

**c) Key management remuneration**

Description	2023-2024	2022-2023
	Kshs	Kshs
Board Of Trustees	-	-
Key Management Compensation	-	-
<b>Total</b>	-	-

**d) Due from related parties**

Description	2023-2024	2022-2023
	Kshs	Kshs
Due From Parent Ministry	-	-
Due From County Government	-	-
<b>Total</b>	-	-



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**Other Disclosures Continued**

e) **Due to related parties**

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

**27. Contingent assets and contingent liabilities**

<b>Contingent Liabilities</b>	2023-2024	2022-2023
	<b>Kshs</b>	<b>Kshs</b>
Court Case Against the Fund	-	-
Bank Guarantees	-	-
<b>Total</b>	-	-



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

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

**28. Financial risk management**

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

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

**a) Credit risk**

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2024</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June 2023</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-



***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***  
**Notes To the Financial Statements (Continued)**

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

The entity has significant concentration of credit risk on amounts

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

**b) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the entity’s short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June (2024)</b>				
Trade Payables	-	-	-	-
Current Portion of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June (2023)</b>				
Trade Payables	-	-	-	-
Current Portion of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**  
**Notes To the Financial Statements (Continued)**

**c) Market risk**

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

**i. Foreign currency risk**

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

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

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

*The Fund manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.*



***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***  
**Notes To The Financial Statements (Continued)**

**Foreign currency sensitivity analysis**

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
<b>(Current FY)</b>			
Euro	10%	-	-
USD	10%	-	-
<b>(Comparative FY)</b>			
Euro	10%	-	-
USD	10%	-	-

**ii. Interest rate risk**

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

***Management of interest rate risk***

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

***Sensitivity analysis***

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase. A rate increase/decrease of 5% would result in a decrease/increase in profit before tax.



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

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

**d) Capital risk management.**

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation reserve	-	-
Revolving fund	-	-
Accumulated surplus	-	-
<b>Total funds</b>	-	-
Total borrowings	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
<b>Gearing</b>	-	-

**29. Events after the reporting period**

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

**30. Ultimate and Holding Entity**

The entity is a County Public Fund established by PFM Act under the department of Finance, Economic Planning and ICT. Its ultimate parent is the County Government of Nyeri.

**31. Currency**

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



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**20. Annexes**

**Annex I: Progress on Follow Up of Prior Year Auditor’s Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Unremitted Fringe Benefit Tax	The statement of financial position reflects Nil balance in respect of employee fringe benefit obligations. However, review of records provided for audit revealed that the Fund had an outstanding fringe benefit tax of Kshs. 881,361 and accumulated interest of Kshs. 247,377 all totalling to Kshs. 1,128,738 as at 30 June, 2023 which had not been remitted to the Kenya Revenue Authority. This was contrary to Section 12B of the Income Tax Act which provides that the taxable value of fringe benefit tax shall be the difference between the market interest rate and the actual interest paid on a loan provided to an employee, director, or their relatives. The Act further provides for a penalty of 25% of the tax due for late payment and a penalty of 5% of tax due for failure to remit the tax. In the circumstances, the accuracy of Nil balance in respect of employee obligation as at 30 June, 2023 could not be confirmed. In addition,	The management was not able to remit the unpaid fringe benefit tax of Kshs. 881,361 to Kenya Revenue Authority, since National Bank which was managing the car loans and mortgages on behalf of the fund had not remitted the interest to the fund. The management followed up on the remittance of the interest and the final remittance was done in the FY 2023-2024 and the management settled the principal fringe benefit		



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved /Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	management was in breach of the law			
Low Loan Absorption Rate	<p>The Fund was established during the FY 2018/2019 with an amount of Kshs. 138,570,074. However, as at 30 June, 2023, the cash and cash equivalents balance was Kshs. 101,462,392 with loans amounting to Kshs. 37,107,683 or 27% having been disbursed. This indicates low absorption considering that the Fund had been in existence for over four (4) years. The low absorption negates Regulation 197(1)(a) of the Public Finance Management (County Governments) Regulations, 2015 which provides that establishment of a County Public Fund shall be initiated through a proposal by the County Executive Member responsible for the County Government entity under which the functions of the Fund fall, clearly setting out the justifications and submit it to the County Executive Committee Member. In the circumstances, justification for establishing the Fund which has remained largely inactive for over four (4) years, could not be ascertained.</p>	<p>The low absorption was attributed to the strict policies of National Bank This is because the bank was previously administering the fund whereby it would administer the fund with its policies even after approval of applications by the committee. The low absorption was also attributed by the fact that most officers contracts were lapsing during the financial year. The County Government has since moved administration of the Fund to Family bank</p>		



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		upon termination of contract between it and National Bank of Kenya.		

**Guidance Notes:**

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

Fund Manager/Accounting Officer (enter title of head of Fund)

Date.....20-9-2024.....



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**Annex II: Inter-Fund Confirmation Letter**

*[Insert your Letterhead]*

*[Insert name of beneficiary Fund]*

*[Insert Address]*

The *[insert SC/SAGA/Fund name here]* wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 20xx as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by <i>[Insert name of beneficiary Fund]</i> as at 30 <sup>th</sup> June 20xx							
Reference Number	Date Disbursed	Amounts Disbursed by <i>[SC/SAGA/Fund]</i> (Kshs) as at 30 <sup>th</sup> June 20xx				Amount Received by <i>[beneficiary Fund]</i> (KShs) as at 30 <sup>th</sup> June 20xx (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
<b>Total</b>							

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

**Head of Accountants department of beneficiary Fund:**

Name ..... Sign .....Date .....



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*  
**Annex III: Reporting of Climate Relevant Expenditures**

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



***Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024***  
**Annex IV: Reporting on Disaster Management Expenditure**

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



**Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024**

**REPUBLIC OF KENYA  
NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME FUND  
FAMILY BANK INTEREST ACCOUNT  
ACCOUNT NUMBER 055000053936**

For the month of June 2024			
		Ksh	Ksh
Balance as per Bank certificate:			1,003,247.02
<b>Less:</b>			
1	Payments in cash book not yet recorded in bank statement (Unpresented cheques)		
2	Receipts in bank statement not yet recorded in cash book		100.00
<b>Add:</b>			
3	Payments in bank statement not yet recorded in cash book		-
4	Receipts in cashbook not yet recorded in bank statement		-
	Balance as per cashbook		1,003,147.02

I certify that I have verified the bank balances in the cash book with Bank statement and that the above reconciliation is correct.

Prepared by

Fund Accountant

9-7-2024

Signature

Designation

Date

Approved by

Fund Administrator

9-7-2024

Signature

Designation

Date



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

REPUBLIC OF KENYA  
NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME FUND  
FAMILY BANK - NYERI COUNTY CAR LOAN & MORTGAGE STAFF SCHEME FUND  
ACCOUNT NUMBER 055000065379 (MAIN FUND 2)

For the month of June 2024				
		Ksh	Ksh	Ksh
	Balance as per Bank certificate:			100,000,000.00
<b>Less:</b>				
1	Payments in cash book not yet recorded in bank statement (Unpresented cheques)			
2	Receipts in bank statement not yet recorded in cash book			
<b>Add:</b>				
3	Payments in bank statement not yet recorded in cash book			
4	Receipts in cashbook not yet recorded in bank statement			
	Balance as per cashbook			100,000,000.00

I certify that I have verified the bank balances in the cash book with Bank statement and that the above reconciliation is correct.

Prepared

.....

Fund Accountant

.....9-7-2024.....

Signature

Designation

Date

Approved by

.....

Fund Administrator

.....9-7-2024.....

Signature

Designation

Date




*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**REPUBLIC OF KENYA  
NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME  
FUND  
FAMILY BANK COLLECTION ACCOUNT NUMBER 055000053935**

<b>For the month of June 2024</b>			
		Ksh	Ksh
	Balance as per Bank certificate:		24,698,975.73
<b>Less:</b>			
1	Payments in cash book not yet recorded in bank statement (Unpresented cheques)		
2	Receipts in bank statement not yet recorded in cash book		
<b>Add:</b>			
3	Payments in bank statement not yet recorded in cash book		
4	Receipts in cashbook not yet recorded in bank statement		
	Balance as per cashbook		24,698,975.73

I certify that I have verified the bank balances in the cash book with Bank statement and that the above reconciliation is correct.

Prepared by

  
.....

Fund Accountant

9.7.2024  
.....

Signature

Designation

Date

Approved by

  
.....

Fund Administrator

9.7.2024  
.....

Signature

Designation

Date




*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**REPUBLIC OF KENYA  
NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF)  
SCHEME FUND  
FAMILY BANK – NYERI COUNTY LOANS & MORTGAGES FUND ACCOUNT  
NUMBER 055000028883 (MAIN FUND 1)**

For the month of June 2024			
		Ksh	Ksh
	Balance as per Bank certificate:		20,455,289.23
<b>Less:</b>			
1	Payments in cash book not yet recorded in bank statement (Unpresented cheques)		
2	Receipts in bank statement not yet recorded in cash book		
<b>Add:</b>			
3	Payments in bank statement not yet recorded in cash book		
4	Receipts in cashbook not yet recorded in bank statement		
	Balance as per cashbook		20,455,289.23

I certify that I have verified the bank balances in the cash book with Bank statement and that the above reconciliation is correct.

Prepared by

  
.....

Fund Accountant

9.7.2024  
.....

Signature

Designation

Date

Approved by

  
.....

Fund Administrator

9.7.2024  
.....

Signature

Designation

Date




*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**REPUBLIC OF KENYA  
NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME FUND  
COOPERATIVE BANK - SAFE CUSTODY ACCOUNT NUMBER: 01141894597700**

For the month of June 2024				
		Ksh	Ksh	Ksh
	Balance as per Bank certificate:			240
<b>Less:</b>				
1	Payments in cash book not recorded in bank statement (Unpresented cheques)			
2	Receipts in bank statement not yet recorded in cash book			
<b>Add:</b>				
3	Payments in bank statement not yet recorded in cash book			
4	Receipts in cashbook not yet recorded in bank statement			
	Balance as per cashbook			240

I certify that I have verified the bank balances in the cash book with Bank statement and that the above reconciliation is correct.

Prepared by

  
.....

Fund Accountant

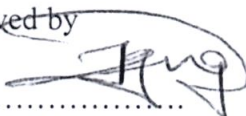
9-7-2024  
.....

Signature

Designation

Date

Approved by

  
.....

Fund Administrator

9-7-2024  
.....

Signature

Designation

Date



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

REPUBLIC OF KENYA


**NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME FUND**

**NATIONAL BANK NYERI COUNTY EXECUTIVE CAR LOANS AND MORTGAGES FUND  
ACCOUNT NUMBER 01520205791900**

For the month of June 2024				
		Ksh	Ksh	Ksh
	Balance as per Bank certificate:			25
<b>Less:</b>				
1	Payments in cash book not yet recorded in bank statement (Unpresented cheques)			
2	Receipts in bank statement not yet recorded in cash book			
<b>Add:</b>				
3	Payments in bank statement not yet recorded in cash book			
4	Receipts in cashbook not yet recorded in bank statement			
	Balance as per cashbook			25

I certify that I have verified the bank balances in the cash book with Bank statement and that the above reconciliation is correct.

Prepared by

  
.....

Fund Accountant


9.7.2024  
.....

Signature

Designation

Date

Approved by

  
.....

Fund Administrator

9.7.2024  
.....

Signature

Designation

Date



*Nyeri County Executive Car Loan and Mortgage (Staff) Scheme Fund Reports and Financial Statements for the year ended 30<sup>th</sup> June, 2024*

**NYERI COUNTY EXECUTIVE CAR LOAN AND MORTGAGE (STAFF) SCHEME FUND TRIAL BALANCE FOR THE YEAR ENDED 30TH JUNE 2024**

Description	Current Period		Previous period	
	Debit Kshs	Credit Kshs	Debit Kshs	Credit Kshs
Cash Loan account	146,157,676		101,462,392	
Cash interest account				
Current portion of long term receivables	2,296,172			
Long term receivables	91,490,129		38,324,897	
Trade and other payable	(81,603)			
Revolving Fund		138,570,074		138,570,074
Reserves brought forward		1,217,215		
Accumulated surplus		100,075,086		1,217,215
	<b>239,862,374</b>	<b>239,862,374</b>	<b>139,787,289</b>	<b>139,623,203</b>

Prepared by

.....  
Signature

Fund Accountant

.....  
Date

Signature

Designation

Date

Approved by

.....  
Signature

Fund Administrator

.....  
Date

Signature

Designation

Date