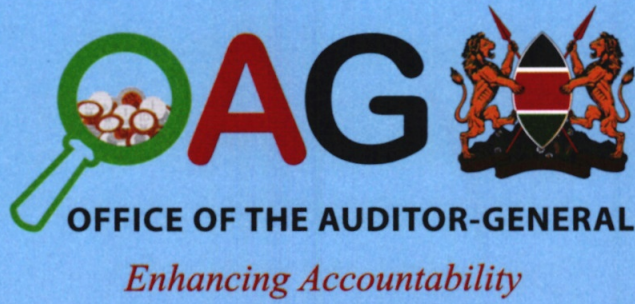


REPUBLIC OF KENYA



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REPORT
OF
THE AUDITOR-GENERAL
ON
NAIROBI CITY COUNTY ASSEMBLY
CAR LOAN AND MORTGAGE SCHEME FUND
FOR THE YEAR ENDED
30 JUNE, 2023

PAPERS LAID	
DATE	23/04/2024
TABLED BY	Dep-Senate Majority Whip
COMMITTEE	
CLERK AT THE TABLE	CAROLINE C.



**NAIROBI CITY COUNTY ASSEMBLY CAR LOAN AND MORTGAGE
SCHEME FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2023**

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

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Nairobi City County Assembly Car Loan and Mortgage Fund
Annual Report and Financial Statements for the year ended June 30, 2023

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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

b) Glossary of Terms

Fiduciary Management The key management personnel who had financial responsibility
*Provide a list of Acronyms and Key terms used in the financial report as per above example.
The list to be exhaustive)*

2. Key Entity Information and Management

a) Background information

The Nairobi City County Assembly Car Loan & Mortgage Scheme Fund is established by the Salaries and Remuneration Circular no SRC/TS/WB/3/14 of 14th February 2014 and derives its authority and accountability from Section 167 of the Public Finance Management Act 2012. For proper management of the Fund and as advised by the Salaries and Remuneration Commission, the Nairobi City County Assembly adopted The *Public Finance Management (Nairobi City County Car Loan Scheme Fund) Regulations 2014* and The *Public Finance Management (Nairobi City County Mortgage Scheme Fund) Regulations 2014* which has since been repealed into The *Public Finance Management (Nairobi City County Assembly Car Loan and Mortgage Scheme Fund) Regulations 2017* to guide operationalization of the Fund. The Fund is wholly owned by the County Government of Nairobi and is domiciled in Kenya.

Arising from the above provisions and as advised by the Salaries and Remuneration Commission (SRC) on the benefits to be enjoyed by the Members of the County Assemblies, vide circular ref SRC/TC/CGOVT/3/16 dated 27th November, 2013, the Nairobi City County Executive Committee Member for Finance and Economic Planning authorised the establishment of the Car Loan Scheme Fund with the approval of the County Assembly.

The Nairobi City County Assembly Car Loan Scheme Fund is a revolving fund established pursuant to Regulation 3 of the Public Finance Management (*Nairobi City County Assembly Car Loan and Mortgage Scheme Fund*) Regulations 2017 as read together with section 116 of the Public Finance Management Act, 2012 and circulars ref SRC/TS/CAF/3/61/49(46) from the Salaries and Remunerations Commission dated 13th December 2017.

The Fund started operations on 1st July 2019 as a single fund administering Car Loan and Mortgage benefits for members and staff of the Nairobi City County Assembly. Prior to this date, the benefits were administered from two different funds namely Nairobi City County Assembly Car Loan Scheme Fund and Nairobi City County Assembly Mortgage Scheme Fund. These two funds were merged with effect from 1st July 2019. The merged Funds operate under the new Regulations namely; The Public Finance Management (*Nairobi City County Assembly Car Loan and Mortgage Scheme Fund*) Regulations 2017. These Regulations were gazetted in July 2018 and came into force in Financial Year 2018/2019.

The Clerk of the County Assembly, being the Accounting Officer of the Assembly is the administrator of the fund was established by Regulation 6(1)(g) of Public Finance Management (Nairobi City County Assembly Car Loan and Mortgage Scheme Fund) Regulations 2017.

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to purchase vehicles for members and staff of the County Assembly and to purchase, develop, renovate or repair a residential property

The fund's objective is to:

- i. Purchase vehicles for Members and staff of the County Assembly.
- ii. Purchase, development, renovation or repair of residential property.

c) Board of Trustees/Fund Administration Committee

Ref	Name	Position
1	HON. PETER IMWATOK	Designated Chairman of the Committee
2	HON. ANTHONY KIRAGU KARANJA	Majority Leader
3	HON. PAUL KADOS	Deputy speaker
4	HON. MOSES OGETO	Majority Chief whip
5	HON. MARK MUGAMBI	Minority Chief whip
6	HON. WILFRED ODALO	Member
7	HON. FATHIYA. A MOHAMMED	Member
8	HON. MARTIN MBUGUA	Member
9	MR. BASIL RODGERS OMONDI	Member
10	MR. TITUS MUIRURI	Member
11	MS. CAROLINE KIDAMBA	Member

d) Key Management Team

Ref	Name	Position
1	Mr. Edward O. Gichana	Clerk Nairobi County Assembly
2	Ms. Pauline Akuku	Deputy Clerk, Administrative Services
3	Mr. Paul W. Kimani	Director Financial Services
4	Mr. Sammy Ndana	Principal Accountant
5	Mr. Stephen Namodi	Ag. Principal Finance Officer
6	Mr. Marvin Maina	Finance Officer

Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements:

SN	Position	Name
1	Senior Internal Auditor	Kobia Araya Marimba

f) Registered Offices

P.O. Box 45844-00100
City Hall Building
Mama Ngina Street
Nairobi, KENYA

g) Fund Contacts

Telephone: (254) 700330846/700330847
E-mail: clerk@nairobicountyassembly.go.ke
Website: www.nairobicountyassembly.go.ke

h) Fund Bankers

1. Family Bank
City Hall Branch
P.O. Box 74145-00200
Nairobi, Kenya
2. Cooperative Bank of Kenya
City Hall Branch
P.O. Box 44805-00200
Nairobi, Kenya

Key Entity and Management (Continued)

i) Independent Auditors

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

j) Principal Legal Adviser

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

3. Board of Trustees/ Fund Administration Committee (Or Any Other Corporate Governance Body for The Fund)

Ref	Name	Position
1	HON. PETER IMWATOK	Designated Chairman of the Committee
2	HON. ANTHONY KIRAGU KARANJA	Majority Leader
3	HON. PAUL KADOS	Deputy Speaker
4	HON. MARTIN MBUGUA	Designated Chairman of the Committee
5	HON. MOSES OGETO	Majority Chief whip
6	HON. MARK MUGAMBI	Minority Chief whip
7	HON. WILFRED ODALO	Member
8	HON. FATHIYA. A MOHAMMED	Member
9	MR. BASIL RODGERS OMONDI	Member
10	MR. TITUS MUIRURI	Member
11	MS. CAROLINE KIDAMBA	Member
12	Mr. EDWARD GICHANA	Fund Administrator

4. Management Team

Name	Details of qualifications and experience
Mr. Edward O. Gichana	Clerk Nairobi County Assembly Education: MBA Accounts, BCOM Accounts, CPA(K) Year of Birth: 1975
Ms. Pauline Akuku	Deputy Clerk Administrative Service Education: Master's Communication Studies BA Journalism & Media Studies Year of Birth: 1977
Mr. Paul W. Kimani	Director Financial Services Education: MBA-Strategic Management, BCOM-Finance, CPA(K), (M)CIPS Year of Birth: 1989
Mr. Sammy Ndana	Principal Accountant Education: BBM-Finance and Banking, CPA (K) Year of Birth: 1979
Mr. Stephen Namodi	Ag. Principal Finance Officer Education: BCOM-Finance and Banking, CPA Year of Birth: 1990
Mr. Marvin Maina	Finance Officer Education: Bachelor of Economics-Finance Year of Birth: 1994

Fund Chairperson's Report

The Nairobi City County Assembly Car Loan & Mortgage Scheme Fund is a Revolving Fund established pursuant to the Salaries and Remuneration Circular no SRC/TS/WB/3/14 of 14th February 2014. Section 167 of the Public Finance Management Act 2012 mandates the Administrator of Public Funds with preparation of Annual Financial Statements.

For proper management of the Fund and as advised by the Salaries and Remuneration Commission, the Nairobi City County Assembly adopted *The Public Finance Management (Nairobi City County Car Scheme Fund) Regulations 2014* which has since been repealed into *The Public Finance Management (Nairobi City County Assembly Car Loan and Mortgage Scheme Fund) Regulations 2017* to guide operationalization of the Fund.

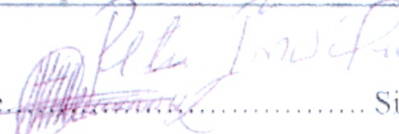

As at 30th June 2023, the performance of the Nairobi City County Assembly Car Loan & Mortgage Scheme Fund has been of steady growth as depicted by the annual performance report for the period under review. The Scheme Fund received additional capital funds amounting to Kshs. 376,000,000 to boost the increased uptake by the scheme fund members. In the foregoing, the Scheme Fund has been a great success benefiting both Members and Staff of the County Assembly.

On behalf of the scheme fund administration committee known as the Loans Management Committee, I wish to express utmost confidence in the key management team and the secretariat on the role they play in providing professional guidelines and advice to ensure the fund's operational activities are within its core mandate and in particular drive the following key strategic theme;

- Increase uptake of Car loan and mortgage facilities by the members of County Assembly and Staff.
- Ensure full compliance with the provisions of the Nairobi City County Assembly Car Loan and Mortgage Scheme Fund Regulations 2017.

As at 30th June 2023 the scheme fund registered a significant number of loan applications by the Third Assembly members.

**Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
Annual Report and Financial Statements for the year ended June 30, 2023**

Name  Signature  Date 11/21/23

Chairperson of the Board/Fund

5. Report of The Fund Administrator

Over the years, the Fund has had steady growth due to high demand from the Members and Staff of the County Assembly. Indeed, new applications are received almost on a daily basis. For this reason, the available cash resource has been dwindling, a fact that called for replenishment of the fund. In the foregoing the County Assembly received additional seed capital of Kshs 376Million. The Fund's operations picked the required momentum within the FY2022/23 as depicted in the presented quarterly reports. Additionally, the scheme fund operations have continued without any setbacks. The Loans Management Committee expenditure budget for the FY2023/24 was considered, approved and adopted by the Committee within the year under review. Other reports on the scheme fund were prepared and presented to the Committee for review, deliberations and consideration as well.

The Loan advances to the Second Assembly Members were fully recovered within the required timelines. The scheme fund operations depict growth and undeterred accomplishment of its primary objectives of providing loans to members of scheme for the purchase of vehicles; and the purchase, development, renovation or repair of residential property. Four Members of staff managed to clear off their car loans within the financial year under review.

Following conferment of motor vehicle reimbursement to Members of the Third House, the Loans Management Committee sat and approved internal borrowing of Kshs.274.288Million from the Scheme Fund account to cater for the said benefits. This was necessitated by the concerns raised by the newly elected Members who were experiencing mobility challenges in fulfilling their mandates to the electorates. The borrowed funds were expected to be refunded back to the scheme fund account immediately upon receipt of motor vehicle reimbursement exchequer.

Consequently, the Assembly recurrent borrowings from the scheme fund account stood at Kshs.60.55Million as at 30th June 2023. The unsettlement of the borrowed funds within the financial period of reporting was as a result of unreleased exchequer requisitions by the Controller of budget. This had extended effect on clearance of borrowed funds from the scheme fund.

Additionally, the County Assembly Service Board recommended for the closure of the Cooperative Bank, City Hall branch bank account; 01141232417504 and opening of a new scheme fund account; 016000015578 at Family Bank, City Hall. This was endorsed by the County Executive Committee Member, Finance & Economic Planning pursuant to Section 119(1) of the Public Finance Management Act, 2012.

Appreciation

I wish to extend special thanks to the entire County Assembly Service Board, Management, Members and Staff of the County Assembly for dedicating time and effort to see the fund achieve its continued success. Specifically, I wish to thank the fund management committee for the outstanding leadership, vision and direction. Finally, I wish to thank all our stakeholders for their confidence in the Nairobi City County Assembly.



Edward O. Gichana
Fund Administrator

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 Entity 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 Nairobi City County Assembly, in cognizance of the vision and mission statements of Nairobi County Government – which are; *To make Nairobi the city of order and dignity; Hope and Opportunities for all and; To provide affordable, accessible and sustainable quality services, enhancing community participation and creating a secure climate for political, social and economic development through the commitment of a motivated and dedicated team* respectively – has developed its own vision, mission and strategic goals. The vision and mission statements of the County Assembly are as summarized below.

Vision, Mission, Strategic Goals and Objectives

To enable The Nairobi City County Assembly, deliver its mandate, the Assembly has developed the following vision and mission statements;

Vision

To be the most efficient and effective legislature in promoting good governance in Africa and beyond.

Mission

To advance economic, social, cultural and political aspirations of the people of Nairobi City County through robust legislation, prudent oversight and responsive representation.

Strategic Goals

Strategic Goal 1: A County Assembly that plays its triple role of legislation, oversight and representation effectively.

Strategic Goal 2: Well governed and managed County Assembly with sufficient institutional capacity.

Below we provide the progress on attaining the stated objectives:

Progress on attainment of Strategic development objectives

Below provided is the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Legislation, Oversight and Representation	Provide loans for purchase of vehicles to scheme fund members.	Uptake of car loans by the Third Assembly Members.	<ul style="list-style-type: none"> 5 Members of the 3rd Assembly owned cars courtesy of the scheme fund 12 Staff Members own personal cars financed through the fund 	<ul style="list-style-type: none"> A total of Kshs. 20.53M being the outstanding car loan amounts as at 30th June 2023 and expected annual loan repayments of Kshs 5.68M including chargeable interest. A total of Kshs. 1.9M outstanding car loan as at 30th June 2023 and expected annual total loan repayment of Kshs.3.2M including chargeable interest.
Legislation, Oversight and Representation	Provide loans to members of the scheme fund for the purchase, development, renovation or repair of residential property.	Construction /Purchase of residential homes by both members of the scheme	<ul style="list-style-type: none"> 22 MCAs of Third House benefited from mortgage under the scheme fund 89 Staff Members have either constructed or purchased residential homes 	<ul style="list-style-type: none"> A total of Kshs 24.2M being the outstanding mortgage loan amounts as at 30th June 2023 and expected annual loan repayments of Kshs 26.05M including chargeable interest. A total of Kshs.575M outstanding loan issued to Staff Members as at 30th June 2023 expected annual loan repayments of Kshs 48.2M including chargeable interest

8. Corporate Governance Statement

The Scheme Fund was established under the Public Finance Management (*Nairobi City County Assembly Car Loan and Mortgage Scheme Fund*) Regulations 2017.

Regulation 6(1) of The Public Finance Management (*Nairobi City County Assembly Car Loan and Mortgage Scheme Fund*) Regulations 2017, informs the establishment of the Loans Management Committee membership. The committee constitute of 11 members that comprise of:—

- (a) the Leader of the Majority Party, who shall be the chairperson;
- (b) the Leader of the Minority Party, who shall be the vice-chairperson;
- (c) the Majority Whip of the County Assembly;
- (d) the Minority Whip of the County Assembly;
- (e) four members of the county assembly nominated by the members of county assembly;
- (f) three members of staff of the County Assembly, elected by the staff of the County Assembly; and
- (g) the Clerk of the County Assembly who shall be the officer administering the Fund, an *ex-officio* member of the Committee and the secretary to the Committee.

Meetings held and the attendance

The committee sat a total of eleven sittings whose minutes of recordings were all confirmed within the financial reporting period. The registered fewer number of sittings was because the Committee was constituted in the second quarter after the swearing in of the Third Assembly Members and therefore did not sit in the first quarter.

The Committee is attended by all committee members. The meetings of the Committee are convened by the chairperson or in the absence of the chairperson, by the vice chairperson and in the absence of both, by a member designated by the chairperson and shall be convened at such times as may be necessary for the discharge of the Committee's functions. The quorum for meetings of the Committee is attained by a minimum of one third of the members.

The Succession plans

The committee membership is derived from the provision by the Scheme Fund Regulations on the membership of the Loans Management Committee. The County Assembly Members membership in the Loans Management Committee is determined by the positions of the political parties after

an electoral process. Changes in committee membership within a given period is based on the changes in the leadership of the County Assembly and the successive nomination of County Assembly Members to serve in the committee. The staff representatives are elected by the staff of the County Assembly.

Roles and functions of the Committee

The committee is mandated with the role of approving scheme fund loan applications by members of the scheme fund, supervision of the day to day operations of the fund and recommend to the Assembly Service Board the appointment of a financial or mortgage institution to provide administrative services of the fund.

Induction and Training

The Committee conducted one induction retreat in January 2023 after the election of Third Assembly Members, following constitution of the committee membership. Further, the committee held three workshops outside the County to review the performance of the scheme fund and plan for the scheme fund operational activities.

Committee and member performance

The committee approved a total of five car loan applications from Members of County Assembly and one for the staff. In addition, considered and approved twenty-two mortgage loan applications from Members of the County Assembly. This totalled to Kshs.123.69 million.

Conflict of interest

Conflict of interest arises where a member of the Loans Management Committee or member of loans office secretariat makes a loan application to be considered by the same committee, they sit in. In such a scenario, the applicant is required to exempt themselves from the very committee sitting considering their loan application, to curb any possible influence of loan application approval.

Committee Remuneration/Allowances

The committee members' sitting allowances is paid in accordance with provisions by the Salaries and Remuneration Commission circulars on payment of committee sitting allowances to Members

of the County Assembly. Payment of secretariat allowance is pursuant to guidelines by clause 5 of the Board Policy Paper on internal administration of scheme fund.

The committee and secretariat allowances incurred in the period under review totalled to Kshs.2.1 million.

9. Management Discussion and Analysis

The Funds operational and Financial Performance

The financial performance of the Fund as at 30th June 2023 is presented herewith in accordance with the requirement of Section 167 of the Public Finance Management Act, 2012; Regulation 19(f) of the Public Finance Management (*Nairobi City County Assembly Car Loan and Mortgage Scheme Fund*) Regulations 2017; the Public Audit Act and the International Public Sector Accounting Standards. This is the 7th financial year since inception of the fund and interest earned on the 3% repayments on all loans and from the bank has been the main source of revenue.

Revenue

The Fund total revenue as at 30th June of 2023 stood at Kshs.19.36M. This being Kshs. 0.86M interest from daily bank balances and Kshs.18.5M interest from 3% interest loan repayments.

Recurrent Expenditure

The total operating expenditure for the Fund as at 30th June, 2023 was Kshs.14.31M.

Cash Flow Statement

Cash flow from the operations of the fund are detailed in the cash flow statement for the period ended 30th June 2023. The cash and cash equivalent for the Fund as at 30th June of 2023 was at Kshs.34M compared to Kshs.49.37M as at 30th June of 2022.

Funds compliance with statutory requirements

The fund continued to comply with all the applicable laws and statutory requirements.

Major Risks facing the entity.

- **Legal and regulatory risks**

The Fund faces legal and regulatory risks such as committee membership amendments, court orders thus having non-performing loans until when the matter is settled, and uncertainty in the constitution leadership.

10. Environmental and Sustainability Reporting

The Nairobi City County Assembly did not undertake in any environmental sustainability activities for the period ended 30th June, 2023.

11. Report of The Trustees

The Trustees submit their report together with the audited financial statements for the year ended June 30, 2023 which show the state of the Fund affairs.

Principal activities

The principal activities of the Fund are to purchase vehicles for members and staff of the County Assembly and to purchase, develop, renovate or repair a residential property.

Results

The results of the Fund for the year ended June 30, 2023 are set out on page 1,2,3,4 & 5.

Trustees

The members of the Board of Trustees who served during the year are shown on page viii.

Auditors

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

By Order of the Board



.....
Chair of the Fund Administration Committee

Date:

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 Regulation 9(f) of the Public Finance Management (*Nairobi City County Assembly Car Loan and Mortgage Scheme Fund*) Regulations 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, 2023**. 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.

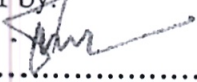
The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Public Finance Management (*Nairobi City County Assembly Car Loan and Mortgage Scheme Fund*) Regulations 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, 2023, 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 31/01..... 2024 and signed on its behalf by:


.....

Administrator of the County Public Fund

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NAIROBI CITY COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2023

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 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

Adverse Opinion

I have audited the accompanying financial statements of Nairobi City County Assembly Car Loan and Mortgage Scheme Fund set out on pages 1 to 41, which comprise of the statement of financial position as at 30 June, 2023, and the statement of financial

Report of the Auditor-General on Nairobi City County Assembly Car Loan and Mortgage Scheme Fund for the year ended 30 June, 2023

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

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly the financial position of the Nairobi City County Assembly Car Loan and Mortgage Scheme Fund as at 30 June, 2023, 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 do not comply with Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracy of Interest Income

The statement of financial performance reflects interest income amounting to Kshs.19,363,000 as further disclosed in Note 4 to the financial statements. However, the amount differs with the total interest income amounting Kshs.18,500,987 extracted from the monthly ledgers resulting in unexplained variance of Kshs.862,013.

In the circumstances, the accuracy and completeness of interest income amounting to Kshs.19,363,000 could not be confirmed.

2. Unsupported Committee Allowances

The statement of financial performance reflects use of goods and services amounting to Kshs.14,309,000. The amount includes committee allowances amounting to Kshs.2,098,000 as disclosed in Note 7 to the financial statements. Review of records revealed that the committee allowances expenditure includes Kshs.1,165,400 which was not supported with invitation letters, attendance registers, and committee meeting minutes.

In the circumstances, the accuracy and propriety of the committee allowances amounting to Kshs.1,165,400 could not be confirmed.

3. Unsupported Receivables from Exchange Transactions

The statement of financial position reflects receivables from exchange transactions (motor vehicle reimbursement) and receivables from exchange transactions (cash transfers) amounting to Kshs.274,288,000 and Kshs.60,546,000, respectively, all totalling Kshs.334,834,000. However, no documentary evidence in support of the amount was provided. Further, the amount has not been disclosed as borrowing in the statement of financial position.

In the circumstances, the accuracy of receivables from exchange transactions (motor vehicle reimbursement) and receivables from exchange transactions (cash transfers)

amounting to Kshs.274,288,000 and Kshs.60,546,000, respectively, could not be confirmed.

4. Inaccuracy of Total Net Assets and Liabilities

The statement of financial position reflects total net assets and liabilities totalling Kshs.1,101,712,000. The amount includes revolving fund amounting to Kshs.1,096,659,000. However, the amount differs with revolving fund amounting to Kshs.1,016,000,000 reflected in the statement of changes in net changes resulting to unexplained variance of Kshs.80,659,000. Further, the amount includes accumulated surplus amounting to Kshs.5,054,000 which differs with accumulated surplus amounting to Kshs.85,712,000 reflected in the statement of changes in net changes resulting to unexplained variance of Kshs.80,658,000.

In addition, the statement of changes in net changes reflects adjustment to accumulated surplus amounting to Kshs.2,254,000 which was not supported with journal entry.

In the circumstances, the accuracy and completeness total net assets and liabilities totalling to Kshs.1,101,712,000 could not be confirmed.

5. Inaccuracies in Transfers from the County Assembly

The statement of changes in net assets reflects fund received during the year amounting to Kshs.376,000,000 in respect of transfers from the County Assembly. However, the amount differs with the transfers to the Fund amounting to Kshs.439,044,296 reflected in statement of receipts and payments of the County Assembly resulting in unreconciled variance of Kshs.63,044,296.

Further, the statement of cash flows reflects transfers to the Nairobi City County Assembly totalling Kshs.102,152,000. However, the statement of receipts and payments of the Nairobi City County Assembly reflects an amount of Kshs.60,346,051 under other receipts from fund account resulting in an unreconciled variance of Kshs.41,805,949.

In the circumstances, the accuracy and completeness of fund received during the year amounting to Kshs.376,000,000 could not be confirmed.

6. Inaccuracies in the Statement of Cash Flows

A review of the statement of cashflows revealed the following anomalies:

6.1 Inaccuracy of Total Receipts from Operating Activities

The statement of cash flows reflects total receipts from operating activities amounting to Kshs.395,363,000. The amount includes transfers from the County Government amounting to Kshs.376,000,000 in respect of the revolving fund which is not an operating activity.

6.2 Inaccuracy of Cash Transfers to Nairobi City County Assembly (NCCA)

The statement of cash flows reflects transfers to NCCA amounting to Kshs.102,152,000. However, a review of cash book revealed that Kshs.110,029,937 was transferred resulting to an unexplained variance of Kshs.7,877,937. Further, the amount has not been reflected in the statement of financial position as a receivable.

6.3 Inaccuracy of Repayment of Borrowing

The statement of cash flows reflects repayment of borrowings amounting to Kshs. 108,022,000 received from the County Assembly in respect of repayment of domestic borrowings as disclosed in Note 22 to the financial statements. However, the amount has not been reflected in the statement of financial position. Further, review of records revealed that Kshs.67,703,949 was received resulting to unreconciled variance of Kshs.40,318,051.

In addition, Note 22 to the financial statements reflects borrowings totalling Kshs.268,418,000 which have not been reflected in the statement of financial position. Review of the bank reconciliation statement revealed payments in the bank statement not yet recorded in the cashbook amounting to Kshs.5,095,008 which was described as borrowing refund. However, the refund was not supported by any documentary evidence and the date of the transaction.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matter

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance which have remained unresolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit

Basis for Conclusion

Irregular Transfer of Funds

Review of the cash book revealed that a total of Kshs.113,851,937 was transferred to the Nairobi City County Assembly during the year. The amount includes transfers totalling Kshs.53,305,937 which had not been approved by Nairobi City County Executive County Executive Committee Member . This is contrary to Section 154(1) (a) of the Public Finance Management Act, 2012 which states that an Accounting Officer shall not authorize the transfer of an amount that is appropriated to another County Government entity or person.

In the circumstances, Management was in breach of law.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, based on the audit procedures performed, I confirm that, internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 are in compliance 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 the 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that

might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

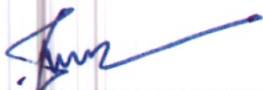
Nairobi


21 March, 2024

Nairobi City County Assembly Car Loan and Mortgage Fund
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14. Statement of Financial Performance for the Year Ended 30th June 2023

	Note	FY2022/23	FY2021/22
		Kshs000	Kshs000
Revenue From Non-Exchange Transactions			
Public Contributions and Donations	1	-	-
Transfers From the County Government	2	-	-
Fines, Penalties and Other Levies	3	-	-
Revenue From Exchange Transactions			
Interest Income	4	19,363	19,967
Other Income	5	-	-
Total Revenue		19,363	19,967
Expenses			
Employee Costs	6	-	-
Use of goods and services	7	14,309	16,238
Depreciation and Amortization Expense	8	-	-
Finance Costs	9	-	-
Total Expenses		14,309	16,238
Other Gains/Losses			
Gain/Loss on Disposal of Assets	10	-	-
	11		
Surplus/(Deficit) For the Period		5,054	3,728


 Name: Edward O. Gichana
 Administrator of the Fund
 ICPAK Member Number:4922



 Name: Paul W. Kimani
 Director Financial Services
 ICPAK Member Number: 18731

15. Statement of Financial Position As at 30 June 2023

Description	Note	FY2022/23	Y2021/22
		Kshs 000	Kshs 000
Assets			
Current Assets			
Cash and Cash Equivalents	12	34,008	45,771
Current Portion of Long- Term Receivables From Exchange Transactions	13	88,614	52,840
Prepayments	14	-	-
Inventories	15	-	-
Receivables from Exchange Transactions (Cash Transfers)		60,546	66,417
Receivables from Exchange Transactions (Motor Vehicle Reimbursement)		274,288	-
Investments in financial assets	16	-	-
Total current assets		457,456	165,028
Non-Current Assets			
Property, Plant and Equipment	17	-	-
Intangible Assets	18	-	-
Long Term Receivables from Exchange Transactions	13	642,129	553,503
Investment Property	19	-	-
Total non- current assets		642,129	553,503
Total Assets		1,099,585	718,531
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	20	-	-
Current Portion of Borrowings	21	-	-
Employee Benefit Obligations	22	-	-
Social benefit liabilities	23	-	-
Total current liabilities		-	-
Non-Current Liabilities			
Long Term Portion of Borrowings	21	-	-
Non-Current Employee Benefit Obligation	22	-	-
Social benefit liabilities	23	-	-
Total Liabilities		-	-
Net Assets			
Revolving Fund		1,094,531	714,803
Reserves		-	-
Accumulated Surplus		5,054	3,728
Total Net Assets and Liabilities		1,099,585	718,531

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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 **11th January, 2024** and signed by:



.....
Name: Edward O. Gichana
Administrator of the Fund
ICPAK Member Number:4922



.....
Name: Paul W. Kimani
Director Financial Services
ICPAK Member Number:18731

Nairobi City County Assembly Car Loan and Mortgage Fund
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16. Statement Of Changes in Net Assets for the year ended 30th June 2023

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
	Kshs 000	Kshs 000	Kshs 000	Kshs 000
Balance as at 1 July 2020	640,000	-	74,068	708 553
Surplus/(deficit) for the period		-	735	
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Adjustments (+/-)			-	
Balance as at 30 June 2021	640,000	-	74,803	714 803
Balance as at 1 July 2021	640,000	-	74,803	714 803
Surplus/(deficit) for the period		-	3,728	
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Adjustments (+/-)			-	
Balance as at 30 June 2022	640,000	-	78,531	718 531
Balance as at 1 July 2022	640,000	-	78,531	718 531
Surplus/(deficit) for the period		-	5,054	
Funds received during the year	376,000	-	-	-
Revaluation gain	-	-	-	-
Adjustments (+/-)			-	
Balance as at 30 June 2023	1,016,000	-	83,585	1,099 585

17. Statement of Cash Flows for The Year Ended 30 June 2023

Description	Note	FY2022/23	FY2021/22
		Kshs 000	Kshs 000
Cash flows from operating activities			
Receipts			
Public contributions and donations		-	-
Transfers from the county government		376,000	-
Interest received		19,363	19,966
Receipts from other operating activities		-	-
Total receipts		395,363	19,966
Payments			
Fund administration expenses		(14,309)	(16,238)
General expenses		-	-
Finance cost		-	-
Other payments	24	-	-
Net cash flows from operating activities		381,054	3,728
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		(-)	(-)
Proceeds from sale of property, plant & equipment		-	-
Proceeds from loan principal repayments		43,847	111,959
Loan disbursements paid out		(168,246)	(79,703)
Cash Transfers to NCCA	22	(102,152)	(66,417)
Cash Transfers from Fund Account (Motor Vehicle Reimbursement)	22	(274,288)	
Net cash flows used in investing activities		(500,839)	(34,161)
Cash flows from financing activities			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		108,022	
Net cash flows used in financing activities		108,022	
Net increase/(decrease) in cash & cash Equivalentents		(11,763)	-

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Cash and cash equivalents at 1 July		45,771	76,204
Cash and cash equivalents at 30 June		34,008	45,771

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

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	2023	2023	2023	2023	2023	2023
	Kshs '000'	Kshs '000'	Kshs '000'	Kshs '000'	Kshs '000'	
Revenue						
Public Contributions and Donations	-	-	-	-	-	-
Transfers From County Govt.	-	-	-	-	-	-
Interest Income	16,920	-	16,920	19,363	2,443	114.4%
Other Income	-	-	-	-	-	-
Total Income	16,920	-	16,920	19,363	2,443	114.4%
Expenses						
Fund Administration Expenses	(15,117)	-	(15,117)	(14,246)	(871)	94.23%
General Expenses	(590)	-	(590)	(64)	(526)	10.84%
Finance Cost	-	-	-	-	-	-
Total Expenditure	(15,706)	-	(15,706)	(14,309)	(1,397)	91.10%
Surplus For The Period	1,214	-	1,214	5,053	3,839	355.5%

Budget notes

1. The budget underutilization was brought about by lack of operations in the first quarter since the committee had not been constituted.

19. Notes to the Financial Statements

1. General Information

Nairobi City County Assembly as an entity is established by the County Government Act, 2012 and derives its authority and accountability from The Public Finance Management Act, 2012. The entity is wholly owned by the Nairobi City County Government and is domiciled in Kenya. The entity's principal activity is Representation, Oversight and Legislation.

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 an 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 2023*

Standard	Effective date and impact
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;

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Standard	Effective date and impact
	<ul style="list-style-type: none"> • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Standard	Effective date and impact
	Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAs which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	<p><i>Applicable 1st January 2023</i></p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023</p>

(ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non-Current Assets Held for Sale and	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p>

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Standard	Effective date and impact:
Discontinued Operations	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.

(iii) Early adoption of standards

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

2. 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 FY2023 was approved by the County Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations of Kshs.376M on the FY2022/23 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 comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

Summary of Significant Accounting Policies (Continued)

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 xxx 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.

d) 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.

e) 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. **(The County Assembly Scheme Fund operations does not involve investment property acquired through non-exchange transactions, therefore could not make any disclosure in this regard)** Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Summary of Significant Accounting Policies (Continued)

f) 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. (amendments 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.

Summary of Significant Accounting Policies (Continued)

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Significant Accounting Policies (Continued)

Financial liabilities

Classification

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

g) 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.

h) 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.

i) Social Benefits

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

Summary of Significant Accounting Policies (Continued)

j) 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.

k) 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.*

l) 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.

m) 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.

Summary of Significant Accounting Policies (Continued)

n) 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.

o) 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.

p) 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.

q) 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.

r) Comparative figures

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

Summary of Significant Accounting Policies (Continued)

5. Significant judgments and sources of estimation uncertainty

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

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

a) Estimates and assumptions –

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

b) Useful lives and residual values

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

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

c) Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(Include provisions applicable for your organisation e.g provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)

6. Notes To The Financial Statements

1. Public contributions and donations

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Donation From Development Partners	-	-
Contributions From The Public	-	-
Total	-	-

(Provide brief explanation for this revenue)

2. Transfers from County Government

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Transfers From County Govt. –Operations	-	-
Payments By County On Behalf Of The Entity	-	-
Unconditional Development grants	-	-
Total	-	-

3. Fines, penalties and other levies

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Late Payment Penalties	-	-
Fines	-	-
Total	-	-

(Provide brief explanation for this revenue)

4. Interest income

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Interest Income from Mortgage Loans	18,091	16,939
Interest Income From Car Loans	411	1,720
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	861	1,300
Total Interest Income	19,363	19,960

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(Provide brief explanation for this revenue)

Notes to the Financial Statements Continued

5. Other income

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Insurance Recoveries	-	-
Income from Sale of Tender Documents	-	-
Bad debts recovered	-	-
Miscellaneous Income	-	-
Total Other Income	-	-

6. Employee Costs

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Salaries And Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	-	-
Social Security Contribution	-	-
Other (Specify)	-	-
Total	-	-

7. Use of Goods and Services

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
General Office Expenses	14,246	13,241
Loan Processing Costs	-	-
Professional Services Costs	-	-
Administration Fees	-	-
Committee Allowances	-	2,770
Bank Charges	63	212
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Insurance Costs	-	-
Postage And Courier	-	-

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Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Printing And Stationery	-	
Rental Costs	-	14,309
Security Costs	-	
Telephone And Communication Expenses	-	
Bank Charges	-	
Audit Fees	-	
Provision For Doubtful Debts	-	
Other (<i>Specify</i>)	-	
Social benefit expenses*	-	
Total	14,309	16,230

8. Depreciation and Amortization Expense

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Property Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

9. Finance costs

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Interest On Bank Overdrafts	-	-
Interest On Loans From Banks	-	-
Total	-	-

10. Gain/(loss) on disposal of assets

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Property, Plant and Equipment	-	-
Intangible Assets	-	-
	-	-
Total	-	-

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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11. Gain/ (loss) on Fair Value Investments

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
Total Gain	-	-

12. Cash and cash equivalents

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Car Loan & Mortgage Account	34,008	45,771
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account	-	-
Others (<i>Specify</i>)	-	-
Total Cash And Cash Equivalents	34,008	45,771

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Notes to the Financial Statements Continued

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

Financial Institution	Account number	FY2022/23	FY2021/22
		Kshs000	Kshs000
a) Fixed Deposits Account			
Kenya Commercial Bank		-	
Equity Bank, Etc.		-	
Sub- Total		-	
b) On - Call Deposits			
Kenya Commercial Bank		-	
Equity Bank - Etc.		-	
Sub- Total		-	
c) Current Account			
Family Bank(City Hall Branch)	016000015578	23,736	
Cooperative Bank(City Hall Branch)	01141232417504	10,272	45,77
Sub- Total		34,008	45,77
d) Others(Specify)			
Cash In Transit		-	
Cash In Hand		-	
Unremitted Loan Repayments		-	
Sub- Total		-	
Grand Total		34,008	45,77

13. Receivables from exchange transactions

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Current Receivables		
Interest Receivable	20,817	18,190
Current Loan Repayments Due	65,721	34,650
Other Exchange Debtors	2,076	
Less: Impairment Allowance	-	
Total Current Receivables	88,614	52,840
Non-Current Receivables		
Long Term Loan Repayments Due	642,129	553,503
Total Non- Current Receivables	642,129	553,503

**Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Total Receivables From Exchange Transactions	730,743	606,343
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NB: The other exchange debtors constitute of receivables from loan balances of the 2nd Assembly Members recovered through gratuity that was remitted the County Assembly.

Notes to the Financial Statements Continued

Additional disclosure on interest receivable

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Interest Receivable		
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	-	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
Current loan repayments due	-	-
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

14. Prepayments

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments (<i>Specify</i>)	-	-
Total	-	-

15. Inventories

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
Consumable Stores	-	-
Spare Parts And Meters	-	-
Catering	-	-
Other Inventories (<i>Specify</i>)	-	-

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Total Inventories at The Lower of Cost and Net Realizable Value	-	-
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Notes to the Financial Statements Continued

16. Investments in financial assets

Description	FY2022/23	FY2021/22
	Kshs000	Kshs000
a. Investment in Treasury bills and bonds		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
b. Investment with Financial Institutions/ Banks	-	-
Bank x	-	-
Bank y	-	-
Sub- total	-	-
c. Equity investments (specify)	-	-
Equity/ shares in Entity xxx	-	-
Sub- total	-	-
Grand total	-	-

(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.

Movement of Equity Investments

Impairment allowance/ provision	FY2022/23	FY2021/22
	Kshs000	Kshs000
At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	-	-
Gain/(loss) in fair value of investments through surplus or deficit	-	-
At the end of the year	-	-

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			
	%	%	%	Kshs	Current year Kshs	Prior year Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-

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Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

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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
At 1 st July (Previous FY)	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
At 30 th June (Previous FY)	-	-	-	-	-
At 1 st July (Current FY)	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
At 30 th June (Current FY)	-	-	-	-	-
Depreciation And Impairment	-	-	-	-	-
At 1 st July (Previous FY)	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
At 30 th June (Previous FY)	-	-	-	-	-
At 1 st July (Current FY)	-	-	-	-	-
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-
At 30 th June (Current FY)	-	-	-	-	-
Net Book Values	-	-	-	-	-
At 30 th June (Previous FY)	-	-	-	-	-
At 30 th June (Current FY)	-	-	-	-	-

Notes To The Financial Statements (Continued)

18. Intangible assets

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Cost		
At Beginning of The Year	-	-
Additions	-	-
At End of The Year	-	-
Amortization And Impairment	-	-
At Beginning of The Year	-	-
Amortization	-	-
At End of The Year	-	-
Impairment Loss	-	-
At End of The Year	-	-
NBV	-	-

19. Investment Property

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain/(loss) in fair value (if fair value is elected)	-	-
At end of the year	-	-

(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.

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Notes To The Financial Statements (Continued)

20. Trade and other payables from exchange transactions

Description	FY2022/23		FY2021/22	
	Kshs 000		Kshs 000	
Trade Payables	-		-	
Refundable Deposits	-		-	
Accrued Expenses	-		-	
Other Payables	-		-	
Total Trade and Other Payables	-		-	
Ageing analysis (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	-	-	
1-2 years	-	-	-	
2-3 years	-	-	-	
Over 3 years	-	-	-	
Total (tie to above total)	-	-	-	

(NB: Amount under deposits and retentions should tie to cash held in deposit account)

21. Provisions

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

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Notes To The Financial Statements (Continued)

22. Borrowings

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Balance At Beginning of The Period	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year (<i>Recurrent Borrowings</i>)	102,152	110,283
Domestic Borrowings During the Year (<i>Motor Vehicle Reimbursement</i>)	274,288	-
Repayments Of External Borrowings During the Period	-	-
Repayments Of Domestic Borrowings During the Period (<i>Recurrent Borrowings</i>)	(108,022)	(43,866)
Balance At End of The Period	268,418	66,417

NB: The County Assembly had opening balance of Kshs.66,416,507 as transfer borrowings from the scheme fund at the beginning of FY2022/23. The Assembly further made transfer borrowings totaling to Kshs.102,151,937 within the financial year giving total transfer funds borrowed from the scheme fund of Kshs.168,568,444. However, total of Kshs.108,022,392.50 was refunded back to the scheme fund resulting to a balance of Kshs.60,546,051.80.

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

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
External Borrowings		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y Organization'	-	-
Euro Denominated Loan from Z Organization'	-	-
Domestic Borrowings	-	-
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
Total Balance at End of The Year	-	-

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

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Total	-	-
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(NB: the total of this statement should tie to note 22 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed). Borrowings should be measured at amortised cost as per IPSAS 41)

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Notes To The Financial Statements (Continued)

23. Employee benefit obligations

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	Insert Current FY	Insert Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total	-	-	-	-	-

24. Social Benefit Liabilities

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
Total	-	-
	-	-
Current social benefits	-	-
Non-current social benefits	-	-
Total (tie to totals above)	-	-

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.

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Notes To The Financial Statements (Continued)

25. Cash generated from operations

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Surplus/ (Deficit) For the Year Before Tax	-	-
Adjusted For:	-	-
Depreciation	-	-
Amortisation	-	-
Gains/ Losses On Disposal Of Assets	-	-
Interest Income	-	-
Finance Cost	-	-
Working Capital Adjustments	-	-
Increase In Inventory	-	-
Increase In Receivables	-	-
Increase In Payables	-	-
Net Cash Flow From Operating Activities	-	-

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

**Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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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	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Transfers From Related Parties'	-	-
Transfers To Related Parties	-	-

c) Key management remuneration

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Board Of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

d) Due from related parties

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Due From Parent Ministry	-	-
Due From County Government	-	-
Total	-	-

Other Disclosures Continued

e) Due to related parties

Description	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Due To Parent Ministry	-	
Due To County Government	-	
Due To Key Management Personnel	-	
Total	-	

27. Contingent assets and contingent liabilities

Contingent Liabilities	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Court Case Xxx Against the Fund	-	
Bank Guarantees	-	
Total	-	

(Give details)

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
At 30 June 2022				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-
At 30 June 2021				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

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 due from

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

b) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June (Current FY)				
Trade Payables	-	-	-	
Current Portion Of Borrowings	-	-	-	
Provisions	-	-	-	
Employee Benefit Obligation	-	-	-	
Total	-	-	-	
At 30 June (Comparative FY)	-	-	-	
Trade Payables	-	-	-	
Current Portion Of Borrowings	-	-	-	
Provisions	-	-	-	
Employee Benefit Obligation	-	-	-	
Total	-	-	-	

Notes To The Financial Statements (Continued)

e) 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
At 30 June (Current FY)			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables	-	-	-
Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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.

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
(Current FY)			
Euro	10%	-	
USD	10%	-	
(Comparative FY)		-	
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 of Kshs xxx (2022: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (2021 – Kshs xxx).

**Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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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	FY2022/23	FY2021/22
	Kshs 000	Kshs 000
Revaluation reserve	-	-
Revolving fund	1,016,000	640,000
Accumulated surplus	85,712	78,404
Total funds	1,101,712	718,404
Total borrowings	-	-
Less: cash and bank balances	34,008	49,376
Net debt/(excess cash and cash equivalents)	1,067,704	669,028
Gearing	1,067,704	669,028

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 the Salaries and Remuneration Circular no SRC/TS/WB/3/14 of 14th February 2014 and derives its authority and accountability from Section 167 of the Public Finance Management Act 2012. Its ultimate parent is the County Government of Nairobi.

31. Currency

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

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)
OAG/NCC/CA/CLMF2021/2022/(33)	<p>Variance in Interest Income:</p> <p>The statement of financial performance reflects interest income of Kshs.19,967,000, as disclosed in Note 4 to the financial statements. However, an independent recalculation from details in the supporting analysis provided for audit yielded an interest of Kshs.22,392,670, against the interest of Kshs.19,967,000 reflected in the financial statements resulting to a variance of Kshs.2,425,670 which was not explained or reconciled.</p>	<p>The total interest generated from the scheme fund operations for the period ended 30th June 2022 amounted to Kshs.19,967,000 which consisted of interest from staff loans amounting to Kshs.17,375,185, for MCAs of Kshs.1,284,141 and the bank interest was Kshs.1,306,779. This is contained in the statement of financial performance through the revised financial statements shared with the Office of the Auditor General on 13th January, 2023.</p>	Not Resolved (Pending review by the County Assembly Public Accounts Committee)	February 2024

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Variance in Principal Loan Repayment Records: The statement of cashflows reflects proceeds from loan principal repayments of Kshs.111,959,000 while the total repayments as per the individual repayment ledgers was Kshs.103,604,577. The latter was made up of Kshs.36,421,044 and Kshs.67,183,533 from the staff members and Members of the County Assembly, respectively. This resulted to unreconciled variance of Kshs.8,354,423. Further, review of extracts of the payroll indicated that principle and interest payments amounted to Kshs.115,111,113. However, the statement of</p>	<p>The computation of monthly loan repayments for both Members and Staff indicated the principal loan repayments for the period under review amounting to Kshs.99,588,086. This amount consist of MCAs Car Loan of Kshs.32,779,037, MCAs Mortgage of Kshs.35,111,839, Staff Mortgage of Kshs.27,994,010 and Staff Car Loan of Kshs.3,703,199. The statement of financial performance requires presentation of information on the interest income for the period under review and not the total principal loan repayments. In view of this, the fund generated total interest of Kshs.19,967,000 from the 3% interest chargeable and bank accrued interest.</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>performance reflects interest payment of Kshs.19,966,000 resulting to a balance of principal repayment of Kshs.95,145,113. This differs with the balance reflected in the statement of cash flows as proceeds from loan principal repayments of Kshs.111,959,000 resulting to a variance of Kshs.16,813,886, between the two sets of records. This inconsistency between the records has neither been explained nor reconciled.</p>			
	<p>Inconsistency in Loan Records: The statement of cashflows reflects interest received and proceeds from loan principal repayments of</p>	<p>The fund operations registered Kshs.99,588,086 as principal repayments and interest of Kshs.18,659,326 from the 3% charge on loan balances giving a total of</p>	<p>Not Resolved (Pending review by the County Assembly Public Accounts Committee)</p>	<p>February 2024</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Kshs.19,966,000 and Kshs.111,959,000 respectively, both totaling Kshs.131,925,000. Extracts of payroll schedules provided for audit revealed total loans from members and staff of Kshs.115,111,114 while summary of the individual loan ledgers reflected total receipts of Kshs.124,690,461. The Management has not reconciled or explained the variance between the three sets of records.</p>	<p>Kshs.118,247,412 as total loan repayments. The total repayments is composed of the loan repayments recovered through the Assembly payroll which totaled to Kshs.113,591,191 and Kshs.4,656,221 being loan repayments off the payroll system including under deductions issues. The under deduction issues have since been amended. The off payroll system repayments are for Members of scheme who have since transferred their services from the County Assembly.</p>		
	<p>Inaccuracies in Receivables: The statement of financial position reflects current portion and long-term receivables from exchange transactions of Kshs.52,840,000 and kshs.553,503,000</p>	<p>The total current portion of long term receivables from non-exchange transactions amounted to Kshs.52,840,000 which comprised of receivables from MCAs mortgage of Kshs.1,265,000, MCAs car loan of</p>	<p>Not Resolved (Pending review by the County Assembly Public Accounts Committee)</p>	<p>February 2024</p>

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	totaling to kshs.606,343,000, as disclosed in Note 12 to the financial statements. An independent precomputations indicated receivables balance of Kshs.639,994,000 resulting to a variance of Kshs.33,651,000 which was not explained or reconciled. The statement further reflects total receivables of Kshs.672,250,000 as at In the circumstances, the accuracy and completeness of the receivables totaling to Kshs.606,343,000 could not be confirmed.	Kshs.69,000, Staff mortgage of Kshs.47,052,000 and staff car loan of Kshs.4,454,000. The recast of current portion of long term receivables is Kshs.52,840,000 as contained under note 12 of the financial statements. Further long term receivables from exchange transactions sum upto Kshs.553,502,000 comprised of Staff Mortgage of Kshs.544,986,000 and staff car loan of Kshs.8,516,000. The total receivables for the period under consideration is Kshs.606,343,000 as contained in Note. 3 of the financial statements.		
	Inaccurate Statement of Changes in Net Assets: The statement of changes in net assets reflects	The statement of changes in net assets for the period under consideration were reviewed and revised through the	Not Resolved (Pending review by the County Assembly Public	February 2024

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>revolving fund balance of Kshs. 714,803,000. However, recasting across of the balance brought forward as at 1 July, 2020 results to an amount of Kshs. 714,068,000 while the resulting to an unexplained variance of Kshs.5,515,000. Further, the statement reflects surplus for the year 2020/2021 of Ksh.735,000. However, the statement of financial performance reflects a prior year surplus amount of Kshs. 371,000.</p>	<p>shared revised financial statements. However, an extract of the statement of changes in net assets has been attached for review.</p>	<p>Accounts Committee)</p>	

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.

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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(iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.



Fund Manager/Accounting Officer (Clerk)

Date... 31/01/2024

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Annex II: Inter-Fund Confirmation Letter
Nairobi City County Assembly Car Loan and Mortgage Scheme Fund

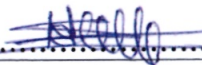
Nairobi City County Assembly- Recurrent Account
P.O Box 45844-00100

The *Nairobi City County Assembly Car Loan and Mortgage Scheme Fund* wishes to confirm the amounts disbursed to you as at 30th June 2023 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 County Assembly Recurrent Account as at 30 th June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by Nairobi City County Assembly Scheme Fund (Kshs) as at 30 th June 2023				Amount Received by Nairobi City County Assembly Recurrent Account (KShs) as at 30 th June 2023 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
	05.08.2022	31,029,937			31,029,937	31,029,937	0
	19.08.2022	1,300,000			1,300,000	1,300,000	0
	07.10.2022	38,220,000			38,220,000	38,220,000	0
	24.12.2022	11,000,000			11,000,000	11,000,000	0
	13.01.2023	20,000,000			20,000,000	20,000,000	0
	14.03.2023	20,000,000			20,000,000	20,000,000	0
Total		102,151,937			102,151,937	102,151,937	0

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

Head of Accountants department of beneficiary Fund:

Name Ndane Lemmy Sign  Date 31/07/2024

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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Annex III: Reporting of Climate Relevant Expenditures

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

Nairobi City County Assembly Car Loan and Mortgage Scheme Fund
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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

NB: The County Assembly did not have disaster management expenditure during the year FY2022/23.