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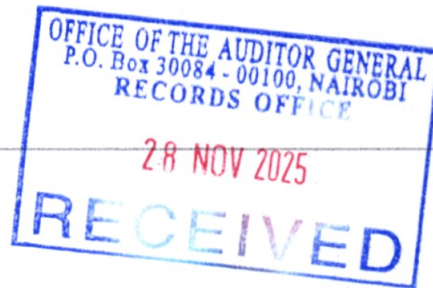
THE AUDITOR-GENERAL

ON

COMMISSION ON REVENUE ALLOCATION STAFF MORTGAGE SCHEME FUND

FOR THE YEAR ENDED 30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 FEB 2026	DAY: WEDNESDAY
TABLED BY:	LEADER OF MAJORITY PARTY (HON. KIMANI ICTHUNGWATS)
CLERK-AT-THE-TABLE:	J. LEMERELLE



COMMISSION ON REVENUE ALLOCATION

STAFF MORTGAGE FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2025

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



*CRA Staff Mortgage Fund
Annual Report and Financial Statements for the year ended June 30, 2025*

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1. ACRONYMS, ABBREVIATIONS, AND GLOSSARY OF TERMS

a) Acronyms

No.	Terms	Definition
1	AWAK	Association of Women Accountants of Kenya
2	ADM	Administration
3	AG	Acting
4	CEO	Chief Executive Officer
5	CIR	Circular
6	CPA	Certified Public Accountant
7	CPM	Certified Professional Mediator
8	CPS	Certified Public Secretary
9	CRA	Commission on Revenue Allocation
10	FY	Financial Year
11	HAU	Head of Accounting Unit
12	HFU	Head of Finance Unit
13	IPSAS	International Public Sector Accounting Standards
14	KCB	Kenya Commercial Bank
15	KRA	Kenya Revenue Authority
16	MoU	Memorandum of understanding
17	PFM	Public Financial Management
18	PSASB	Public Sector Accounting Standards Board
19	SAGA	Semi-Autonomous Government Agency
20	SRC	Salaries and Remuneration Commission

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b) Definition of Terms

No.	Terms	Definition
1	Debit	An entry recording a sum owed, listed on the left-hand side or column of an account
2	Credit	An entry recording a sum received, listed on the right-hand side or column of an account
3	Trial Balance	A financial report showing the closing balances of all accounts in the general ledger at a point in time
4	Financial Performance	A subjective measure of how well a firm can use assets from its primary mode of business and generate revenues
5	Financial Position	The account status of a firm's or individual's assets, liabilities, and equity positions as reflected on its financial statement.
6	Changes in Net Assets	The equivalent of the net profit figure on an income statement
7	Cash equivalent	Investments that can readily be converted into cash
8	Liabilities	Debts or obligations a person or company owes to someone else
9	Assets	A resource with economic value that an individual, corporation, or country owns or controls with the expectation that it will provide a future benefit
10	Asset Register	A detailed list compiled of all your business assets
11	Ledger	An account or record used to store bookkeeping entries for balance-sheet and income-statement transactions
12	Surplus	The amount of retained earnings recorded on the balance sheet of a business entity
13	Deficit	Occurs when expenses exceed revenues, imports exceed exports, or liabilities exceed assets
14	Capital outlay	The sum of money spent by the Commission to invest in loan facilities to staff
15	Undisbursed loans	Eligible Loans for which the acquisition of such Eligible Loans has been approved, but such Eligible Loans have not been fully disbursed by the bank
16	Interest Income	Amount paid to an entity for lending its money or letting another entity use its funds.
17	Short-term receivables	Loans that take less than 12 months to mature
18	Long-term receivables	loans that take more than 12 months to mature
19	Revolving Fund	Fund or account that remains available to finance a fund's continuing requests without any fiscal year limitation
20	Unutilized funds	Resources not taken up for loans
21	Utilized funds	Resources taken up for loans

2. KEY FUND INFORMATION AND MANAGEMENT

a. Background information

The Commission's Staff Mortgage Fund was established in FY 2016/17 through the SRC's Circular Ref No: SRC/ADM/CIR/1/13 Vol. III (128) to provide a loan Fund for residential property for the staff. The loan acquisition entails both the construction, purchase of residential homes and acquisition of land.

The Fund was established with an initial capital outlay of Kshs. 80,805,126/- paid out from the Commission's reserves as seed capital for the Fund. The Fund's capital has since been enhanced to Kshs. 171,134,053/- mainly from the annual budget allocations of the Commission.

The Fund's secretariat is from the Corporate Service Directorate of the Commission, while the administration, which is carried out as per the approved internal guidelines & regulations and the MOU between KCB and CRA is by KCB.

b. Principal Activities, Vision and Mission

The principal activity of the Fund is to facilitate the acquisition of residential property for members of the Commission on Revenue Allocation by providing a loan Fund for:

- i) Purchase and/or development,
- ii) Renovation or repairs of property and
- iii) Acquisition of land for future development.

Vision - No Kenyan Left Behind

Mission - To make reliable recommendations on equitable revenue sharing, revenue enhancement and prudent public financial Management.

c. Board of Trustees / Fund Administration Committee

The scheme lacked a substantive Fund Administration Committee and was managed by the Corporate Services Department during the reporting period.

d. Key Management

The Fund's day-to-day operations are managed under the Corporate Services directorate.

The management who were in charge are as follows;

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	Name	Designation
1.	CPA Roble Nuno	Ag. Commission Secretary/CEO (Officer administering the Fund)
2.	Angela Kariuki	Director Corporate Services
3.	CPA Maureen Junge	Finance Manager / HAU

e. Fiduciary Oversight Management

	Name	Designation
1.	CPA Karen Muka	Deputy Director Internal Audit

f. Registered Offices

Commission on Revenue Allocation
Prism Towers, 3rd Ngong Ave
28th Floor
P.O Box 1310-00200 Nairobi
Tel: (020) 4298000

g. Fund Contacts

Telephone: (254) (020) 4298000
E-mail: info@crakenya.org
Website: www.crakenya.org

h. Fund Bankers

KCB Bank Limited, KICC Branch
Harambee Avenue
P. O. Box 46950-00100 Nairobi
Tel: (020) 29248501, Fax: (020) 29248501,

i. Independent Auditors



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

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j. Principal Legal Adviser

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

3. FUND MANAGEMENT TEAM

Name	Profile
 <p data-bbox="236 745 596 882">CPA Roble Nuno Ag. Commission Secretary / CEO</p>	<p data-bbox="632 398 1359 898">CPA Nuno is an experienced accountant with over 30 years of working in accounting and public finance; 10 years in Senior Management. He holds an MBA (Finance) from Kenyatta University, a Bachelor of Business Administration (Finance and Accounting) from Kenya Methodist University and CPA(K). He is a Member of ICPAK and the Institute of Internal Auditors. He previously worked as the CEC (Finance) and CEC Health, Director of Revenue Garissa County, Kenya Urban Roads Authority and the Ministry of Roads and Public Works.</p>
 <p data-bbox="236 1435 596 1518">Angela Kariuki Director Corporate Services</p>	<p data-bbox="632 969 1359 1570">She holds a Masters in International Commercial Law (LLM) from the University of Nottingham (UK) and a Bachelor of Laws (LLB) from the University of Sheffield (UK). She is an Advocate of the High Court of Kenya; member of the Law Society of Kenya and the Institute of Certified Public Secretaries of Kenya. Mrs. Kariuki has been with the Commission from inception for a period of six years. She has broad professional experience in the areas of human capital management, facilities management, supply chain management, strategic planning and corporate governance, legal compliance with regards to securities law, corporate law, policy formulation and implementation.</p> <p data-bbox="632 1592 1359 1727">She previously worked with the Capital Markets Authority for nine years and Kilonzo & Company Advocates for two years.</p>

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Name	Profile
 <p data-bbox="261 712 580 792">CPA Maureen Junge Finance Manager / HAU</p>	<p data-bbox="635 347 1361 483">Ms. Junge has extensive work experience in public finance with emphasis in budgeting, financial management, financial analysis, and reporting. She is a Certified Secretary (CS),</p> <p data-bbox="635 501 1361 741">Certified Public Accountant, and a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and Association of Women Accountants of Kenya (AWAK). She holds a Master of Science degree and a Bachelors of Commerce degree (Finance) from the University of Nairobi.</p> <p data-bbox="635 759 1361 947">As the inaugural manager in charge of finance at CRA, Ms. Junge was instrumental in developing the finance policies and setting up the operational structures at the Commission in line with the PFM reporting framework.</p> <p data-bbox="635 965 1361 1102">Prior to joining the Commission, CPA Junge served in senior management at Kenya Investment Authority, Africa Investment Bank and Reliance General Limited.</p>

4. CEO'S REPORT (OFFICER ADMINISTERING THE FUND)

The administration of the CRA Staff Mortgage Fund is managed by KCB Bank in collaboration with designated key personnel from the Corporate Services Directorate. The Fund operates under a set of guidelines and a Memorandum of Understanding (MOU) established with KCB Bank, which governs all matters pertaining to the Fund. These guidelines outline the eligibility criteria and conditions for loan accessibility and are periodically reviewed to ensure compliance with applicable laws and regulations.

The primary objective of the Fund is to assist employees in obtaining mortgage financing at subsidized interest rates. The loan facility is intended for the purchase and/or improvement of residential properties, as well as the acquisition of land, specifically for CRA staff members. During the year under review, the Fund's capital was maintained at Ksh. 155.9 million (FY 2023/24: Ksh. 155.9 million). The surplus for the year was Ksh. 832,985, resulting in an accumulated reserve of Ksh. 15.2 million (FY 2023/24: Ksh. 14.3 million). Consequently, the Fund's total net assets amounted to Ksh. 171.1 million (FY 2023/24: Ksh. 170.3 million).

In the review period, the Fund approved and disbursed an additional Ksh. 27.1 million, bringing the total disbursements to Ksh. 230.4 million (FY 2023/24: Ksh. 197.9 million). A total of 29 staff members (FY 2022/23: 26 members) from various cadres benefited from the Fund. KCB Bank has continued to exercise rigorous due diligence on all loan applications to mitigate risks associated with property acquisition.

The Commission remains committed to supporting staff through ongoing collaboration with the bank to increase the number of employees benefiting from the Fund in the future. Furthermore, there is a recognized need to enhance the Fund's capital base to reduce the waiting period for loan applicants.



CPA Roble Nuno

Ag. Commission Secretary/CEO

Date: 27th August, 2025.

**5. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES
FY 2024/25**

The Commission's Staff Mortgage Fund draws its objectives from the sponsor, whose strategic pillars and objectives are within the current Strategic Plan for the FY 2023 to 2029. These strategic pillars are as follows:

- i. Equity in revenue sharing
- ii. Progressive balanced development throughout the country.
- iii. Prudent use of public resources
- iv. Increased financial resources
- v. Strengthened corporate governance, risk management, and internal control systems

The Staff Mortgage Fund develops its annual work plans based on the above five (5) pillars. Assessment of the Staff Mortgage Committee's performance (when appointed) against its annual work plan is done on an annual basis. The fund achieved its performance targets set for the FY 2024/2025 period for its five (5) strategic pillars, as indicated in the diagram below:

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Table 1: Statement of Performance Vs. Predetermined objectives FY 2024/25

Sub Programme	Delivery unit	Key Outputs	Key Performance Indicators	Target 2024/25	Achievements FY 2024/25	Remarks	Approved Budget (million)	Revised Budget (million)
A	B	C	D	E	F	G	H	I
Programme: Inter-government transfers and financial matters								
Sub Programme 1: General Administration and Support Services								
SP 1: General Administration and Support Services	Corporate Services	Staff Mortgage loan requests processed	No. of Staff Mortgage loans processed	25	5	The target was not met due to budgetary constraints. However, the loan repayment proceeds from the revolving fund of Ksh 17 million helped to supplement some of the loan requests.	0	0
TOTAL BUDGET							Nil	Nil

6. CORPORATE GOVERNANCE STATEMENT

a) Roles and Responsibilities of Commissioners

The Commission is guided in the performance of its governance functions by the Constitution of Kenya, the Commission on Revenue Allocation Act and other relevant legislative instruments. As a Constitutional Commission, CRA is responsible for ensuring that the democratic values and principles enshrined in the Constitution, including a high standard of professional ethics are promoted and attained. The Commission is responsible for overseeing its strategic direction and operational policies and the effective implementation of its functions.

The Commission has continued to lead the organization in an effective manner by ensuring the implementation of good corporate governance through its governance structures.

b) Size, Composition, and Appointment to the Commission

The membership of the Commission consists of a Chairperson, appointed by the President and approved by the National Assembly, two persons nominated by political parties in the National Assembly, five persons nominated by political parties in the Senate, and the Principal Secretary responsible for finance. The Chairperson and the other eight (8) Members of the Commission serve for a single term of six (6) years on a full-time basis, except for the PS National Treasury, who is a non-executive member. The Accounting Officer/CEO serves as the Secretary to the Commission. The CEO is responsible for strategic, financial, and operational leadership. Members must have extensive professional experience in financial and economic matters and are not Members of Parliament.

The Third Commission was fully constituted in FY 2023/24 following their appointment in office on 1st January 2023 except for the Chairperson who was appointed on 17th July 2023.

Table 2: Members of the Third Commission.

No.	Name	Designation
1.	CPA. Mary Wanyonyi Chebukati	Chairperson
2.	Koitamet Olekina, HSC.	Vice Chairperson
3.	Dr. Jalango Midiwo	Commissioner
4.	Dr. Isabel Waiyaki	Commissioner
5.	Jonas Kuko	Commissioner
6.	Hadija Juma, HSC.	Commissioner
7.	Hon. Fatuma Gedi	Commissioner
8.	Benedict Muasya	Commissioner
9.	Dr. Chris Kiptoo, CBS	PS, National Treasury

c) Role and functions of the Commission

The Commission Act provides for the functions of Commissioners to assist the Commission in policy formulation, give strategic direction to the Commission, establish and maintain strategic linkages with partners and other stakeholders on issues of revenue sharing and financing, and financial management.

d) Commission Structure

The third Commission has a six-year tenure, which runs from January 2023 to December 2028. The Commission undertook its function through five (5) Committees, which assisted in discharging their mandate, responsibilities, and obligations. The Committees were:

- i. Finance and Administration Committee
- ii. Revenue Allocation Committee.
- iii. Public Finance Management Committee
- iv. Legal and ICT Committee.
- v. Audit, Corporate Governance and Risk Management Committee.

The Commission continuously assesses its governance operating model to ensure that robust and proper systems and processes are in place to support the Commission and Secretariat in driving change, setting strategic direction, and formulating high-level goals and policies. The Commission Secretary / CEO heads the Secretariat and continually provides leadership to the implementation of the Commission's strategies.

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e) Commission's Transactions / Attendance in the reporting period

During the year under review, the Commission held nine (9) full commission meetings as tabulated below;

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Table 3: Full Commission meetings attendance FY 2024/25

Meetings	CPA Mary Wanyonyi Chebukati	Koitamet Olekina, HSC	Dr. Jalango Midiwo	Dr. Isabel Waiyaki	Jonas Kuko	Hadija Juma, HSC	Hon. Fatuma Gedi	Benedict Muasya	Dr. Chris Kiproo, CBS
Full Commission Meetings									
13 th Special Commission Meeting held on 2 nd August 2024	√	√	√	√	√	√	√	√	√
13 th Full Commission Meeting held on 14 th 6 th August 2024.	√	√	√	√	√	√	√	#	√
15 th Special Commission Meeting held on 27 th August 2024	√	√	√	√	√	#	√	#	#
14 th Full Commission Meeting held on 3 rd September 2024	√	√	√	√	√	#	√	#	√
16 th Special Commission Meeting held on 6 th September 2024	√	√	√	√	√	√	√	#	√
17 th Special Commission Meeting held on 9 th September 2024.	√	√	√	√	√	√	√	√	√
18 th Special Commission Meeting held on 17 th September 2024.	√	√	√	√	√	√	#	√	#
19 th Special Commission Meeting held on 27 th September 2024.	√	√	√	√	√	√	√	√	√
20 th Special Commission Meeting held on 11 th October 2024.	√	√	√	√	√	√	√	√	√
15 th Full Commission Meeting held on 30 th October 2024.	√	√	√	√	√	√	√	√	√
21 st Special Commission Meeting held on 4 th December 2024	√	√	√	√	√	√	√	√	√
16 th Full Commission Meeting held on 30 th December 2024	√	√	√	√	√	√	√	√	√
17 th Full Commission Meeting held on 11 th February 2025	√	√	√	√	√	√	√	√	√
17 th (Continued) Full Commission Meeting held on 20 th February 2025	√	√	√	√	√	√	√	√	√
22 nd Special Meeting held on 3 rd April 2025	#	√	√	√	√	√	√	√	√
18 th Full Commission Meeting held on 17 th April 2025	√	√	√	√	√	√	√	√	√
19 th Full Commission Meeting held on 22 nd May 2025	√	√	√	√	√	√	√	#	#
19 th (continued) Full Commission Meeting held on 29 th May 2025	√	√	√	√	√	√	√	#	#

Key:

Present	√
Absent	×
Absent with apology	#
Absence due to leave	*

f) Management Committees.

The Accounting officer of the Commission executes his roles through various management committees as highlighted below.

i. Senior Management Committee - The senior management committee is tasked with providing strategic leadership and management the Commissions operations while setting key priorities, goals and objectives.

ii. **Public Finance Management Standing Committee (PFMSC)** - Section 18(1) of the Public Finance Management Regulations, 2015 requires every national government entity to establish the Public Finance Management Standing Committee (PFMSC) chaired by the Accounting Officer.

The key responsibility of the PFMSC is to provide strategic guidance to the Commission on public finance management matters.

iii. **Budget Implementation Committee (BIC)** - All MDAs are expected to establish a Budget Implementation Committee at the beginning of each Financial year to facilitate the smooth execution of planned activities. The Committee's sole responsibility was to oversee budget implementation and regularly, advise the Accounting Officer on the performance of the budget.

iv. **CRA Staff Car Loan Scheme Committee (CSCLSC)** - The CRA Staff Car Loan Committee members are appointed by the Accounting Officer. The Committee's sole responsibility is to execute responsibilities of the scheme in the best interest of the staff. The committee consider's Staff car loan applications and make necessary recommendations for the Accounting Officer's consideration and approval.

v. **Audit, Corporate Governance and Risk Management Committee (ACGRMC)** - The ACGRMC is established in accordance with section 73(5) of the Public Finance Management Act (PFMA), 2012, Regulation 174 of the Public Finance Management Regulations (PFMR) for National Government, 2015, Audit Committee Guidelines for National Government, 2016 as well as section 12(1) of the CRA Act, 2011. The purpose of the ACGRMC is to assist the Commission in fulfilling its oversight role to ensure effectiveness and efficiency in operations and the effectiveness of the internal control, risk management and governance processes.

7. MANAGEMENT DISCUSSION AND ANALYSIS

a) Operational and Financial Performance

During the year under review, the Fund's capital remained stable at Kshs. 155.9 million (FY 2023/24: Kshs. 155.9 million), with cumulative interest earnings of Kshs. 6.2 million (FY 2023/24: Kshs. 11 million) generated from both utilized and unutilized accounts. Consequently, the Fund recorded total net assets of Kshs. 171.1 million (FY 2023/24: Kshs. 170.3 million).

To date, the Fund has disbursed Kshs. 230.4 million (FY 2022/23: Kshs. 197.9 million). A total of 29 staff members (FY 2023/24: 26 members) from various cadres have benefited from the Fund. The Bank has consistently conducted due diligence on all loan applications to mitigate risks related to property acquisition.

b) Funds key projects / Activities.

The main reason for setting up the Fund was to provide financial support for staff members in the acquisition of a mortgage facility at a subsidized interest rate relating to:

1. Home development loans
2. Acquisition or Purchase of residential homes
3. Purchase of land for Home construction

c) Fund's compliance with statutory requirements

The Staff Mortgage Fund operates under the guidance of a Memorandum of Understanding (MoU) between the CRA and KCB Bank Limited. This MoU is anchored on the SRC regulations Ref No: SRC/ADM/CIR/1/13 Vol. III (128), the Public Finance Management Act, the Income Tax Act Section 12B (2012), and the CRA's Human Resource Policies and Procedures Manual.

The Commission ensures strict compliance with the aforementioned legislation and policies in the operation of the Fund, including adherence to the 1/3 rule requirements and the established reporting framework.

d) Major risks facing the Fund

i) Liquidity Risk

The Commission has consistently endeavored to mitigate liquidity risk and ensure that financial obligations are met promptly when due. This risk has been managed over the years by allocating

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adequate budgetary provisions to the Fund whenever possible, contingent on the availability of financial resources.

ii) Material arrears in statutory/financial obligation

The Fund has no outstanding liabilities.

iii) The Fund's financial probity and governance issues

KCB Bank Limited was appointed as the administrator of the CRA Mortgage Fund and works in close collaboration with the Commission.

8. ENVIRONMENTAL AND SUSTAINABILITY REPORTING.

The CRA Mortgage Fund operates under the broader governance framework of the Commission, which emphasizes adherence to established environmental and sustainability standards. While the Commission itself may not have distinct environmental reporting specific to the Mortgage Fund, it aligns with national and international sustainability principles as part of its governance responsibilities.

9. REPORT OF THE FUND MANAGEMENT TEAM

The fund management team hereby submits its report and financial statements for the year ended 30 June 2025 which shows the state of the Fund's affairs.

a) Principal Activities

The principal activity of the Commission's Mortgage Fund is to provide housing loan facilities to the members of staff.

b) Results

The results of the Mortgage Fund for the year ended 30 June 2025 are set out on pages 1-5.

c) Management

The key management who served during the year are shown on page (vii-viii).

d) Auditors

The Auditor General is responsible for the statutory audit of the Commission's Staff Mortgage Fund in accordance with Section 81(4a) of the Public Financial Management Act, 2012, and Section 35 of the Public Audit Act, 2015.

By order of the Commission



.....
Ag. Commission Secretary / CEO

10. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Section 84(1) of the Public Finance Management Act, 2012 requires the officer administering the Fund established by the SRC's Circular Ref No: SRC/ADM/CIR/1/13 Vol. III (128) to prepare financial statements in respect of that Fund, which give a true and fair view of the Fund at the end of the financial year/period and the operating results of the Fund for that year/period. The Officer is also required to ensure that the Fund keeps proper accounting records which disclose with reasonable accuracy the financial position of the Fund. Further, he is also responsible for safeguarding the assets of the Fund.

The Officer administering the Fund (Commission Secretary) 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 (period) ended on June 30, 2025. Further, his other responsibilities include: (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 Commission; (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.

The Officer administering 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 Accrual basis of Accounting method under the International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act and the Commission on Revenue Allocation Act. He is also of the opinion that the Fund's financial statements give a true and fair view of the state of the Fund's transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. He further confirms the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Commission's financial statements as well as the adequacy of the systems of internal financial control.

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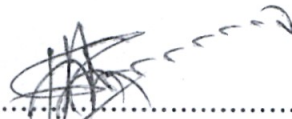
Nothing has come to the attention of the Commission Secretary to indicate that the Fund will not remain a going concern for at least the next 12 months from the date of this statement.

Approval of the financial statements

~~The Commission's Staff Mortgage Fund financial statements were approved by the Commission~~
on **27th August, 2025**, and signed by



CPA Mary Wanyonyi Chebukati
Chairperson of the Commission



CPA Roble Nuno
Ag. Accounting Officer

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON COMMISSION ON REVENUE ALLOCATION STAFF MORTGAGE SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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 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 Commission on Revenue Allocation Staff Mortgage Scheme Fund set out on pages 1 to 28, which comprise of the statement of financial position as at 30 June, 2025, and the statement of 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 Commission of Revenue Allocation Staff Mortgage Scheme Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the Public Finance Management Act, 2012.

Basis for Opinion

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

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 key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the prior years' audit report, three issues under the Report on the Financial Statements on inaccurate financial statements, non-disclosure of fringe benefit tax and unsupported balances in the budget statement were raised while one issue under Lawfulness and Effectiveness in Use of Public Resources on non-compliance with the law on income tax was raised. The issues remained unresolved as at 30 June, 2025 as they have not been deliberated by the Parliamentary Oversight Committee.

Other Information

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

In connection with my audit on the Commission's Staff Mortgage Scheme Fund 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 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Insufficiencies in Fund Guidelines

Review of the Fund records revealed that whereas the Commission had prepared guidelines for the Fund, the guidelines are not adequate. The guidelines do not incorporate critical provisions in respect of administration, management and oversight of the Fund. Such omissions relate to appointment of the Fund administrator, accountant, establishment of the Fund committee and conduct of the affairs of the committee such as

functions and frequency of meetings. Although the Chief Executive Officer's report indicated that the Fund is managed by KCB in collaboration with designated key personnel from the Corporate Services directorate, no information was provided on the appointment of the staff, their roles and responsibilities in respect of the Management of the Fund despite the Salaries Remuneration Commission circular requiring agencies to administer and manage their funds internally.

In the circumstances, the weak management and governance structures exposes the Fund to abuse.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


01 December, 2025

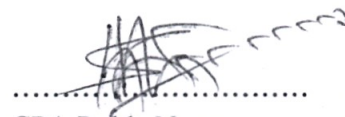
*CRA Staff Mortgage Fund
Annual Report and Financial Statements for the year ended June 30, 2025*

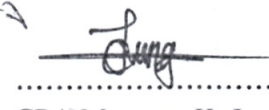
12. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2025.

Description	Note	2024/25 Kshs.	2023/24 Kshs.
Revenue from exchange transactions			
Interest income	7	6,225,464	10,958,602
Total Revenue		6,225,464	10,958,602
Expenditure			
Use of goods and services	8	5,245,482	9,583,373
Total expenses		5,245,482	9,583,373
Surplus before Tax		979,982	1,375,229
Taxation	9	146,997	239,837
Surplus for the period		832,985	1,135,392

The notes set out on pages 7 to 25 form an integral part of the Financial Statements. The Fund's financial statements were approved on **27th August 2025** and signed by:


.....
CPA Mary Wanyonyi Chebukati
Chairperson of the Commission


.....
CPA Robte Nuno
Ag. Accounting Officer

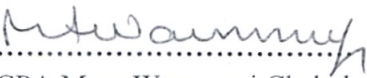

.....
CPA Maureen K. Junge
Head of Accounting Unit
ICPAK M/No. 9883

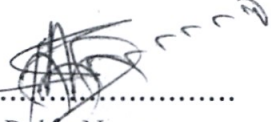
CRA Staff Mortgage Fund
Annual Report and Financial Statements for the year ended June 30, 2025

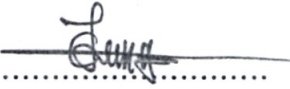
13. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2025

Description	Note	2024/25 Kshs.	Restated 2023/24 Kshs.
Assets			
Current assets			
Cash and cash equivalents	10	28,768,468	31,246,210
Receivables from exchange transactions	11	11,547,422	10,339,134
		40,315,890	41,585,344
Non-current assets			
Receivables from exchange transactions	11	130,818,164	128,715,725
		130,818,164	128,715,725
Total assets		171,134,053	170,301,069
Liabilities			
Current liabilities			
Insurance Refund *	12	-	-
Total liabilities		-	-
Net Assets		171,134,053	170,301,069
Represented By:			
Mortgage loan revolving fund		155,923,446	155,923,446
Accumulated surplus (Deficit)		15,210,607	14,377,623
Total net assets and liabilities		171,134,053	170,301,069

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Fund's financial statements were approved on **27th August 2025** and signed by:


.....
CPA Mary Wanyonyi Chebukati
Chairperson of the Commission


.....
CPA Robie Nuno
Ag. Accounting Officer


.....
CPA Maureen K. Junge
Head of Accounting Unit
ICPAK M/No. 9883

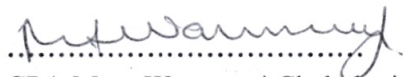
14. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH JUNE 2025

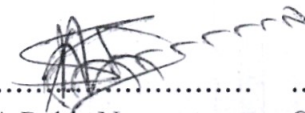
Particulars	Notes	Mortgage Fund	Accumulated surplus	Total
		Kshs	Kshs	Kshs
As at July 1, 2023		155,923,446	13,209,710	169,133,156
Prior Year's adjustment	13	-	32,521	32,521
Surplus for the year		-	1,135,392	1,135,392
Funds received during the year		-	-	-
As at June 30, 2024		155,923,446	14,377,622	170,301,068
As at July 1, 2024		155,923,446	14,377,622	170,301,068
Surplus for the year		-	832,985	832,985
Funds received during the year		-	-	-
As at June 30, 2025		155,923,446	15,210,607	171,134,053

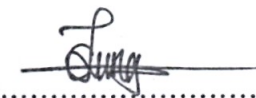
Nature and purpose of reserves.

The Mortgage fund represents the actual capital transfers received from the sponsor, while the accumulated surplus reflects the total net earnings generated by the fund. Both components are primarily utilized to extend loans to the Commission's staff members.

In the reporting period, the Mortgage fund was maintained at Ksh. 155.92 million, while the accumulated surplus increased to Ksh. 15.2 million. (FY23/24: Ksh.14.4 million).



 CPA Mary Wanyonyi Chebukati
 Chairperson of the Commission


 CPA Roble Nuno
 Ag. Accounting Officer

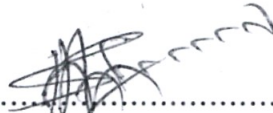

 CPA Maureen K. Junge
 Head of Accounting Unit
 ICPAK M/No. 9883

15. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2025.

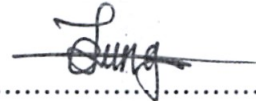
Particulars	Note	2024/25 Kshs.	2023/24 Kshs.
Cash flows from operating activities			
Receipts			
Interest received		6,225,464	10,958,602
Total receipts		6,225,464	10,958,602
Payments			
Use of goods and services		5,245,482	9,583,373
Taxation		146,997	239,837
Total payments		5,392,479	9,823,210
Net Cash flows from operating activities	14	832,985	1,135,392
Cash flows from investing activities			
Proceeds from loan principal repayments	15	17,036,238	14,356,396
Loan disbursements paid out	16	(20,346,965)	(4,160,000)
Net cash flows used in investing activities		(3,310,727)	10,196,396
Cash flows from financing activities			
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(2,477,742)	11,331,788
Cash and cash equivalents at 1 July	10	31,246,210	19,914,422
Cash and cash equivalents at 30 June	10	28,768,468	31,246,210



 CPA Mary Wanyonyi Chebukati
 Chairperson of the Commission



 CPA Roble Nuno
 Ag. Accounting Officer




 CPA Maureen K. Junge
 Head of Accounting Unit
 ICPAK M/No. 9883


16. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2025.

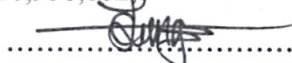
Description	Original budget	Adjustments	Final budget	Actual on a comparable basis	Performance difference	% of utilization
	Kshs. a	Kshs. b	Kshs. c = (a+b)	Kshs. d	Kshs. e = (c-d)	f = d/c
Revenue						
Interest income	-	6,225,464	6,225,464	6,225,464	-	100%
Total Revenue	-	6,225,464	6,225,464	6,225,464	-	100%
Expenses						
Withholding Tax	-	146,997	146,997	146,997	-	100%
Administration cost	-	5,245,482	5,245,482	5,245,482	-	100%
Bank Charges		-	-			
Expenditure	-	5,392,479	5,392,479	5,392,479	-	100%
Surplus for the period	-	832,985	832,985	832,985	-	
Capital Expenditure	-	-	-	-	-	

Budget notes: Explanation of differences between budgeted and actual amounts

- a) The Commission did not provide for budget enhancement for the Fund following the huge budget cuts in the review period; however, the adjustment of Ksh. 6,225,464 was due to the interest earned during the reporting period, which the Commission ratified during its 23rd Special meeting held on 27th August 2025.
- b) Actual Interest income for the year stood at Kshs. 6,225,464 (FY2023/24: KShs.10,958,602)


CPA Mary Wanyonyi Chebukati
Chairperson of the Commission


CPA Roble Nuno
Ag. Accounting Officer


CPA Maureen K. Junge
Head of Accounting Unit
ICPAK M/No. 9883

BUDGET RECONCILIATION TO THE STATEMENT OF CASH FLOW

No.	Description of Particulars	Amount
1	Actual surplus as per the statement of budget	832,985
2	Add: Proceeds from loan principal repayments	17,036,238
3	Less: Loan disbursements	(20,346,965)
4	Add: Cash and cash equivalents as at 1 July 2024	31,246,210
5	Closing Cash and cash equivalents as per the Cashflow statement	28,768,468

17. NOTES TO THE FINANCIAL STATEMENTS.

1. General Information

The Commission on Revenue Allocation (CRA) was established pursuant to Article 215 of the Constitution of Kenya. The primary mandate of the Commission is to provide an objective and independent framework for the equitable distribution of nationally generated revenues. Additionally, the Commission plays a pivotal role in ensuring that county governments adhere to sound financial management principles and in enhancing revenue generation for both the national and county governments. Furthermore, the Commission is instrumental in addressing regional disparities by formulating recommendations aimed at fostering balanced development across the country, with particular emphasis on marginalized areas.

In its commitment to improving staff welfare, the Commission instituted a Staff Mortgage Fund during the financial year 2016/17, in accordance with the SRC Circular Reference No: SRC/ADM/CIR/1/13 Vol. III (128). This Fund was established to provide loans to staff for residential property purposes, including construction, purchase of homes, and land acquisition. The Fund was initiated with a seed capital of Kshs. 80,805,126/-, which was allocated from the Commission's reserves.

2. Statement of Compliance basis of preparation – IPSAS 1

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 in Note 6. 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, (include any other applicable legislation), 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

3.1. New and amended standards and interpretations in issues effective in the year ended 30th June 2025.

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an MDA.</p> <p>The new standard requires entities to recognise, measure and present information on right-of-use assets and lease liabilities.</p> <p><i>The standard is not relevant to the Fund.</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>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:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>The standard is not relevant to the Fund.</i></p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard.</p> <p>IPSAS 45 has an additional application guidance for infrastructure assets,</p>

CRA Staff Mortgage Fund

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

Standard	Effective date and impact:
	<p>implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>The standard is not relevant to the Fund.</i></p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul 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> <p><i>The standard is not relevant to the Fund.</i></p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an MDA 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> <p><i>The standard is relevant to the Fund and has enabled the proper disclosure for revenue.</i></p>

*CRA Staff Mortgage Fund
Annual Report and Financial Statements for the year ended June 30, 2025*

Standard	Effective date and impact:
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial</p>
	<p>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> <p><i>The standard is not relevant to the Fund.</i></p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>The standard is not relevant to the Fund.</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>The standard is not relevant to the Fund.</i></p>

3.2. Early adoption of standards

The Fund early adopted IPSAS 47 of the new standards.

4. Summary of Accounting Policies.

4.1. Non-Current Assets

The fund does not maintain any non-current assets.

4.2. Revenue recognition

Income is recognized in the period in which it's earned. Income is not accrued if its recoverability is doubtful. The Revenue constitutes all incomes accruing to the Fund in the form of interest earned both on the Utilized fund (1%) and Unutilized fund (10% (CBR). All interest is recouped back to the revolving account on a quarterly basis.

4.3. Revenue from non-exchange transactions

i. 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.

4.4. Revenue from exchange transactions

i. Interest income

Interest income is accrued using the current market interest rate. The current market interest rates discount estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies the market interest rate to the principal outstanding to determine interest income for each period.

4.5. Budget information

The Commission's original budget for FY 2024/25 (Mortgage Nil budget included) was approved by the National Assembly in June 2024. Subsequent revisions were made to the approved budget in accordance with specific approvals from the appropriate authorities. The fund suffered a budget cut of the entire provision that had been made for the review period.

*CRA Staff Mortgage Fund
Annual Report and Financial Statements for the year ended June 30, 2025*

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

4.6. Contingent liabilities

The Fund does not recognize contingent liabilities 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.

4.7. Contingent assets

The Fund does not recognize contingent assets but discloses details of possible assets 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.

4.8. Nature and purpose of reserves

The Fund creates and maintains reserves in terms of specific requirements. The fund maintains reserves with loan requests that are still in process pending disbursements (Undisbursed loans)

4.9. Changes in accounting policies and estimates

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

4.10. Cash and cash equivalents

Cash and cash equivalents relate to the available balances in the deposit account, short term deposits and undisbursed loans at the end of the year. The undisbursed loans are restricted and may not be available for use by the Commission until the loan process is over. The amount reduced significantly due to decrease in undisbursed loans. For the cash flow statement, cash and cash equivalents comprise Cash book balance as at 30th June 2025.

4.11. Fund Account

The fund is enhanced gradually on an annual basis through annual appropriations from the Commission's Budget. Further, all accrued interest is recouped back to the fund. The Fund was mainly established to enable members of staff members acquire loans for the purchase of residential homes, acquisition of land and construction of residential homes. The facility is extended to applicants at an interest rate of 3% to cover the administration cost to KCB Bank.

4.12. Related parties – IPSAS 20

The Fund regards a related party as a person or an Authority with the ability to exert control individually or jointly, or to exercise significant influence over the Fund or vice versa. The Commission is regarded as related party and comprise the Commissioners, Commission Secretary and members of staff.

4.13. Public Sector Combinations – IPSAS 40

The standard which has been applicable since January 2019 covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations. This standard is however, not relevant to the CRA staff Mortgage Fund.

4.14. Comparative figures

Prior year comparative information has been presented in the current financial year.

4.15. Events after the reporting period

There have been no events after the financial year end with a significant impact on the financial statements for the reporting period.

4.16. Ultimate and Holding Fund

The Commission on Revenue Allocation approved the establishment of a Staff Car Loan Fund in FY 2019/20. The approval was based on the Salaries & Remuneration Commission's Circular No. SRC/ADM/CIR/1/13 VOL. III (128) dated 17th December 2014, which advised on Car Loan & Staff Mortgage Benefit for all State Officers and other public officers in Kenya.

4.17. Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling

4.18. Financial assets

4.18.1. Classification of financial assets

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

4.18.2. Subsequent measurement

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

4.18.3. 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.

4.18.4. 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.

4.18.5. Fair value through surplus or deficit

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

5. Significant Judgements and Sources of Information 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

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outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The Staff Mortgage Fund's fringe benefit tax is payable by the sponsor in line with IPSAS 39. The fringe benefit tax is based on a lower loan interest payable by the staff compared to the market rate. In the reporting period, the Fringe benefit incurred was Ksh. 4,431,085 as disclosed in the main accounts of the sponsor.

6. Estimates and assumptions

The Fund does not have any key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

7. Interest Income

Description	2024/25 Kshs.	2023/24 Kshs.
Interest from Loans issued-Utilized fund (3%)	5,245,482	10,245,899
Interest on Deposit-Unutilised fund (40% of CBR)	979,982	712,702
Total	6,225,464	10,958,602

Revenue from exchange transactions relates to the gross interest accrued from the monthly loan repayments from the staff salary check off at a 3% cost of credit and interest from the unutilized deposit account at 3.3% p.a. (40% of CBR). The revenues have increased significantly given the increase in loan applications.

8. Use of goods

Description	2024/25 Kshs.	2023/24 Kshs.
KCB Bank's Administration cost	5,245,482	9,581,243
Bank charges	-	2,130
Total	5,245,482	9,583,373

Use of goods herein comprises of administration cost charged at 3% and which is equivalent to the 3% of accrued interest from loan repayments and bank charges.

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9. Taxation

Description	2024/25 Kshs.	2023/24 Kshs.
WHT on Unutilised Fund (40% of CBR)	146,997	239,837
Total	146,997	239,837

The figures represent withholding tax (WHT) amounts related to the fund. WHT on Utilised Fund (3%)" refers to withholding tax at a rate of 3% applied on the portion of the fund that was actually used. For 2023/24, this tax amounted to Kshs. 239,837, while for 2024/25, no tax was recorded under this category since the scheme revised its cost of borrowing to 3% equivalent to the administration cost.

"WHT on Unutilised Fund (40% of CBR)" refers to withholding tax calculated at 40% of the Central Bank Rate (CBR) on the portion of the fund that was not used.

10. Cash and cash equivalents

Description	2024/25 Kshs.	2023/24 Kshs.
Deposit Account: Acc. No.MM1822328341	12,627,849	26,420,814
Short-term deposits: Acc. No.1205003916	187,584	325,397
Undisbursed Loans: Acc. No.MM1822328341	15,953,035	4,500,000
Total	28,768,468	31,246,210

Cash and cash equivalent is the available balances in the deposit account (Unutilized funds) that earn interest at 40% of the CBR, short term deposits and undisbursed loans at the end of the year. The undisbursed loans are restricted and may not be available for use by the Commission until the loan process is over. The amount reduced due to decrease in deposit account i.e. more loan applications that utilized the deposit account were processed and approved. Further, undisbursed loans increased significantly from one application to three applications of Ksh.15.95 million.

11. Receivables from Exchange Transactions

Description		2024/25 Kshs.		2023/24 Kshs.
Short-term receivables (Current receivables)				
Current loan repayment dues as at 30th June 25		11,547,422		10,339,134
Total Current Receivables		11,547,422		10,339,134
Non-Current Receivables				
Long-Term Loan Repayment dues		130,818,164		128,715,725
Total Non-Current Receivables		130,818,164		128,715,725
Total Receivables		142,365,585		139,054,859
Ageing analysis (Receivables from exchange transactions)	Current FY	% of Total	Comparative FY	% of Total
Less than 1 Year	11,547,422	8%	10,339,134	7%
Between 1-2 Years	11,504,570	8%	10,339,134	7%
Between 2-3 Years	11,301,480	8%	10,337,142	7%
Over 3 Years	108,012,113	76%	108,039,450	78%
Total	142,365,585	100%	139,054,860	100%

Short-term receivables relate to outstanding loan balances payable within the next one (1) year. Long-term receivables relate to outstanding loan balances payable beyond one (1) year. The Commission's receivables are not doubtful given that the loan repayments are managed through the salary check-off system. Additionally, the KCB Bank on behalf of the Commission, charged all properties facilitated through the fund and discharge of the same may only be granted upon full loan repayment.

12. Trade Payables

Description		2024/25 Kshs.		Restated 2023/24 Kshs.
Short-term Payables (Current receivables)				
Trade payables - Refund for Insurance claim - J Miriti *		-		-
Total Trade Payables		-		-
Non-Current Payables				
Long-Term Payables		-		-

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Description		2024/25 Kshs.		Restated 2023/24 Kshs.
Total Non-Current Payables		-		-
Total Payables		-		-
Ageing analysis (Payables from exchange transactions)	Current FY	% of Total	Comparative FY	% of Total
Less than 1 Year	-		-	
Between 1-2 Years	-		-	
Between 2-3 Years	-		-	
Over 3 Years	-		-	
	-	0%	-	0%

The drop-in payables was due to a prior year's adjustment following a clarification by the KCB Bank of the said amount being an accrued interest income for the period between 30th June 2021 and the loan repayment date of 28th August 2021.

13. Prior Year's adjustment

Nature of the prior year error

In the financial year 2021/22, the Mortgage Insurance facilitated through KCB Bank settled the outstanding mortgage loan balance for the late Joyce Miriti. A total payment of Ksh. 8,817,925 was made against an outstanding principal amount of Ksh. 8,785,404. The variance of Ksh. 32,321 pertains to accrued interest from 30th June 2021 to the loan repayment date of 28th August 2021, as clarified by KCB Bank. Consequently, this amount has been adjusted in the accounts for the review period, reflected as an increase in the opening balance of the accumulated surplus and a corresponding reduction in trade payables.

Effect on Financial Statements

Line item	Previously reported (Ksh.)	Prior Period Adjustment	As restated.
Trade payables	32,521	-32,521	Nil
Accumulated Surplus	14,345,102	+32,521	14,377,623

14. Net Cash Flows from Operating Activities

Description	2024/25 Kshs.	2023/24 Kshs.
Surplus/ (deficit) for the year before tax	979,982	1,375,229
Adjusted for:		
Taxation	(146,997)	(239,837)
Working capital adjustments	832,985	1,135,392
	-	-
Net cash flow from operating activities	832,985	1,135,392

15. Proceeds from loan Repayments

Description	2024/25 Kshs.	2023/24 Kshs.
Quarter I	4,058,162	3,372,126
Quarter II	3,489,882	3,159,420
Quarter III	3,341,829	3,408,745
Quarter IV	6,146,365	4,416,105
Total	17,036,238	14,356,396

This amount refers to the loan repayments consolidated quarterly and recouped back into the fund. In the review period, the amount increased significantly due to the increase in loan approvals from 27 to 32 loan applicants.

16. Loan Account Movement Schedule

Description	2024/25 Kshs.	2023/24 Kshs.
Loan balances as at 1st July	139,054,859	149,251,255
Loan disbursements	20,346,965	4,160,000
Principal loan repayments	(17,036,238)	(14,356,396)
Loan balances as at 30th June	142,365,586	139,054,859

This account refers to the movement of loan repayment amounts and disbursements.

17. Financial Risk Management

The Fund shall undertake periodic reviews of its risk management framework to ensure alignment with market developments and emerging best practices. The management of risk will be conducted by the Commission under the direct oversight of the Commission Secretary.

18. Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligation resulting in financial loss to the staff mortgage Fund. It arises from bank balances, receivables and amounts due from related parties. Although this risk is unlikely to occur in the short term, it is mitigated as follows; (a) Cash and short-term deposits are placed with well-established financial institutions of high credit standing, (b) The CRA Mortgage Fund does not raise debtors in its ordinary course of business apart from those arising from related parties or members of staff which can easily be recovered. Credit risk with respect to accounts receivable is limited due to the nature of the mortgage Fund business and its reliance on government grant and CRA as the main source of funding.

The amount that best describes the mortgage Fund's exposure to credit at the end of the financial year is made up of;

- a. Cash and bank balances
- b. Outstanding loan balances
- c. Undisbursed loans

Credit and Financial Risk

Description	Total Amt Kshs.	Fully Performing Kshs.
As at June 30th 2025		
Receivables from exchange transactions	142,365,585	142,365,585
Bank Balance	28,768,468	28,768,468
Total	171,134,053	171,134,053
As at June 30th 2024		
Receivables from exchange transactions	139,054,859	139,054,859
Bank Balance	31,246,210	31,246,210
Total	170,301,069	170,301,069

19. Liquidity Risk

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 Kshs.	Between 1-3 months Kshs.	Over 5 months Kshs.	Total Kshs.
At 30 June 2024				
Trade Payables	-	-	-	-
Total	-	-	-	-
At 30 June 2025				
Trade Payables	-	-	-	-
Total	-	-	-	-

20. Market risk

The Commission has put in place an internal audit function to assist in assessing the risk faced by the Fund on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rates, equity prices, and foreign exchange rates, which will affect the Fund's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the management.

The CRA's Human Resource Department is also responsible for the development of detailed risk management policies (subject to review and approval by the Commission) and the day-to-day implementation of those policies.

There has been no change to the Fund's exposure to market risks or how it manages and measures the risk.

21. Interest rate risk

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

a) Management of interest rate risk

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

22. Capital risk management.

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

Description	2024/25 Kshs.	2023/24 Kshs.
Revolving fund	155,923,446	155,923,446
Accumulated surplus (Reserve)	15,210,607	14,345,102
Total fund	171,134,053	170,268,548
Less: Cash and Bank balances	28,768,468	31,246,210
Net debt / (Excess cash and cash equivalents)	142,365,586	139,022,338
Gearing	83%	82%

The Fund has managed to grow its capital from the initial capital outlay of Ksh. 80.8 million to the current balance provided in the review period of Ksh. 171.1 million.

23. Related party balances

a) Nature of related party relationships

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

- a) National government Fund
- b) Key management;
- c) Board of Trustees / Committee; etc.

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b) Related party transactions

i. Transfers from related parties

Description	2024/25 Kshs.	2023/24 Kshs.
Transfers from related parties	-	-
Total	-	-

ii. Key management remuneration

Description	2024/25 Kshs.	2023/24 Kshs.
Board of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

24. Events after the Reporting Period

There were some material adjustments after the reporting period.

25. Ultimate and Holding Entity

The Entity is a Fund under the sponsorship of CRA, which is a Constitutional Commission.

18. ANNEXES

Annex I: Progress on Follow-up of Prior Year Auditor's Recommendations

Reference No. on external audit report	Issue / Observation from Auditor	Management Comments	Status	Time frame
2243	<p>Inaccuracies in the Financial Statements</p> <p>The statement of Financial Position reflects mortgage loan revolving fund balance of Kshs. 169,133,156. However, the statement of changes in net assets reflects a balance of Kshs. 155,923,446, resulting in unreconciled variance of Kshs, 13,209,710. Further, the statement of financial position reflects accumulated surplus of Kshs. 1,135,392 which differs with the balance reported in the statement of changes in net assets of Kshs. 14,345,102, resulting in unreconciled variance of Kshs. 13,209,710.</p>	<p>A Mortgage loan revolving fund, as a self-replenishing pool of money, utilizes surpluses from previous periods and principal payments on old loans to issue new ones. Therefore, in the reporting period, the mortgage revolving fund of Kshs. 169,133,156 comprised of its balance brought down of Ksh.155,923,446 and the accumulated reserves in the previous period FY 22/23 of Kshs. 13,209,710 noting that the accumulated reserves are meant for issuance of approved loans. Further, the statement of Financial Position for the reporting period reflects net assets of Kshs.170,268,548 equivalent to the statement of changes in net assets for the same period.</p> <p>The Commission therefore did not have any unreconciled balances given the disclosure above.</p>	Maintained report as previously presented as per the template.	N/A
2244	<p>Non-Disclosure of Fringe Benefit Tax</p> <p>The statement of financial position reflects current liability of Kshs.32,521 in respect of insurance refund as disclosed in Note 11 to the financial statements. Review of non-financial information revealed that the Fund has a fringe benefit tax liability of</p>	<p>Fringe Benefits Tax is a liability to the sponsor (CRA) and it represents an additional cost incurred when providing non-cash benefits to employees or associates. It works as an expense because of the following;</p> <ul style="list-style-type: none"> i. The tax liability on non-cash benefits ii. Direct financial burden on the sponsor 	Resolved	N/A

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Reference No. on external audit report	Issue / Observation from Auditor	Management Comments	Status	Time frame
	<p>Kshs.3,100,000 as at 30 June, 2024, occasioned by insufficient budget allocation and which was to be settled in the subsequent financial year. However, the tax liability has not been reflected in the statement of financial position for the period under review</p>	<p>iii. No salary deduction but additional cost to the sponsor iv. Impact on surplus</p> <p>Given that this is a benefit to the staff, the Commission always had this expenditure enumerated with its other liabilities in the CRA Main Account and not the funds since the commencement of this Fund in FY 2016/17.</p> <p>Therefore, in the review period, there was no gap in the disclosure of Fringe Benefits Tax. The expenditure was captured and listed as part of the sponsor's liabilities, as has been the case since the commencement of the Fund and according to Section 12B of the Income Tax Act cap 470.</p>		
2245	<p>Unsupported Balances in the Budget Statement.</p> <p>The statement of comparison of budget and actual amounts reflects a total final revenue and expenditure budget of Kshs.10,958,602 and Kshs.9,823,210 respectively. However, the management did not provide an approved budget to support the figures reported. This is contrary to regulation 31 (1) of The Public Finance Management (National Government) Regulations, 2015 requires an Accounting Officer to ensure</p>	<p>The budget for the Staff Mortgage Fund is processed as a component of the Commission's main budget. The staff mortgage budget allocation is usually split into two (<i>the Amount to the fund for issuance of loans to staff and the balance retained in the sponsor's books for payment of fringe benefit tax</i>).</p> <p>In the review period, the approved budget of Ksh. 1.5 million was not adequate to enhance the fund, hence no transfer was made to the fund. However, the allocation was utilised from the CRA Main account for payment of the Fringe Benefit Tax.</p>	Resolved	N/A

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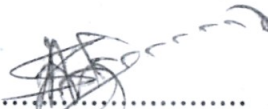
Reference No. on external audit report	Issue / Observation from Auditor	Management Comments	Status	Time frame
	<p>that the draft estimates relating to her or his department are prepared in conformity with the Constitution, the Act and these Regulations.</p> <p>In the circumstances, the accuracy and completeness of the budgeted amounts reflected in the statement of comparison of budget and actual amounts could not be confirmed</p>	<p>The fund generates income through interest earned from the utilised amount. Such interest is partially utilised at source by the bank to settle administration costs for running of the fund while the difference is credited to the fund. As part of disclosure, the Commission enumerates expenditure of the fund inclusive of the administration costs and the funds interest income as part of its revenues raised for the period.</p> <p>The allocation in the budget at the time was utilized by the Sponsor in the payment of the outstanding fringe benefits tax of Kshs.1.5 million. Therefore, no resources were transferred to the fund, thus the nil amounts on the original budget as reflected in the statement of comparison of budget and actual amounts. However, during the year, the fund accrued administration cost which was netted off from interest income collected during the year and captured under the revised budget.</p>		
2246	<p>Non-Compliance with the Law on Income Tax</p> <p>The Statement of Financial Performance for the year ended 30 June 2024 reflects general expenses of Kshs. 9,823,210 as disclosed in Note 8 of the financial Statements. The amount includes Kshs. 9,581,243 in respect of administration cost. However, evidence to confirm that withholding tax on management fees paid</p>	<p>The Withholding tax certificates were availed for verification.</p>	Resolved	N/A

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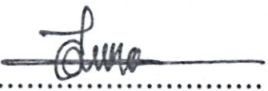
Reference No. on external audit report	Issue / Observation from Auditor	Management Comments	Status		Time frame
	to Fund administrator was withheld and remitted to the Commissioner of Domestic Taxes as required by the Income Tax Act 2017 was not provided for audit. Further, Note 8 to the Financial Statements reflects withholding income tax on interest earned amounting to Kshs.239,837. However, withholding tax certificates to support the withheld amount were also not provided for audit.				



 CPA Mary Wanyonyi Chebukati
 Chairperson of the Commission



 CPA Roble Nuno
 Ag. Accounting Officer



 CPA Maureen K. Junge
 Head of Accounting Unit
 ICPAK M/No. 9883

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Annex II: Staff Mortgage Fund's beneficiaries' movement schedule

The table below presents the Fund's beneficiaries' movement during the year.

No.	Cadre	2024/25	2023/24	Remarks
2	Directors	2	2	
3	Deputy Directors	2	2	One of the Deputy Directors is separated from the Commission but remains active in loan repayments as per the provisions of the MOU
4(A)	Managers	8	7	One of the manager's outstanding loan was fully cleared by the Insurance following her demise.
4(B)	Assistant Managers	2	2	
5	Officers	9	7	One additional beneficiary was added to the Fund in the reporting period.
6	Assistant Officers	1	1	
7	Logistic Staff	1	3	
	Sub Total	25	24	
	<u>Cleared</u>			
1	CEO	1	1	Took a loan while still a Director
4(B)	Managers	1	1	
6	Assistant Officers	1		
8	Support Staff	1		
	Sub Total	4	2	

