

REPUBLIC OF KENYA



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REPORT

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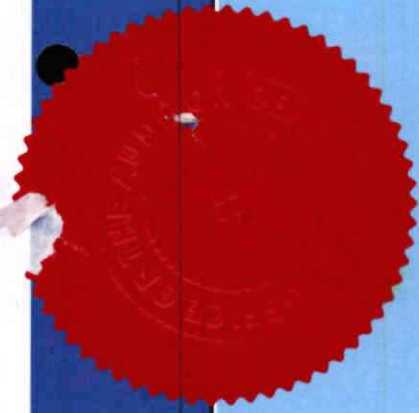
A. Shibuka

THE AUDITOR-GENERAL

ON

**NATIONAL BIOSAFETY CAR LOAN AND
MORTGAGE FUND**

**FOR THE YEAR ENDED
30 JUNE, 2024**



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
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NBA CAR LOAN/ MORTGAGE FUND/SCHEME

NATIONAL BIOSAFETY AUTHORITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

CEO	Chief Executive Officer
CBK	Central Bank of Kenya
ERP	Electronic Resource Process
FY	Financial Year
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NBA	National Biosafety Authority
NACOSTI	National Commission for Science, Technology and Innovation
NT	National Treasury
OAG	Office of the Auditor General
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
PPDA	Public Procurement & Disposal Act
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations

B. Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

2. Key Fund information and management**a) Background information**

NBA Staff Car Loan Fund is established by and derives its authority and accountability from National Treasury circular No. ZZ/MOF/26/03/B (10) dated 13th December 2016 by the Cabinet Secretary National Treasury on 4th August 2022. The Fund is wholly owned by National Biosafety Authority with its principal office at NACOSTI building in Nairobi Kenya.

b) Principal Activities

The principal activity of the Fund is to provide loans to NBA staff to purchase motor vehicles for personal use. The Fund is administered by the Fund Administrator. There is a committee charged with the responsibility of processing loans from applicants in accordance with laid down approved regulations, setting up a revolving Fund for the disbursement of loans, and supervising the day-to-day operations of the Fund.

The fund administrator is responsible for the day-to-day operations.

c) Fund Administration Committee

1	Chairperson	Dr. Ann Karimi
2	Committee Member	Nehemiah Ngetich
3	Committee Member	Moses Sande
4	Committee Member	Josphat Muchiri
5	Committee Member	Esther Njeri
6	Committee Member	Pauline Kilonzo
7	Committee Member	Lucy Kihamba
8	Fund Administrator	Dr. Roy B. Mugiira

d) Fund Administration Secretariat

SN	Position	Name
1	Member	Veronica Nabwire
2	Member	Lesley Kasale
3	Member	Doreen Muthiora
4	Member	Jacinta Muinde
5	Member	Beatrice Adero

Key Fund and Information Management (Continued)

e) Key Management


SN	Position	Name
1	Fund Administrator	Dr. Roy B. Mugiira
2	Fund Accountant	Lesley Earl Kasale
3.	Chairperson	Dr. Ann Karimi

f) Fiduciary Oversight Arrangements

SN	Position	Name
1	Principal Internal Auditor and Risk Assurance	Geoffrey Ogoti

<p>National Biosafety Authority Headquarters</p> <p>P.O. Box 28251 NACOSTI Building Loresho-Off Waiyaki Way Nairobi, KENYA</p>	<p>Fund Contacts</p> <p>Telephone: (254) 202678667 E-mail: ceo@biosafetykenya.go.ke Website: www.biosafetykenya.go.ke</p>
<p style="text-align: center;">Fund Bankers</p>	
<p style="text-align: center;">Cooperative Bank of Kenya Westlands Branch P. O. Box 66589-00800 NAIROBI, KENYA</p>	
<p>Independent Auditor</p> <p>Auditor-General Office of the Auditor General Anniversary Towers, University Way P.O. Box 30084 GPO 00100 Nairobi, Kenya</p>	<p>Principal Legal Adviser</p> <p>The Attorney General State Law Office and Department of Justice Harambee Avenue P.O. Box 40112 City Square 00200 Nairobi, Kenya</p>

3. Fund Administration Committee

Name	Details of qualifications and experience
 <p>Dr. Roy B. Mugiira Fund Administrator</p>	<p>Dr. Roy B. Mugiira is the Fund Administrator. He holds a Ph.D in the diagnosis of plant viral infections based on the alignment of their DNA sequences. He has research experience in the cloning of viral DNA genomes into gene silencing vectors for application in functional genomics.</p> <p>Dr. Mugiira played a key role in the development of Kenya’s Biotechnology Development Policy and the Biosafety regulatory framework for Genetically Modified Organisms. He is the National Focal Point for the Cartagena Protocol on Biosafety.</p> <p>Dr. Mugiira has a wide experience in policy advisory for the governance of Science, Technology and Innovation (ST&I) generally and Biotechnology Development specifically. Provide a concise description of each Trustee’s age, date of appointment, key academic and professional qualifications, and work experience. Indicate whether the trustee is independent or an executive director and which committee of the Board the trustee chairs where applicable.</p>



Dr. Ann N. Karimi
Chairperson

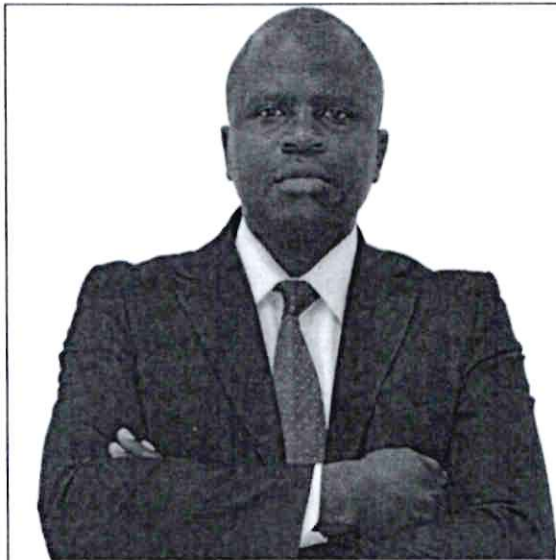
Dr. Ann N. Karimi is a qualified Financial Analyst with over fifteen years of experience in Pensions, Investments, Finance, Administration and the Asset Management Industry across various sectors. She is currently pursuing a Doctor of Philosophy in Business Administration. She holds a Master of Finance Degree from the University of Nairobi and a Bachelor's of Science Degree in International Business Administration (IBA) from United States International University (USIU). She is a Full member of the Institute of Certified Financial Analysts (ICIFA) and the Chartered Institute for Securities and Investments (CISI).

Dr. Karimi is the Fund chairperson.



Moses Lukale Sande
Member

Moses Lukale Sande is an advocate of the High Court of Kenya of over Ten (10) years, a Certified Secretary of Kenya and a member of the Institute of Certified Secretaries of Kenya (ICSK) in good standing and a member of the Law Society of Kenya (LSK). He holds a Bachelor of Laws degree (LL. B) from the University of Nairobi, a post-graduate Diploma in law from the Kenya School of Law; and a Master of Laws degree (LL.M) in International Criminal Justice and Armed Conflict from the University of Nottingham, United Kingdom.



Nehemiah Ngetich

Member

Mr Ng'etich holds a Bachelor's degree (BSc Horticulture) from Jomo Kenyatta University of Agriculture and Technology (JKUAT-2002), A Post Graduate Diploma in Education (PGDE-Moi University-2005) and a Masters's degree in Plant Ecology (University of Nairobi-2012). He is currently a PhD (Plant Ecology) student at Nairobi University Chiromo Campus. Before assuming his current position, Mr. Ngetich worked in different positions within the Biosafety Training Department. He has been instrumental in drafting technical guidelines for regulating plants and animal biotechnology in Kenya. Lastly, he has also worked previously as a teacher in various schools in Kenya.

Mr. Ngetich has attended and facilitated many Conferences and Workshops both locally and internationally.



Josphat Muchiri

Member

Mr. Josphat Muchiri is the Chief Biosafety Officer, National Biosafety Authority. He holds a Bachelor Degree in Agriculture (2000) from University of Nairobi, Kenya, Master's Degree in Horticulture (2005), University of Nairobi, Kenya and M.Sc. Biosafety in Plant Biotechnology from Marche Polytechnic University, Italy.

He is currently in-charge of Technical Services Directorate, in an acting capacity, mandated to implement the core mandate of the Authority. He is also the National Focal Point to the

	<p>Biosafety Clearing House (BCH) as well as the Emergency Contacts person to the Cartagena Protocol on Biosafety.</p> <p>Prior to joining NBA, he worked with the Kenya Plant Health Inspectorate Service (KEPHIS).</p> <p>Mr. Muchiri was a member of the AHTEG Committee on Risk Assessment and Risk Management of the CBD between year 2014 and 2016. He has facilitated in various fora nationally and internationally as an expert on biosafety regulatory frameworks in Kenya and other diverse topics related to biotechnology, biosafety and emerging technologies.</p>
 <p>Esther Njeri Member</p>	<p>Ms Esther Njeri Thuku is a qualified accountant with vast experience in the public sector. She holds a Master’s in Business Administration-Finance major from Kenyatta University and Bachelor’s Degree Finance and Accounts Major from Strathmore University. She is also a CPA (K) and a member of the Institute of Certified Public Accountants Kenya (ICPAK). Prior to joining NBA, she held senior positions in public and private sector including serving as a Financial Accountant at Agricultural Development Corporation.</p>



Pauline Kilonzo
Member

Ms. Pauline Mbulwa Kilonzo is a licensed Procurement and Supply Chain Practitioner and a member of the Kenya Institute of Supplies Management (KISM). With a robust background in the public sector, she has accumulated extensive experience in Procurement and Supply Chain Management.

She is currently heading the Supply Chain Department at the National Biosafety Authority (NBA). Before joining NBA, she served in senior roles as the Head of Procurement at both Pest Control Products Board and Githunguri Water and Sanitation Company. She holds a Bachelor's Degree and a Diploma in Purchasing and Supplies Management, and is currently awaiting graduation with a Master's Degree in the same field.




Lucy Kihamba
Member

Ms. Lucy Kihamba is the Deputy Director, Human Resource & Administration at the National Biosafety Authority. She holds a Master's Degree in Human Resource Management from the Kenya Methodist University (2011) and a Bachelor's degree in Social Sciences from the University of Nairobi (1992). She has a higher diploma in Human Resource Management (2005). Professionally, she is a member of the Institute of Human Resource Management (IHRM).

She has work experience spanning over 20 years in senior positions in the public sector in the field of Human Resource, Administration,

	<p>Social monitor and Management. The last post she held was at the County Government of Kakamega as a Deputy Director HRM at the County Public Service Board, Kakamega County.</p>
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4. Management Team

Name	Details of qualifications and experience
 <p data-bbox="188 772 472 860">Dr. Roy B. Mugiira Fund Administrator</p>	<p data-bbox="778 306 1378 338">Dr. Roy B. Mugiira is the Fund Administrator.</p> <p data-bbox="778 360 1414 669">He holds a Ph.D in the diagnosis of plant viral infections based on the alignment of their DNA sequences. He has research experience in the cloning of viral DNA genomes into gene silencing vectors for application in functional genomics.</p> <p data-bbox="778 692 1414 1001">Dr. Mugiira played a key role in the development of Kenya’s Biotechnology Development Policy and the Biosafety regulatory framework for Genetically Modified Organisms. He is the National Focal Point for the Cartagena Protocol on Biosafety.</p> <p data-bbox="778 1023 1414 1547">Dr. Mugiira has a wide experience in policy advisory for the governance of Science, Technology and Innovation (ST&I) generally and Biotechnology Development specifically. Provide a concise description of each Trustee’s age, date of appointment, key academic and professional qualifications, and work experience. Indicate whether the trustee is independent or an executive director and which committee of the Board the trustee chairs where applicable.</p>

5. Chairman's Report

The National Biosafety Authority started the NBA Staff Car Loan Fund in July 2023 in line with Salaries and Remuneration Commission (SRC) guidelines to enable staff acquire motor vehicles for personal use at favourable interest rates as a way of attracting, retaining and motivating staff. I am pleased that NBA made savings of Kshs. 6,000,000 as seed capital for the Fund.

The Fund has been operational for the past one year and I am happy to present the Fund's financial statements for the Financial Year 2023/2024. The Authority appreciates the support of the Board of Directors and the Government for the set up and approval of the Fund through the National Treasury. The Fund is expected to continue to grow organically via savings accrued from the Authority's budget and interest earned from the loanees as they repay monies advanced to them.

The governance and management of the scheme is as set out in the loan entailment and conditions stipulated in NBA Staff Car Loan Fund Policy as per the guidelines issued by the SRC.

It is my sincere hope that the Fund continues to achieve its intended purpose to mitigate challenges associated with employee commuting, boost employee morale as well as attracting and retaining top talent within the Authority.



.....
DR. ANN N. KARIMI
CHAIRPERSON OF THE FUND

6. Report Of the Fund Administrator

The NBA Staff Car Loan Scheme was established and is governed in line with existing government regulations. In this regard, the Authority hereby presents the Financial Statement of the NBA Staff Car Loan for the year ending 30th June, 2024. The Financial Statement presented comprises of the statement of financial performance, Statement of financial position, Statement of changes in net asset and statement of cash flow.

The Fund ensures prudent financial management and reporting in line with Public Finance Management Act (PFMA) 2012, Public Finance Management Regulations, 2015 and International Public Sector Accounting Standards (IPSAS). As result, the Administration of the Scheme has been efficient and effective in meeting the intended purpose.

The implementation and administration of the Fund is overseen by Funds Committee. The Committee meets regularly to consider and approve loans applications. So far, the scheme has approved three applications for Car Loans.

I wish to report that during the period under review three Car Loan applications were approved. Accordingly, the total amount disbursed during the financial year to facilitate Car Loans was Kshs. 5,400,020.

The Fund continues to meet its objective to provide robust loans scheme for the purpose of purchase of motor vehicles for the staff of the Authority. This will enhance optimal productivity of Staff on account of improved employee morale and retention.



.....
NEHEMIAH K. NGETICH
FUND ADMINISTRATOR

7. Statement of Performance Against Predetermined Objectives

The National Biosafety Authority has four Key Result Areas (KRA) in the revised Strategic Plan for the Financial Year 2020-2025. The Fund is premised on the fourth Key Result Area (KRA) namely - Institutional capacity building.

The Fund develops its annual work plans based on the Strategic Plan. Assessment of the performance against its annual work plan is done on a quarterly basis. The Fund achieved its performance targets set for the Financial Year 2023-2024 period as indicated in table 1 below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Institutional capacity building	To continue having a sustainable, productive, and motivated workforce	No of Loan applications processed	Implement staff benefits programs including car loan, mortgage scheme	Three Loan applications approved (Car loan and mortgage schemes)

8. Corporate Governance Statement

The NBA Staff Car Loan Fund

NBA Car Loan Fund is a revolving fund established pursuant to National Treasury Circular No. ZZ/MOF/26/03/B/ (10) dated 13th December 2016, the SRC Circular Number SRC/ADM/CIR/1/13 Vol. III (128) dated 17th December, 2014 section 24 (4)(5)(6)(7) of Public Finance Management (PFM) Act, 2012 and Regulation 127 (1)(2) of the PFM (National Government) Regulation, 2015.

The mandate of the Fund is to provide Loans to Staff of NBA to purchase motor vehicles for personal use. The Fund is committed to ensuring compliance with regulatory and supervisory corporate governance requirements. Essential to the establishment of a corporate governance framework in the Fund is a formal governance structure with the committee at its apex. The operations of the Fund is governed by the NBA Staff Car Loan Fund Policy 2022, and PFM Act 2012, PFM (National Government) Regulations 2015, SRC Circulars, National Treasury Circulars and any other government legislations.

a. Process of appointment Loan Committee members

The NBA Staff Car Loan committee is appointed in writing by the Chief Executive Officer of the National Biosafety Authority.

b. Roles and functions of Loan Committee

Regulations 9 & 10 of the NBA Staff Car Loan Fund Policy, 2022 provide for appointment of committee and administrator of the Fund. The committee is made up of seven members including Chairperson and a Secretary. The Committee is responsible for short and long – term strategic direction of the Fund. The committee exercises leadership, integrity and judgement in directing the Fund.

The committee members are provided with full, appropriate and timely information by the secretariat that enables them to maintain full and effective control over strategic, financial, operational and compliance issues. The day-to-day running of the Fund is the secretariat, but the committee is responsible for establishing and maintaining the Fund's system of internal controls for the realization of its mandate.

c. Committee meetings

The committee meets quarterly or as required in order to monitor the implementation of the Fund's strategic plan and achievement of the targets.

Car Loan & Mortgage Fund Committee Meetings during Financial Year 2023/2024

The Car Loan & Mortgage Fund Committee Held 9 Meetings as follows;

No.	Name	Position	Attendance
1	Dr. Roy Mugiira	Fund Administrator	1
2	Dr. Ann Njeri Karimi	Chairperson	4
3	Moses Sande	Member	4
4	Nehemiah Ngetich	Member	4
5	Josphat Muchiri	Member	4
6	Esther Thuku	Member	4
7	Pauline Kilonzo	Member	4
8	Jacinta Muinde	Member	4
9	Lucy Kihamba	Member	4
10	Veronica Nabwire	Member	4
11	Beatrice Adero	Member	4
12	Lesley Kasale	Member	4
13.	Doreen Muthiora	Member	4

d. Succession Plan

The appointment of committee members is based on offices and not individual members and the Authority ensures that at any one point all offices represented on the committee have holders.

e. Conflict of interest

The Fund has established a conflict of interest register where all members are required to register any conflict of interest before the commencement of the meeting.

f. Fund Committee remuneration

The Staff Car Fund committee and secretariat are paid sitting allowances as provided by the Fund policy.

g. Compliance with existing laws and regulations

The Fund complies with its statutory obligations in the implementation of its mandate. Further, the Fund has complied with all the necessary laws and regulations applicable in the management of the Fund.

9. Management Discussion and Analysis

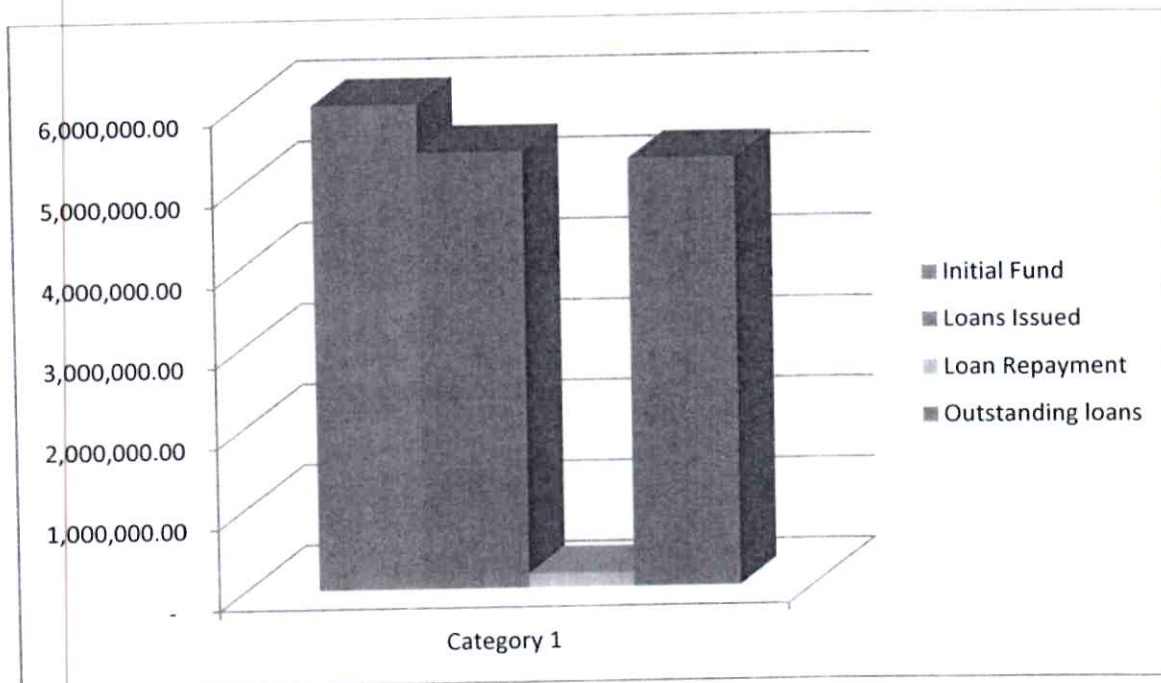
The Fund’s operational and financial performance

The Fund commenced its operations in the financial year 2023-2024 and was granted Ksh.6 million by the National Biosafety Authority for its car loan revolving Fund.

During the year ended 30th June 2024 the Fund disbursed loans totalling Ksh. 5,400,020. The Fund continues to deliver on its mandate which is to provide loans to NBA staff to purchase motor vehicles for personal use.

Loan amounts issued during the period

Loans Issued FY 2023/2024	Name of the applicant	Loan issued	Loan repayment	Outstanding Loan amount
1.	Mr. Nehemiah Ngetich Kiptoo	1,500,000	88,780	1,411,220
2.	Mr. Moses Lukale Sande	2,922,058	129,441	2,792,617
3.	Dr. Ann Njeri Karimi	989,779	0	989,779
Total		5,411,837	218,221	5,193,616



11. Statement of Management's Responsibilities

Section 84 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a Fund established by a Fund policy approved by the National Treasury 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 Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the fund, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) Safeguarding the assets of the fund; (v) Selecting and applying appropriate accounting policies, and (vi) Making accounting estimates that are reasonable in the circumstances.

The Administrator of the 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. The Administrator of a Fund established by a Fund policy approved by the National Treasury 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 Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2024, and of the Fund's financial position as at that date.

The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Administrator of the Fund has assessed the Fund's ability to continue as a going concern. Nothing

*NBA Car Loan fund
Annual Report and Financial Statements For the year ended 30th June 2024*

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 19 SEPT 2024 and signed on its behalf by:

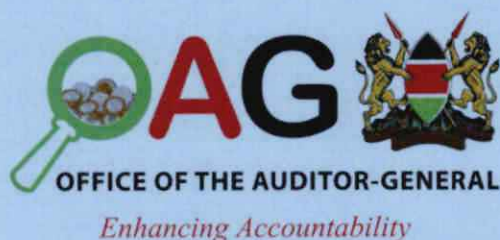


.....
Dr. Ann Karimi
Chairperson of the Fund



.....
Nehemiah K. Ngetich
Fund Administrator

REPUBLIC OF KENYA



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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL BIOSAFETY AUTHORITY CAR LOAN AND MORTGAGE FUND FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the

Report of the Auditor-General on National Biosafety Authority Car Loan and Mortgage Fund for the year ended 30 June, 2024

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

Opinion

I have audited the accompanying financial statements of National Biosafety Authority Car Loan and Mortgage Fund set out on pages 1 to 27, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Bio- Safety Authority Car Loan and Mortgage Fund as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with National Treasury Circular ZZ/MOF/26/03/B/(10) dated 13th December, 2016 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Revolving Fund Budget

The statement of financial performance for the year under review reflect transfer from non-exchange transaction amount of Kshs.6,000,000 and as disclosed under Note 6 to the financial statements was transfers from National Biosafety Authority. Records

provided for audit review indicated that the approved budget was Kshs.900,000 for expenses however Kshs.6,000,000 was received from National Biosafety resulting to unapproved budget of kshs.5,100,0000 .

In the circumstances. It was not clear how the money was received and absorbed by the car loan and Mortgage without approved budget.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and Board of Management

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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

13. Statement of Financial Performance for the year ended 30th June 2024.

	Note	2023-2024	2022-2023
		Kshs.	Kshs.
Revenue from non-exchange transactions			
Transfers from NBA	6	6,000,000	-
		6,000,000	-
Revenue from exchange transactions			
Interest income	7	-	-
			-
Total revenue		6,000,000	-
Expenses			
Use of goods and services	8	234,650	-
Depreciation and amortization expense	9	0	-
Finance costs		-	-
Total expenses		(234,650)	-
Surplus/(deficit) before tax		5,765,350	-

(The notes set out on pages 6 to 30 form an integral part of these Financial Statements).

The financial statements were approved on 19 SEPT.....by:



.....
Dr. Ann N. Karimi
 Chairperson of the Fund



.....
Nehemiah K. Ngetich
 Fund Administrator



.....
Lesley E. Kasale
 Fund Accountant
 ICPAK M/No 3692

14. Statement of Financial Position as at 30th June 2024


	Note	2023-2024	2022-2023
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	10	711,392	-
Receivables from exchange transactions	11	83,449	-
Total Current Assets		794,841	-
Non-current assets			
Receivables from exchange transactions	11	5,619,107	-
Property, plant, and equipment	12	0	-
Total Non-Current Assets		0	-
Total assets (A)		6,413,948	-
Liabilities			
Trade and other payables	13	0	-
Total Current Liabilities		0	-
Non-current liabilities			
Borrowings	-	0	-
Total non-current liabilities		0	-
Total liabilities (B)		0	-
Net Assets (A-B)		6,413,948	-
Represented By:			
Car loan revolving fund		648,598	-
Mortgage revolving fund		-	-
Accumulated surplus/Deficit		5,765,350	-
Net Assets		6,413,948	-

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.


The Fund financial statements were approved on 19 SEPT 2024 and signed by:



Dr. Ann N. Karimi
 Chairperson of the
 Board/Fund



Nehemiah K. Ngetich
 Fund Administrator



Lesley E. Kasale
 Fund Accountant

ICPAK M/No 3692

15. Statement of Changes in Net Assets for the year ended 30th June 2024

	Mortgage Fund	Car Loan Fund	Accumulated surplus	Total
	Kshs.	Kshs.	Kshs.	Kshs.
As at 1 July 2022	-	-	-	-
Surplus/(deficit) for the period	-	-	-	-
Funds received during the year	-	-	-	-
Interest capitalized*	-	-	-	-
Transfers	-	-	-	-
As at 30 June 2023	-	-	-	-
Balance as at 1 July 2023	-	0	-	0
Surplus/(deficit) for the period	-	-	5,765,350	5,765,350
Funds received during the year	-	6,000,000	-	6,000,000
Interest capitalized*	-	60,435	-	60,435
Transfers	-	(5,411,837)	(0)	(5,411,837)
As at 30 June 2024	-	648,598	5,765,350	6,413,948

*The Fund provides for interest to be revolved into the fund, therefore the interest has not been recognized in the statement of financial performance.

16. Statement of Cash Flows for the year ended 30th June 2024

	Note	2023-2024	2022-2023
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Transfers from NBA	6	6,000,000	-
Interest received		0	-
Other income		0	-
Total receipts		6,000,000	-
Payments			
Employee costs		-	-
Use of goods and services	8(a)	28,650	-
Finance cost		-	-
Total payments		28,650	-
Net cash flow from operating activities	14	5,971,350	-
Cash flows from investing activities			
Purchase of PPE and intangible assets		-	-
Proceeds from loan principal repayments		121,229	-
Loan disbursements paid out		(5,411,837)	-
Net cash flows used in investing activities		(5,290,608)	-
Cash flows from financing activities			
Receipts into the mortgage revolving fund		-	-
Receipts into the car loan revolving fund		30,648	-
Net cash flows used in financing activities		30,648	-
Net increase/(decrease) in cash and cash equivalents		711,392	-
Cash and cash equivalents at 1 July	16	711,392	-
Cash and cash equivalents at 30 June		-	-

17. Statement of Comparison of Budget and Actual Amounts for the year ended 30th June 2024

Revenue						
Transfers from NBA	6,000,000	-	6,000,000	6,000,000	0	100%
Interest income	60,435	-	60,435	60,435	0	100%
Total Revenue	6,060,435	-	6,060,435	6,060,435	0	100%
Expenses						
Use of goods and services	234,650	-	234,650	234,650	0	100%
Finance cost	-	-	-	-	-	
Expenditure	234,650	-	234,650	234,650	-	
Surplus for the period	5,765,350	-	5,765,350	5,765,350		
Capital Expenditure	-	-	-	-	-	-

18. Notes to the Financial Statements

1. General Information

NBA Staff Car Loan Fund is established by and derives its authority and accountability from National Treasury in circular No. ZZ/MOF/26/03/B (10) dated 13th December 2016 by the Cabinet Secretary National Treasury. The Fund is wholly owned by the Government of Kenya and is domiciled in Kenya. The Fund's principal activity is to provide loans staff of NBA to purchase motor vehicles for personal use.

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 judgement in the process of applying the Fund's 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 as necessary. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Fund. The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption Of New and Revised Standards

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2024.*

There are no new standards effective in the Financial Year.

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

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. The Fund does not operate any lease
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. The Fund does not hold any non-current asset held for sale
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. The Fund does not hold any property plant and equipment
IPSAS 46: Measurement	Applicable 1st January 2025

	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

iii. Early adoption of standards

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

4. 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 Fund and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

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 for each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Fund'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 the Financial Year 2023/2024 was approved by the Board of Directors on 3rd August 2023. 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 Authority upon receiving the respective approvals in order to conclude the final budget.

The Fund's budget is prepared on a different basis from 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. 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.

c. Property, plant, and equipment (PPE)

The Fund does not hold any property, plant and equipment.

d. Intangible assets

The Fund does not hold any intangible assets.

e. Investment property

The Fund does hold any investment property.

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 Fund does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.

I. Financial assets

Classification of financial assets

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

Amortized cost

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

Fair value through net assets/ equity

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

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 Authority 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 Fund 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 Authority recognizes a loss allowance for such losses at each reporting date.

II. Financial liabilities

Classification

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

g. Contingent liabilities

The Fund 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.

h. Contingent assets

The Fund 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 Fund 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.

i. Nature and purpose of reserves

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

j. Changes in accounting policies and estimates

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

k. Foreign currency transactions

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

l. Related parties

The Fund regards a related party as a person or entity with the ability to exert control individually or jointly, or to exercise significant influence over the Fund, or vice versa. Members of key management are regarded as related parties and comprise the Directors/Trustee, the Fund Managers, and Fund Accountant.

m. 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.

n. Comparative figures

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

o. Events after the reporting period

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

p. Ultimate and Holding Fund

The Fund is established under Section 24 (4) PFM Act under the National Biosafety Authority. Its ultimate parent is the Government of Kenya.

q. Currency

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

5. Significant judgments and sources of estimation uncertainty

The preparation of the Fund'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.

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. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur. (*see 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:

- i) The condition of the asset is based on the assessment of experts employed by the Fund
- 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 funding to replace the asset
- v) Changes in the market in relation to the asset

Notes to the Financial Statements

6. Transfers from the NBA

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Transfers from NBA	6,000,000	-
Payments by Government entity on behalf of the Fund	0	-
Unconditional Development grants	0	-
Total	6,000,000	-

6(b) Transfers from NBA

Name of the Entity Sending the Grant	Amount recognized to Statement of Financial performance.	Amount recognised in revolving fund.	2023-2024	2022-2023
	Kshs	Kshs	Kshs	Kshs
Transfers from the NBA	6,000,000	0	6,000,000	-
Total	6,000,000	0	6,000,000	-

7. Interest Income

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Interest Income from Mortgage Loans	0	-
Interest Income from Car Loans	60,435*	-
Interest Income from Investments in financial assets	0	-
Interest Income on Bank Deposits	0	-
Total Interest Income	60,435*	-

**The Fund provides for interest to be revolved into the fund, therefore this interest has not been recognized in the statement of financial performance.*

8. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Administration fees	0	-
Committee allowances	222,000	-
Printing and Stationery	0	-
Telephone a communication expense	0	-
Bank charges	12,650	-
Audit fees	0	-
Provision for Doubtful Debts	0	-
Total	234,650	-

8(a) Use of Goods and Services Cashflow

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Total use of goods	234,650	-
Committee allowances unpaid at 30 th June 2024	(206,000)	-
Use of goods charged to cash flow	28,650	-

9. Depreciation and Amortization Expense

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Property Plant and Equipment	0	-
Total	0	-

10. Cash and cash equivalents

Description	2023-2024	2022-2023
	Kshs.	Kshs.
NBA Car Loan/ Mortgage Account	711,392	-
Fixed Deposits Account	0	-
On – Call Deposits	0	-
Current Account	0	-
Total Cash and Cash equivalents	711,392	-

10 a) Detailed analysis of the cash and cash equivalents

Financial Institution	Account number	2023-2024	2022-2023
		Kshs.	Kshs.
Mortgage and Car Loan Fund			
Co-Operative Bank	01141588766100	711,392	-
Fixed Deposit Accounts			
Co-Operative Bank		0	-
Sub- Total		0	-
On- Call Deposits			
Co-Operative Bank		0	-
Sub- Total		0	-
Current Account			
Co-Operative Bank		0	-
Sub- Total		0	-
Others			
Cash On Hand		0	-
Mobile Money		0	-
Sub- Total		0	-
Grand Total		711,392	-

11. Receivables from exchange transactions

Description	2023-2024		2022-2023	
	Kshs.		Kshs.	
Current Receivables				
Interest Receivable		17,969		-
Current Loan Repayments Due		65,480		-
Other Exchange Debtors		0		-
Less: Impairment Allowance		(0)		-
Total Current Receivables		83,449		-
Non-Current Receivables				
Long Term Loan Repayments Due		5,619,107		-
Total Non- Current Receivables		0		-
Total Receivables		5,702,556		-
Ageing analysis (receivable from exchange transactions)	2023-2024	%of total	2022-2023	%of total
Less than 1 year	83,449	100%	-	%
Between 1-2 years	0	0%	-	%
Between 2-3 years	0	0%	-	%
Over 3 years	0	0%	-	%
Total (tie to totals above)	83,449	%	xxx	%

12. Property, Plant, and Equipment

Description	Land	Buildings and Civil works	Motor vehicles	Furniture, fittings, and office equipment	ICT Equipment	Capital Work in progress	Total
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Cost							
At 1 July 2022	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 30th June 2023	-	-	-	-	-	-	-
At 1 st July 2023	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 30th June 2024	-	-	-	-	-	-	-
Depreciation and impairment							
At 1 July 2022	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
At 30th June 2023	-	-	-	-	-	-	-
At 1 July 2023	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 30th June 2024	-	-	-	-	-	-	-
Net book values							
At 30 th June 2023	-	-	-	-	-	-	-
At 30 th June 2024	-	-	-	-	-	-	-

13. Trade and other payables

Description	2023-2024		2022-2023	
	Kshs.		Kshs.	
Trade payables	0		-	
Total trade and other payables	0		-	
Ageing analysis: (Trade and other payables)	2023-2024	% of total	2022-2023	% of total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

14. Net cash flows from operating activities

Description	2023-2024		2022-2023	
	Kshs.		Kshs.	
Surplus/ (deficit) for the year before tax	5,765,350		-	
Adjusted for:				
Depreciation	0		-	
Amortisation	0		-	
Interest income	0		-	
Working capital adjustments				
Committee Allowances unpaid	206,000		-	
Net cash flow from operating activities	5,971,350		-	

15. 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 Staff with the ability to repay.

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

At 30 June 2023				
Receivables From Exchange Transactions- Car loans and mortgages	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-
At 30 June 2024				
Receivables From Exchange Transactions- Car loans and mortgages	5,702,556	5,702,556	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	711,392	711,392	-	-
Total	6,413,948	6,413,948	-	-

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 Fund has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Fund has no significant concentration of credit risk.

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 Fund's short, medium, and long-term funding and liquidity management requirements. The Fund 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 2023				
Trade Payables	-	-	-	-
Total	-	-	-	-
At 30 June 2024				
Trade Payables	0	0	-	0
Total	0	0	-	0

b) Related party transactions

i. Transfers from related parties

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Transfers from NBA	6,000,000	-

ii. Committees

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Board of Trustees	-	-
Key Management Compensation	222,000	-
Total	222,000	-

17. Events after the Reporting Period

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

18. Ultimate And Holding Entity

The NBA Car Loan is a Fund under the sponsorship of National Biosafety Authority which is a Semi-Autonomous Government Agency.

19. Currency

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

19. 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)



Nehemiah K. Ngetich

Fund Administrator

Date: 04/12/2024

Annex II: Inter-Fund Confirmation Letter

NBA Staff Car Loan Fund

Name of beneficiary entity.

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department – NBA Car Loan Fund:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name Sign Date.....

Annex III: Reporting of Climate Relevant Expenditures

[Redacted]									
				Q1	Q2	Q3	Q4		

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