



MUNICIPALITY OF NYAMIRA

County Government of Nyamira

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

County Government of Nyamira
Municipality of Nyamira
Annual Report and Financial Statements for the year ended June 30, 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

PSASB	Public Sector Accounting Standards Board
FY	Financial Year
OSHA	Occupational Safety & Health Act

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

a) Background information

Municipality of Nyamira came into existence by the implementation of the Urban Areas and Cities Act No 13 of 2011(amended). The act provides that all urban areas designated as the County Headquarter be upgraded to Municipality status despite not meeting the minimum threshold of infrastructure and population. In 2018, H.E The Governor John Obiero Nyagarama, declared Nyamira a Municipality in accordance with the provisions of the approved Nyamira Municipality charter.

Municipality of Nyamira covers an area of approximately 155 Km². According to the 2009 Kenya Population Housing Census (KPHC), Nyamira had an estimated population of 164,101. However, Nyamira Municipality's updated estimate population shall be adequately determined once the next census captures data for all the residents within the established boundary.

b) Principal Activities

Vision

A habitable, safe and vibrant municipality

Mission

To provide and promote sustainable livelihoods through adequate infrastructural, environmental and social investments

Strategic objectives

- Infrastructure and affordable housing development to spur economic growth
- Sustainable waste management system for clean and healthy environment
- Spatial planning framework towards well-coordinated land use & administration
- Social investments to better recreational environment
- Fire & Disaster preparedness for safety purposes
- To promote value addition in food processing and value chain • Promote quality and affordable health care

c) Key Management

The Municipality of Nyamira management is under the following key organs:

S/No.	Position	Name
	Chairman of the Board	
1	Chief Officer (Lands, Housing and Physical Planning)	Mr. Josephat Gori
2	Chief Officer finance	CPA, Dr. Azenath Maobe
3	Other trustees/Committee Members	
4	Fund manager and Accounting Officer	CPA Morara Mokuia

d) Fiduciary Management

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

Ref	Position	Name
1	Fund Manager/ Accounting Officer	CPA Morara Mokuu
2	Chief Officer Finance	CPA Dr Azenath Maobe
3	Chief Officer Lands, Housing & Physical Planning	Josephat Gori

e) Fiduciary Oversight Arrangements

f) Registered Offices

P.O. Box 434-40500
Nyamira County Headquarters
Konate Senta Road
Nyamira, KENYA

g) Contacts

Telephone: (254) 0738727272/0735232323
E-mail: nyamiramuni046@gmail.com
Website: nyamira.go.ke

h) Bankers

1. Central Bank of Kenya

Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

2. Other Banks

Equity bank of Kenya
Nyamira Branch
P.O. 650- 40500
Nairobi, Kenya

i) Independent Auditor

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

j) Principal Legal Adviser

Erastus Orina
County Attorney
P.O. Box 434-40500

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Nyamira, Kenya

3. City/Municipality Board

Serial No.	Name	Details of qualifications and experience
1	 <p>CPA.Rebecca M. Onyinkwa</p>	<p>Rebecca M. Onyinkwa is a finance and education management professional with an MBA from Adventist University of Africa and is a Certified Public Accountant (CPA-K). She has served as Chief Finance Officer of the SDA Church, Nyamira Conference, for seven years and is currently the Business Manager at Matutu Adventist Schools.</p> <p>She has continually made significant contributions to the boards of several institutions, including Bonyunyu Secondary, Kiabonyoru Girls, Riomego Primary Comprehensive, and Sironga Girls. Her appointment as Chairperson of the Nyamira Municipality Board underscores her commitment to transparency, accountability, and sustainable community development.</p>
2	 <p>James Boera Onyanacha</p>	<p>Academic Qualifications</p> <p>Mr James Boera Onyanacha completed his Bachelor of Science in Information Technology from Jomo Kenyatta University in 2023.</p> <p>Professional experience</p> <p>He has worked in various organisations as Logistic Assistant- Warehousing, SMEC International Pty ltd, Logistics Assistant/Driver Secours Islamique France (Kenya & Somalia Mission) Procurement & Logistics Officer.</p>

3	 <p>Becky Nyanchama Onyancha</p>	<p>She was born in 30th April 1983.</p> <p>Academic Qualifications</p> <p>Becky Nyanchama Onyancha graduated from The University of Nairobi; Masters in Project Planning and Management in the year 2019</p> <p>Professional experience</p> <p>Worked in Busia County on monitoring and evaluation of county projects from the year 2019-2022</p>
4	 <p>Linet Kwamboka Ayora</p>	<p>Academic Qualifications</p> <p>Linet Kwamboka Ayora graduated from Kisii University with bachelors of secretarial management and administration in 2018.</p>

4. Key Management Team

S/ No	Name	Details of qualifications and experience
1.	 <p>Mr Steven Kennedy Oboso Cecm,For Lands,Housing,Physical Planning And Urban Development</p>	<p>Academic Qualifications Mr Oboso completed his Bachelors in law (LLB)from the university of Nairobi in 1989 and proceeded to the kenya school of law the following year for his Diploma.</p> <p>Professional experience He started practicing law in the year 1991 and has a long standing career as an advocate of the high court of Kenya. He worked in the Nyamira County Public Service Board as amember between 2013-2017 He hails from Bosamaro Ward, Nyamira County</p>
2.	 <p>CPA Morara Mokuia Municipal manager Municipality of Nyamira.</p>	<p>Education background CPA Morara Mokuia hails from Kiabonyoru ward. He has Masters in business administration (Finance) at The University of Nairobi and bachelors in education from Egerton University. CPA Mokuia is a member of the Institute of Certified Public Accountants of Kenya (ICPAK), Institute of Certified Public Secretary of Kenya (ICPSK) and he has a diploma in Forensic Accounting</p> <p>Professional Experience CPA Mokuia worked for the County Government of Nyamira as the chief officer of Lands,housing and urban development . Before joining the County Government service, CPA Mokuia served as A graduate teacher, worked in Equity bank and family Bank. He has a total of 28years working experience</p>

5. Nyamira Municipality Board Chairperson's Report

Municipality of Nyamira board is composed of 9 members, 4(four) members of the board are appointed through a competitive process 3(three) are nominated by the Governor and approved by the County Assembly. The CECM and CCO Urban Development are automatic members of the Board. The board is headed by chairman and the members who represent the following categories: -

- An association representing private sector
- A cluster representing registered associations of the informal sectors {Jua Kali}
- A cluster representing registered neighbourhood associations {Teachers Associations}
- An association representing professional bodies

The Municipality has completed the following projects,

- Upgrading to bitumen standards borabu Inn-Golan heights-juakali-nyabite market approx.4.0km at a cost of Kshs. 104,373,213.30 FY 2018/2019
- Public works CDF building hospital junction approx. 1km. at cost of Kshs. 82,858,330.47 FY 2019/2020
- Construction and completion of fire station at a cost of 50 519,325.
- Upgrading to bitumen standards Egesieri , Bundo TBC- Biego-Nyaramba road at a cost of ksh 500,000,000 in collaboration with Kenya Urban Roads Authority (KURA) Phase 1 of Ksh 50,000,000 Excuted.

Achievements realised are as follows;

- Streetlights enhanced security and 24-hour economy
- Creation of employment to the youth
- Enhancement of the municipality aesthetics
- Easy movement of goods and people
- Storm water and drainage improvement
- Garbage collection for safe and secure environment

**THE PROPOSED UPGRADING OF PUBLIC WORKS OFFICES –CDF OFFICES –
NYAMIRA HOSPITAL JUNCTION FROM GRAVEL ROAD STATUS TO BITUMEN
STANDARDS, CONTRACT NO CGN/C0020T002/2020-2021**



PROPOSED CONTRUCTION AND COMPLETION OF FIRE STATION FOR THE COUNTY GOVERNMENT OF NYAMIRA –NYAMIRA MUNICIPALITY TENDER NO CGN0C0102021-2022



Conclusion

FY 2024/2025 is a good year in general. Good progress was made and the momentum has been created to enable the Municipality of Nyamira continue on a trajectory into prosperity. I want to appreciate the other county departments especially the department of Finance and Economic Planning for their support when it comes to financial matters.

.....

Name: Rebecca Onyinkwa

Chairperson of the Board

6. Report Of the City/Municipality Manager

Municipality of Nyamira board is composed of 9 members, 4(four) members of the board are appointed through a competitive process 3(three) are nominated by the Governor and approved by the County Assembly. The CECM and CCO Urban Development are automatic members of the Board. The board is headed by chairman and the members who represent the following categories: -

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- Storm water and drainage improvement
- Garbage collection for safe and secure environment

.....
Name:Morara Mokuu
Municipality Manager

7. Statement of Performance Against Predetermined Objectives for the FY 2024/2025

Introduction

Section 46(2) of the Urban Areas and Cities Act (UACA) 2011 specifies that at the end of each financial year, the board should submit its accounts for the year to the County Executive Committee Member Finance and economic planning for submission to the Auditor General. This is also in line with Section 164 (2) (f) of the Public Finance Management Act, 2012 which requires that at the end of each financial year, the Accounting Officer when preparing financial statements of each County Government should be in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board, includes a statement of the county government Municipality of Nyamira's performance against predetermined objectives. The Municipality of Nyamira shall have all the powers, general and special, governmental or proprietary, expressed or implied, which may be possessed or assumed by municipalities under the Urban Areas and Cities Act and the County Governments Act.

- Municipality of Nyamira borrows heavily from the County's 2023-2027 CIDP. The CIDP identified strategic objectives through a participatory process that reviewed the development priorities of the Governor's Manifesto.

The key development objectives of the Municipality of Nyamira CIDP 2023-2027 plan are to:

- i) Administration and management of education programmes at ECDE & CCC and Vocational Training & Home Craft Centres
 - ii) Quality assurance, supervision and maintenance of Standards in ECDE& CCC, VCTs & HCC
 - iii) Teacher Management, development and utilization for effective service delivery
 - iv) Mobilization and development of curriculum support materials
 - v) Auditing of institutional accounts
 - vi) Provision of bursaries and grants to institutions,
 - vii) Mobilization of resources for infrastructure development.
 - viii) Establish Collaboration and Partnership with partners and line ministries
 - ix) Infrastructure and affordable housing development to spur economic growth
 - x) Sustainable waste management system for clean and healthy environment
 - xi) Spatial planning framework towards well-coordinated land use & administration
 - xii) Social investments to better recreational environment
 - xiii) Fire & Disaster preparedness for safety purposes.
 - xiv) to promote value addition in food processing and value chain
 - xv) Promote quality and affordable health care
- The Municipality of Nyamira had an annual budget of Kshs. 181,901,798 out of this Kshs. 35,000,000 was for UIG recurrent and Ksh. 146,901,798 was directly funded by County Government.

County Government of Nyamira

Municipality of Nyamira

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

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

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Program	Objective	Outcome	Indicator	Performance
Municipality Management	Inclusivity in running the municipality's affairs	Increased number of Nyamira residents participating in the Municipality's affairs.	We have a project management/ monitoring committee for the Municipality's projects	In FY 2024/2025 we increased the number of activities and people involved.
Environment and social services	To maintain clean environment to global standards	Increase refuse collection and treatment	48 % refuse collected	The Municipality boundaries were covered in refuse collection and treatment
Municipal infrastructure and disaster management support services	To develop and maintain street and security lighting infrastructure	Increased public safety and security	70% reduction of crime	Street lighting was undertaken within Municipality and there has been 50% reduction in crime

8. Corporate Governance Statement

A. Number of Nyamira Municipality Board meetings held and the attendance to those meetings by members

The Municipality of Nyamira held all its quarterly meetings and there was an approximately 90% attendance to all of those meetings.

B. Succession plan

When the Municipal Manager is temporarily disabled from acting as Municipal Manager or when the office of the Municipal Manager becomes vacant, the County Governor shall appoint a qualified person to be an Acting Municipal Manager. The County Governor shall inform the County Public Service Board of such appointment within seven (7) days. The Acting Municipal Manager shall have the authority and duties of the Municipal Manager, except that the Acting Municipal Manager may appoint or remove employees only with approval of the Board of the Municipality. An Acting Municipal Manager shall hold office for not more than six months.

C. Existence of a service charter

The Municipality has a service charter.

D. Process of appointment and removal of trustees/ Administration Committee members

The county governor shall, while considering the nominated members identified by the organizations specified, he require the organizations to produce

- a) signed minutes as evidence of an accountable process of nomination;
- b) evidence of compliance with statutory obligations;
- c) vetting form to establish that the nominee has complied with the prescribed criteria for appointment as a member of the board.

A board of a municipality shall be appointed by the county governor with the approval of the county assembly.

The administration committee members shall cease to be member if;

- Is unable to perform the functions of the office by reason of mental or physical infirmity;
- Is declared or becomes bankrupt or insolvent;
- Is convicted of a criminal offence and sentenced to a term of imprisonment of six months or more;
- Resigns in writing to the County Governor;
- Without reasonable cause, the member is absent from three consecutive meetings of the Board or Committee of the Board of the Municipality within one financial year;
- Is found guilty of professional misconduct by the relevant professional body;
- Is disqualified from holding a public office under the Constitution;
- Fails to declare his or her interest in any matter being considered or to be considered by the Board or Board Committees;
- Engages in any gross misconduct; or
- Dies.

E. Roles and functions of the Administration Committee members.

- (a) Promotion, regulation and provision of refuse collection and solid waste management services;
- (b) Construction and maintenance of urban roads and associated infrastructure;
- (c) Construction and maintenance of storm drainage and flood controls;
- (d) Construction and maintenance of walkways and other non-motorized transport infrastructure;
- (e) Construction and maintenance of recreational parks and green spaces;
- (f) Construction and maintenance of street lighting;
- (g) Construction maintenance and regulation of traffic controls and parking facilities;
- (h) Construction and maintenance of bus stations and taxi stands;
- (i) Promotion, regulation and provision of animal control and welfare;

F. Induction and training, Administration Committee members and member's performance

The administration committee members have so far satisfactorily undergone the following induction and trainings:

- K.U.S.P Induction
- Budget and Finance training
- Procurement and By-laws training

G. Conflict of interest,

There is a lack of clear designation and roles between county staffs and Municipality staffs.

H. Board remuneration

The chairperson, vice chairperson and members of a board or town committee shall not receive a salary from the board or town committee but shall be paid such allowances and benefits as the county executive committee shall, with the approval of the county assembly, and on the advice of the Salaries and Remuneration Commission, determine.

I. Ethics and conduct as well as governance audit undertaken if any

The Municipality has undergone annual internal and external audit by auditor general.

9. Management Discussion and Analysis

Revenue classification	Revenue budget Kshs	Actual (Kshs)	Realisation (%)
UDG	0		
UIG	35,000,000	32,309,300	
County funding	146,901,798	65,368,821	
	181,901,798	97,678,121	

The Municipality has worked on the road projects, upgrading to bitumen standards Borabu inn-Golan heights-juakali-nyabite market for FY 18/19 which is 4.0 KM, and Public works-CDF Offices-hospital junction FY 19/20 which is 1.0 KM. The projects will enhance the security and accessibility within the municipality.

- They created employment opportunities.
- They enhanced the aesthetics of the municipality
- They offered a by-pass from the main road
- They improved storm water drainage

The road project programme was implemented by the Kenya Urban Support Programme; Urban Development Grant which is a World bank grant for development projects. The Urban Development Grant was implemented through the Nyamira Municipality.

The road project was a 4.0KM road that included a main carriage way. This has benefited the resident of Nyamira municipality as follows;

- Enhancing their security and accessibility within the municipality.
- Creating employment opportunities.
- Enhancing the aesthetics of the municipality
- Offering them a by-pass from the main road,
- Improving storm water drainage.

The implementation challenges of strategic objectives for the Municipality of Nyamira and its future outlook include:

- Insufficient budget allocation
- Weak institutional framework
- Inadequate staffs

Sub Programme	Key Outputs	Key performance Indicators	Baseline (Current Status)	Planned Targets	Resource Requirement (KSHS)
Upgrading to Bitumen standards Borabu inn, Golan Heights, Jua kali, Nyamira boys ,nyabite market	Tarmacked road	Kilometres Tarmacked	0	4.0km Tarmacked	104,373,213
Public works, CDF offices, hospital junction to bitumen standards	Tarmacked road and streets Signage	-Number of streets Addressed	0	1.0km Road tarmacked	82,859,330

Construction of fire station			0		50,519,325
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The key risk management strategies include;

- Establishment of Infrastructure Management Committee for the Municipality projects
- Adherence to the Occupational safety and health protocols

10. Environmental and Sustainability Reporting

Municipality of Nyamira exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

i) Sustainability strategy and profile

The Municipality of Nyamira is responsible for the provision and promotion of a clean environment for the business community. This is achieved through garbage collection, construction and maintenance of drainages and clearing bushes within the municipality.

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

ii) Environmental performance

This is one of the critical areas of the municipality's services. The municipality in collaboration with the Department of Lands, Housing and Physical Planning has successfully:

- Maintained a clean friendly environment e.g. participating in community clean-up
- Developed and implemented environmental awareness creation programs
- Developed Waste management policies.
- Established measures to mitigate against water, air, noise and other forms of pollution.

iii) Employee welfare

The Municipality of Nyamira Board incorporation with County Government use a human resource manual/policy that takes into account a gender ratio whereby a third of every new recruitment is comprised of women, continuous training being offered to employees on need basis to enhance skills, careers and as well as performance appraisals which are done through performance contracting.

iv) Market place practices

The organisation should outline its efforts to:

a) Responsible competition practice.

The management has made efforts to equitably offer opportunities to youths, women and persons living with disability. Procurement opportunities are given to bidders as per the guiding procurement laws (PPAD 2015) and equity is in practice ever. There is frequent interaction between bidders and management through pre bidding conferences, site visits, opening of tenders and trainings.

The management has envisaged consumer rights and interests through confidentiality during procurement process and non-disclosure of proprietary rights.

b) Responsible Supply chain and supplier relations

The Nyamira Municipality Board after contact execution by the contactor and suppliers, provide full payment and with all factors held constant the process is done with a maximum of 5 days and we endeavour to keep our pending Bills within manageable levels and we pride ourselves in achieving this year in year out.

c) Responsible marketing and advertisement

The Nyamira Municipality Board gives opportunities to all and all our advertised are done through local daily newspapers, government portals, websites and notice boards.

d) Product stewardship

The Nyamira Municipality Board ensure that design, manufacture, sell, and use consumer products take responsibility for reducing negative impacts to the economy, environment, public health, and worker safety.

v) Community Engagements

Nyamira Municipality Board exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy. Putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar.

11. Report of the City/Municipality Board Members

The Board Members submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the Municipality of Nyamira affairs.

i) Principal activities

The principal activities of the Fund are to:

- Infrastructure and affordable housing development to spur economic growth
- Sustainable waste management system for clean and healthy environment
- Spatial planning framework towards well-coordinated land use & administration
- Social investments to better recreational environment
- Fire & Disaster preparedness for safety purposes
- To promote value addition in food processing and value chain Promote quality and affordable health care

ii) Results

The results of the Municipality of Nyamira for the year ended June 30th, 2025, are set out on page 1 to 4

iii) Directors

The members of the Board of Directors who served during the year are shown on page iv to ix.

iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

v) Auditors

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

By Order of the Board

.....

Name: Morara Mokuia

Secretary of the Board

12. Statement of Management’s Responsibilities

Section 180 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of the Municipality established by Urban Areas and Cities Act No. 13 of 2011 shall prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Municipality of Nyamira manager is responsible for the preparation and presentation of the City/Municipality’s financial statements, which give a true and fair view of the state of affairs of the City/Municipality for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the City/Municipality, (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 City/Municipality, (v) Selecting and applying appropriate accounting policies, and (vi) Making accounting estimates that are reasonable in the circumstances.

The Municipality of Nyamira Manager accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Urban Areas and Cities Act No. 13 of 2011. The City/Municipality Manager is of the opinion that the financial statements give a true and fair view of the state of Municipality of Nyamira’s transactions during the financial year ended June 30, 2024, and the financial position as at that date.

The City/Municipality of Nyamira Manager further confirms the completeness of the accounting records which have been relied upon in the preparation of financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the Fund’s ability to continue as a going concern.

Nothing has come to the attention of the Municipality Manager to indicate that the Municipality of Nyamira 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 Municipal of Nyamira financial statements were approved by the Board on 29th August 2025 and signed on its behalf by:

.....

Name: Rebecca Onyinkwa

Chairperson of the Board

.....

Name: Morara Mokuwa

Accounting officer of the Board

13. Report of the auditors General on Municipality of Nyamira Financial Statements for the year ended 30th June 2025

14. Statement of Financial Performance for The Year Ended 30 June 2025.

Description	Note	2024-2025	2023-2024
		Kshs.	Kshs.
Revenue from non-exchange transactions			
Transfers from the County Government	6	97,678,122	124,752,413
Total revenue		97,678,122	124,752,413
Expenditure			
Use of goods and services	7	11,352,976	20,659,589
Staff costs	8	46,361,133	9,788,374
Board expenses	9	0	3,041,600
Depreciation and amortization	10	24,953,597	23,360,580
Total expenses		82,667,706	56,850,143
Surplus/(deficit) for the period		15,010,416	67,902,270

The notes set out on pages 6 to 31 form an integral part of these Financial Statements. The Municipality of Nyamira financial statements were approved on 29 August 2025 and signed by:

.....

Name: Morara Mokuu

Municipality Manager

.....

Name: Justine Nyabuti

Municipality Accountant

15. Statement of Financial Position As At 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	11	32,469,316	8,435,471
Inventories	12	4,052,404	1,695,986
Total current assets		36,521,720	10,131,457
Non-current assets			
Property, plant, and equipment	13	182,389,160	190,186,339
Intangible assets	14	4,905,000	6,131,250
Total Non-current Assets		187,294,160	196,317,589
Total assets (A)		223,815,880	206,449,046
Liabilities			
Current liabilities			
Trade and other payables	15	23,262,168	20,905,750
Total current liabilities		23,262,168	20,905,750
Non-current liabilities		0	0
Total liabilities (B)		23,262,168	20,905,750
Net Assets (A-B)		200,553,712	185,543,296
Represented by:			
Capital/Development Grants/Fund		0	0
Reserves		0	0
Accumulated surplus		200,553,712	185,543,296
Net Assets/Equity		200,553,712	185,543,296

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 29th August 2025 and signed by:

.....

Name: Morara Mokuu

Municipality Manager

Date:

.....

Name: Justine Nyabuti

Municipality Accountant

Date:

16. Statement of Changes in Net Assets For the Year Ended 30 June 2025

Description	Capital/ Development Grants/Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs.	Kshs.	Kshs.
Bal as at 1 July 2023	0	0	117,641,026	117,641,026
Surplus/(deficit) for the year		-	67,902,270	67,902,270
Bal as at 30 Jun 2024	0	0	185,543,296	185,543,296
Bal as at 1 July 2024	0	0	185,543,296	185,543,296
Surplus/(deficit) for the year	0	0	15,010,416	15,010,416
Funds received during the year	0	0	0	0
Revaluation gain/loss	0	0	0	0
Balance as at 30 June 2025	0	0	0	200,553,712

17. Statement Of Cash Flows for The Year Ended 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Transfers from the County Government		97,678,122	124,752,413
Total Receipts		97,678,122	124,752,413
Payments			
Use of goods and services		11,352,976	20,659,589
Staff costs		46,361,133	9,788,374
Board expenses		0	3,041,600
Total Payments		57,714,109	(33,489,563)
Net cash flows from operating activities	16	39,964,013	91,262,850
Cash flows from investing activities		0	
Purchase of PPE & intangible assets		(15,930,168)	(177,388,169)
Net cash flows used in investing activities		(15,930,168)	(177,388,169)
Cash flows from financing activities			
Receipts from Capital grants		0	0
Proceeds from borrowings		0	0
Repayment of borrowings		0	0
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash & cash equivalents		24,033,846	(86,125,319)
Cash And Cash Equivalents At 1 July 2024	19	8,435,471	94,560,790
Cash And Cash Equivalents At 30 June 25	19	32,469,316	8,435,471

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18. Statement of Comparison of Budget & Actual Amounts for the Year ended 30 June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c
Budget carryovers from the previous year*	-	0	0	0	0	0
Receipts						
Transfers from the County Government	172,693,158	9,208,640	181,901,798	97,678,122	0	53%
Total Receipts	172,693,158		181,901,798	97,678,122		53%
Payments						
Use of goods and services	6,500,000	0	6,500,000	11,352,976	0	174%
Board expenses	0	0	0	0	0	0%
Staff Costs	50,376,030	0	50,376,030	46,361,133	4,401,456	91%
Depreciation/ Amortization	0	0	0	24,953,597	0	
Total expenditure Payments	91,876,030	0	91,876,030	82,667,706		
Capital Expenditure Payments	80,817,128	9,208,640	90,025,768	15,930,168	71,740,272	16%
Surplus for the period				15,010,416		

Budget notes

capital expenditure payments represent 16% of the budget.

payment for use of goods and services over utilization was erroneously charged because there was no budget, the anomaly was rectified and no payment was made.

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Expenditure incurred by county executive on behalf of Municipality of Nyamira.

Municipality was not able utilize development vote for the financial year under review because the County Cabinet resolution which directed that all development funds to be used to clear prior pending bill.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	15,010,416

19. Notes to the Financial Statements

1. General Information

Municipality of Nyamira is established by and derives its authority and accountability from The Urban Areas and Cities Act 2011. The Municipality of Nyamira is wholly owned by the county Government of Nyamira and is domiciled in Nyamira, Kenya. The Municipality of Nyamira principal activity is promotion, regulation and provision of refuse collection and solid waste management

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts, and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Municipality of Nyamira accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Municipality of Nyamira.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Application of New and revised standards (IPSAS)

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

There are no new standards effective in the financial year ended 30th June 2025.

4. Significant Accounting Policies

a) Budget information

The original budget for FY 2023/2024 was approved by the County Assembly on 26th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Municipality of Nyamira upon receiving the respective approvals in order to conclude the final budget.

The Municipality of Nyamira budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on an 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. 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.

b) 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 Municipality of Nyamira 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.

c) 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.

d) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

e) 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 Municipality of Nyamira.

f) Changes in accounting policies and estimates

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

g) Related parties

The Municipality of Nyamira 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

City/Municipality, or vice versa. Members of key management are regarded as related parties and comprise the Board members, the Municipality Managers and Municipality Accountant.

h) 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 various commercial banks at the end of the financial year.

i) Comparative figures

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

j) Events after the reporting period

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue.

Two types of events can be identified:

- (a) Those that provide evidence of conditions that existed at the reporting date; and
- (b) Those that are indicative of conditions that arose after the reporting date.

The City/Municipality should indicate whether there are material adjusting and non- adjusting events after the reporting period.

k) Currency

The financial statements are presented in Kenya Shillings (Kshs.) and the values rounded off to the nearest shilling.

5. Significant judgments and sources of estimation uncertainty

The preparation of the Municipality of Nyamira 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.

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 City/Municipality 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 Municipality of Nyamira. Such changes are reflected in the assumptions when they occur.

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:

- i) The condition of the asset based on the assessment of experts employed by the City/Municipality.
- ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- iii) The nature of the processes in which the asset is deployed.
- iv) Availability of funds to replace the asset.
- v) Changes in the market in relation to the asset.

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6. Transfers from the County Government

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Transfers from County Govt. – Recurrent		38,990,700
Payments by County on behalf of the entity	65,368,822	72,500,000
Kenya Urban Support programme(UG) Grant	32,309,300	2,455,798
Kenya Urban support programme(UDG)grant	0	10,805,915
Total	97,678,122	124,752,413

7. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Utilities, supplies and services	100,000	0
Communication, supplies and services	0	
Domestic travel and subsistence	1,073,800	7,847,600
Foreign travel and subsistence	0	0
Printing, advertising, supplies & services	0	0
Temporary imprest	3,416,000	396,000
Training expenses	3,755,500	2,905,600
Hospitality supplies and services	42,000	2,206,000
Safety gear	46,800	0
Specialized materials and services	233,404	579,699
Office and general supplies and services	0	1,235,590
Fuel, oil and lubricants	2,640,000	5,378,000
Other operating expenses ()	0	0
Routine maintenance – vehicles and other equipment	45,472	0
Routine maintenance – computers	0	111,100
Total	11,352,976	20,659,589

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8. Staff cost.

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Salaries and wages	46,361,133	9,788,374
Staff gratuity	0	0
Social security contribution	0	0
Other staff costs (<i>Specify</i>)	0	0
Total	46,361,133	9,788,374

9. Board expenses

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Chairman/Members' Honoraria	0	0
Sitting allowances	0	0
Medical Insurance	0	0
Induction and Training	0	0
Travel and accommodation	0	2,037,600
Conference Costs	0	1,004,000
Other allowances (<i>Specify</i>)	0	0
Total	0	3,041,600

10. Depreciation and amortization

Description	2024-2025	2023-2024
	KShs	KShs
Property, plant and equipment	23,727,347	22,134,330
Intangible assets	1,226,250	1,226,250
Investment property carried at cost	0	0
Total depreciation and amortization	24,953,597	23,360,580

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11. Cash and cash equivalents

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Recurrent Grant Account	32,310,598	1,298
Development Grant Account	158,718	4,607,638
Rentention Account	0	3,826,535
Total cash and cash equivalents	32,469,316	8,435,471

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

Financial institution	Account number	2024-2025	2023-2024
		Kshs.	Kshs.
a)Institutinal Grant			
Central Bank of kenya (UIG)	1000404841	1,298	1,298
Family Bank	02600003549 5	32,309,300	0
Sub- total		32,310,598	1,298
b)development grant account		0	0
Central bank of kenya UDG	1000394374	0	0
Equity bank account UDG	05202800234 57	158,718	4,608,936
Sub- total		158,718	4,608,936
Rentention account	1000323938	0	3,826,535
		32,469,316	8,436,769

12. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Stationery	835,986	820,002
Consumables	2,356,418	0
Other inventories-tools	860,000	875,984
Total inventories at the lower of cost and net realizable value	4,052,404	1,695,986

Detailed Disclosure on Inventories

	2024-2025	2023-2024
Opening balance	1,695,986	0
Additional Inventory in the year	233,404	0
Inventory expensed in the year	(233,404)	0
Write-downs in the year	0	0
Others specify-Prior years inventory not captured	2,356,418	0
Closing balance	4,052,404	1,695,986

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13. Property, Plant and Equipment

Description	Land	Building	Motor vehicle	Furniture and fittings	Computer	Other Assets	Capital Work in progress(K URA ROAD)	Total
	0%	2%	s 25%	12.5%	s 30%	ROADS 10%	0%	
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	
As at 1 July 2022	0	0	0	2,159,980	7,102,638	104,373,213	0	113,635,831
Additions	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Transfers/adjustments	0	0	0	0	0	0	0	0
As at 30th June 2023	0	0	0	2,159,980	7,102,638	104,373,213	0	113,635,831
Additions for the year	0	50,519,523	0	0	0	82,858,330	0	133,377,853
Disposals for the year	0		0	0	0	0	0	0
Transfer/adjustments	0		0	0	0		0	0
As at 30th June 2024	0	50,519,523	0	2,159,980	7,102,638	187,231,544	0	241,501,842
Depreciation and impairment	0	0	0	0	0	0	0	0
At 1 July 2022	0	0	0	0	0	0	0	0
Depreciation	0	0	0	269,998	2,130,791	20,846,308	0	23,247,097
Impairment	0	0	0	0	0	0	0	0

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Description	Land 0%	Building 2%	Motor vehicle s 25%	Furniture and fittings 12.5%	Computer s 30%	Other Assets ROADS 10%	Capital Work in progress(K URA ROAD) 0%	Total
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Transfers/ Adjustments	0	0	0	0	0	0	0	0
As at 30 June 2023	0	0	0	539,996	2,130,791	31,311,964	0	12,823,943
Depreciation for the year	0	1,010,387	0	269,998	2,130,791	18,723,154	0	22,134,330
Disposals for the year	0	0	0	0	0	0	0	0
Impairment for the year	0	0	0	0	0	0	0	0
Transfer/adjustment		0	0	0	0	0	0	0
As at 30th June 2024	0	0	0	809,994	4,261,582	50,035,118		113,635,831
NBV as at 30th June 2023	0	50,519,523	0	1,619,984	4,971,847	73,061,249	0	151,317,244
NBV as at 30th June 2024	0	49,509,136	0	1,349,986	2,130,791	137,196,426	0	190,186,339
As at 30 June 2024	0	49,509,136	0	1,349,986	2,130,791	137,196,426	0	190,186,339
Additions for the year	0	0	0	0	0	15,930,168	0	15,930,168
Disposals for the year	0	0	0	0	0	0	0	0
Transfer/adjustments	0	0	0	0	0	0	0	0

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Description	Land	Building	Motor vehicle	Furniture and fittings	Computer	Other Assets	Capital Work in progress(K URA ROAD)	Total
	0%	2%	25%	12.5%	30%	ROADS 10%	0%	
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
As at 30 June 2025	0	49,509,136	0	1,349,986	2,130,791	153,126,594	0	206,116,507
Depreciation for the year	0	1,010,387	0	269,998	2,130,791	20,316,171	0	23,727,347
Disposals for the year	0	0	0	0	0	0	0	0
NBV as at 30th June 2025		48,498,749	0	1,079,988	0	132,810,423	0	182,389,160

Depreciation rates is on straight line basis as per Asset-Liability management policy and the method used is on straight line.

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14. Intangible assets

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Cost		9,810,000
At beginning of the year	6,131,250	
Additions	0	0
At end of the year	6,131,250	9,810,000
Amortization and impairment		1,226,250
At beginning of the year	0	
Amortization	1,226,250	0
At end of the year		2,452,500
Impairment loss	0	
At end of the year	1,226,250	1,226,250
NBV	4,905,000	6,131,250

15. Trade and Other Payables

Description	2024-2025	2023-2024		
	Kshs.	Kshs.		
Trade payables	22,762,268	17,079,215		
Retentions	499,900	3,826,535		
Accrued expenses	0	0		
Other payables	0	0		
Total trade and other payables	23,262,168	20,905,750		
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	22,762,268	96%	16,571,331	79%
1-2 years	0	0%	507,884	3%
2-3 years	499,900	4%	3,826,535	18%
Over 3 years	0	0%	0	0%
Total	23,262,168	100%	20,905,750	100%

16. Cash generated from operations

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Surplus/ (deficit) for the year before tax	15,010,416	67,902,270
Adjusted for:	0	0
Depreciation	23,727,347	22,134,330
Amortisation	1,226,250	1,226,250
Gains/ losses on disposal of assets	0	0
Working Capital adjustments	39,964,013	91,262,850
Increase in inventory	0	0
Increase in receivables	0	0
Increase in payables	0	0
Net cash flow from operating activities	39,964,013	91,262,850

20. Appendices

Appendix 1. Progress on Follow up of Auditors 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)
	<p><u>Unsupported Board Expenses</u></p> <p>The statement of financial performance and as disclosed in Note 9 to the financial statements reflects a balance of Kshs. 3,041,600 in respect of Board expenses. However, payment vouchers on board expenses of an amount of Kshs.1,229,000 were not provided audit review. Further, the Board expenses were not supported with documents including Board minutes, Attendance register, Calendar of Board meetings and the Gazette notice of appointment of the Board members. In the circumstances the accuracy and completeness of board expenses amounting to Kshs. 3,041,600 could not be confirmed.</p>	<p>Management appreciates the auditors' observation that board expenses lacked supportive documents such as Board minutes, Attendance register, Calendar of Board meetings and the Gazette notice. However, this has since been provided.</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>Understatement of Employee Cost Included in the statement of financial performance for the year ended 30 June, 2024 is staff cost of Kshs. 9,788,374 as disclosed under Note 8 to the financial statement. A schedule for the expenditure included payment of Wages to casuals from July 2023 to April 2024 and did not include wages for May to June, 2024 amounting to Kshs.661,875 leading to understatement of staff costs by similar amount. In addition, Management provided payroll records for casuals of an amount of Kshs. 3,784,594.00. Payroll records for the balance of the staff costs of Kshs.6,003,780 were not provided for audit verification. Further, the staff costs for permanent staff attached to the Municipality were not included in the expenditure for the year ended 30 June, 2024.</p>	<p>Management appreciates the auditors' observation that casual wages was understated by Kshs. 661,875. This was an error of omission however; the financial statement has since been amended as per the accrual accounting basis. Payroll records for the balance of the staff costs of Kshs. 6,003,780 was not availed since by the time of audit we did not have a separate payroll for municipality however, this financial year 24/25 from the month of November 2024 the</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>In the circumstances the accuracy and completeness of staff costs amounting to Kshs. 9,788,374 could not be confirmed.</p> <p>Lack of Training Needs Assessment</p> <p>The statement of financial performance for the year ended 30 June, 2024 reflects Use of goods and services of Kshs. 20,659,589. Included in this expenditure is Training expenses of Kshs. 2,905,600 as detailed under Note 7 to the financial statements. No evidence was provided to confirm training needs assessment for each staff member was conducted during the year as required by Section 1.3 (1) of the County Public Service Human Resource manual of May 2013 that states training in the County Public Service shall be based on Training Needs Assessment which shall be conducted every two years in each County Department. It is therefore not clear how</p>	<p>municipality is maintaining its own payroll. Further management wishes to clarify that the staff costs for permanent staff attached to the Municipality are captured in one common payroll which is maintained by the county executive.</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>Management identified those who were to be trained and the areas which they were to be trained on.</p> <p>In addition, there was no selection criteria on how the trainees were identified for the trainings and the annual training plan was also not presented to support the expenditure on trainings contrary to section 1.3 (2) of the County Public Service Human Resource manual of May 2013 that states County Departments shall prepare training projections based on Training Needs Assessment to guide the training committees in nominating officers for training.</p> <p>In the circumstances, the propriety of Kshs. 2,905,600 on training for the year could not be confirmed.</p>	<p>Management concurs with the auditors' observation that there was lack of training need assessment, however the municipal board had prioritized trainings to officers whose registration and licenser which has mandatory continuous professional development. Currently Management is committed to ensure that we comply to the County Public Service Human Resource manual of May 2013 that states training in the county public service shall be based on</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)
		Training Needs Assessment which the municipality will be conducting every two years.		
	<p>Irregular Engagement of Casual Workers</p> <p>The Nyamira County Public Service Board engaged forty (40) casual employees who were deployed by the County Public Service Board to Nyamira Municipality. However, records available indicates that the casuals were engaged on a continuous basis for more than three (3) months contrary to Section 37 of the Employment Act, 2007. There was no evidence of requisition from the</p>	<p>The Management wishes to clarify that, it engages casuals to perform duties like solid waste collection and disposal ,such duties are continuous in nature and they comply with with employment act sec 37(1) b which stipulated that casual employs performing work which cannot be reasonably</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>user their wages, approvals for the recruitments from the County Public Service Board, advertisements for the respective posts and job interview records were not presented for audit. In the circumstances, management was in breach of the law.</p>	<p>be expected to be completed within a period or number of working days amounting in the aggregated to the equivalent of 3 months or more, the contract of service of the casual employee shall be deemed to be one where wages are paid daily as per the attached approved payroll. Therefore, the casuals are engaged on the basis of requisition and approval of the county public service board.</p>		
	<p>Lack of Independence of the Municipality</p>	<p>a) Management wishes to</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>The Municipality of Nyamira was granted Municipal Charter on 24 September, 2018 for operational independence from the County Government of Nyamira. The Urban Areas and Cities Act, 2011, section 9 (3) provides, for conferment of municipal status, a town satisfies among other criteria demonstrating revenue collection or revenue collection potential, demonstrable capacity to generate sufficient revenue to sustain its operations and has the capacity to effectively and efficiently deliver essential services to its residents. However, review of the operations of the Municipality revealed lack of autonomy as detailed below: -</p> <p>The Municipality's budget was prepared and controlled by the County Executive and there was no budget approval by the Municipality Board.</p>	<p>clarify that the budget is prepared by municipality management approved by the board and forwarded to county executive for inclusion in the county budget before forwarded to county assembly as per the attached board minutes</p> <p>b) The county budget includes the municipality budget once approved by the assembly is uploaded into central IFMIS system where payment is done. all payments to Nyamira municipality are approved by the manager</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>The Municipality's expenditure was controlled by the County Treasury and did not have independent operations account. Funds accounted as transferred to the municipality from the County Government were expended at the County Executive and no actual transfer took place.</p> <p>The municipality's payroll is done at the county executive, implying staff are only seconded to the Municipality.</p> <p>Collection of revenue is done by the County Executive.</p> <p>Monies allocated by a county assembly for the purposes of the management and service delivery of the board as per section 43 (1) (a) of the Act is not transferred to the Municipality. In the year under review, an amount of Kshs. 41,446,498 was appropriated by the County Assembly for recurrent expenditure and Kshs. 83,305,915 for Development expenditure. The monies were not transferred to the Municipality.</p>	<p>municipality as the accounting officer in the IFMIS system</p> <p>c) The management appreciate that the payroll was maintained by executive but as from November 2024 the municipality of Nyamira started maintaining its own payroll</p> <p>d) Management take note on auditor's observation that executive was collecting revenue on behalf of municipality board however, currently municipality has taken</p>		

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	<p>This was in</p>	<p>over the collection of revenue within its jurisdiction</p> <p>e) Management wishes to clarify that since the municipality operates through IFMIS system then transfer of funds is not possible. For transfer of funds to happen then municipality will operate outside IFMIS system.</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>contravention of Section 12(1) of the Urban Areas and Cities Act, 2011, which states that Management of a city and municipality shall be vested in the County Government and administered on its behalf by a Board constituted in accordance with section 13 or 14 of the Act, a Manager appointed pursuant to Section 28 and such other staff or officers as the County public service may determine. Lack of independence of the Municipality was in contravention of section 20 of the Act on functions of the board. In the circumstances, Management was in breach of the law.</p>			

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Accounting officer of the Municipality of Nyamira

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Appendix 2: Inter-Entity Transfers

CITY/MUNICIPALITY NAME:				
Breakdown of Transfers from the County Executive of Nyamira County				
FY 20xx/20xx				
a.	Recurrent Grants	<u>Bank Statement Date</u>	<u>Amount (Kshs.)</u>	<u>Indicate the FY to which the amounts relate</u>
	UIG Family Bank	30/ 07 /2025	32,309,300	FY 2024-2025
		Total	32,309,300	
b.	Development Grants	<u>Bank Statement Date</u>	<u>Amount (Kshs.)</u>	<u>Indicate the FY to which the amounts relate</u>
	UDG CBK	30/ 07 /2025	0	FY 2024-2025
	UDG EQUITY	30/ 07 /2025	0	FY 2024-2025
		Total	0	
c.	Direct Payments	<u>Bank Statement Date</u>	<u>Amount (Kshs.)</u>	<u>Indicate the FY to which the amounts relate</u>
		30/ 07 /2025	65,368,821	FY 2024-2025
		30/ 07 /2025		FY 2024-2025
		Total	97,678,122	

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Nyamira Municipality Accounting Officer

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Head of Treasury and Accounting Officer