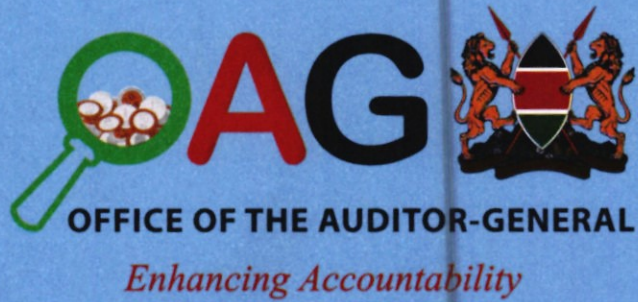


REPUBLIC OF KENYA



REPORT

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THE NATIONAL ASSEMBLY PAPERS LAID	
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CLERK-AT- THE-TABLE: J. LEMERELLIS	

THE AUDITOR-GENERAL

ON

NATIONAL YOUTH COUNCIL

**FOR THE YEAR ENDED
30 JUNE, 2023**

**National Youth Council
Annual Reports and Financial Statements
for the year ended June 30, 2023**



NATIONAL YOUTH COUNCIL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

30TH JUNE 2023

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

**National Youth Council
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1. Acronyms, Abbreviations and Glossary of terms

A: Acronyms and Abbreviations

CEO	Chief Executive Officer
HOD	Head of Department
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
NYC	National Youth Council
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
PFM	Public Finance Management
PPE	Property Plant and Equipment
SAGA	Semi-Autonomous Government Agencies
UNDP	United Nation Development Programme
YAB	Youth Advisory Board

B: Glossary of Terms

Fiduciary Management-members of management directly entrusted with the responsibility of financial resources of the organization

Comparative Year- Means the prior period

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2. Key Entity Information and Management

(a) Background information

The National Youth Council was incorporated/ established under the National Youth Council Act 2009 and operationalized on 10th December 2012. The entity is domiciled in Kenya and has no branches. The entity currently has 5 departments namely: Regulation & Co-ordination, Partnerships & Collaboration, Research & Policy, Advocacy & Communication and Corporate Services.

(b) Principal Activities

Vision: To be the dynamic institution championing unity and inclusion for National prosperity and stability

Mission: To enhance youth capacity and active participation in social, political and economic prosperity through strategic consultations, engagements and partnerships. Core Values

- Equity
- Participation
- Fairness
- Patriotism
- Professionalism
- Accountability
- Innovativeness
- Creativity
- Diversity & Inclusivity

The mandate of the National Youth Council is to:

- (a) Regulate and co-ordinate activities and initiatives relating to the youth being undertaken by youth groups, youth focused community-based organizations, non-governmental organizations, civil society movements and other organizations.
- (b) Promote and popularize the national youth policy and other policies that affect the youth.
- (c) Facilitate the periodic review of the national youth policy in line with other government policy statements.
- (d) Mobilize resources to support and fund youth programmes and initiatives.

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Key Entity Information and Management (continued)

- (e) Lobby for legislation on issues affecting the youth.
- (f) Liaise with other organizations to ensure that the youth gain access to resources and services appropriate to their needs.
- (g) Promote relations between youth organizations and other bodies both nationally and internationally with similar objectives or interests.
- (h) Inspire and promote the spirit of unity, patriotism, volunteerism and service among the youth.
- (i) Formulate operational guidelines that protect the youth against any form of abuse or manipulation.
- (j) Mobilize and sensitize relevant stakeholders on the concept of community youth service.
- (k) Act as a voice and bridge to ensure that the Government and other policy makers are kept informed of the views and aspirations of the youth.
- (l) Promote research, collation and analysis of data on youth issues.
- (m) Promote the inclusion of youth agenda in the formulation of policy by public institutions and organizations.
- (n) Promote the inclusion of youths in decision-making bodies, boards, agencies and other public institutions and organizations.
- (o) Promote and popularize the Youth Enterprise Development Fund and such other devolved funds targeting the youth as may be established from time to time.
- (p) Perform any other function that may directly or indirectly contribute to the attainment of the foregoing.

The entities vision is to be a dynamic institution championing youth empowerment, unity and inclusion for National stability and prosperity.

The entity's mission is to enhance youth capacity and active participation in social, political and economic prosperity through strategic consultations, engagements and partnerships.

The entity's core values are equity, professionalism, integrity, accountability, transparency, innovativeness and teamwork.

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Key Entity Information and Management (continued)

(c) Key Management

The NYC day to day management is under the following key organs:

No.	Designation	Name
1.	YAB-Chairperson	Sophy Nekoye Waliaula
2.	YAB-member	Raymond Ochieng
3.	YAB-member	Kevin Machogu
4.	YAB-member	Alex Ali Kunni
5.	YAB-member	Angel Warira
6.	YAB-member	Irene Kendi
7.	YAB-member	Job Njau Njenga
8.	YAB-member	Esha Mohammed
9.	YAB-member	Ashura Michael
10.	Acting CEO	Margaret Kiogora
11.	Principal Finance & Accounts	Elvis Mwangi Songa
12.	Principal Regulation & Coordination	Johnson Rithaa Mwirigi
13.	Principal Research & Policy	Juliet Owino
14.	Principal Communications & Advocacy	Maureen Wairimu
15.	Principal Strategy & Planning and Acting Principal Human Resource & Administration	Kosgey Caroline Chebet
16.	Principal Partnerships & Resource Mobilization	Viridiana Wasike
17.	Principal Legal services	Victor Malombe
18.	Principal Internal Audit & Risk Management	John Ngoko Mogwambo
19.	Principal Supply Chain Management	Beatrice Apiyo

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

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Key Entity Information and Management (continued)

1.	Acting Chief Executive Officer	Margaret Wairimu Kiogora
2.	Principal Advocacy & Communication Officer	Maureen Wairimu Waweru
3.	Principal Finance & Accounts Officer	Elvis Mwangi Songa
4.	Principal Partnerships & Collaborations Officer	Viridiana Wasike
5.	Principal Registration & Coordination Officer	Johnson Mwirigi Rithaa
6.	Senior Supply Chain Management Officer	Beatrice Apiyo
7.	Principal Partnerships & Resource Mobilization Officer	Viridiana Wasike
8.	Principal Research & Policy Support Officer	Juliet Owino
9.	Senior Internal Auditor	John Mogwambo Ngoko
10.	Principal Economist & acting Principal Human Resources & Administration Officer	Kosgey Caroline Chebet
11.	Principal Legal Officer	Victor Malombe

(e) Fiduciary Oversight Arrangements

- The Audit and Risk committee of the Youth Advisory Board (YAB) is in place to undertake oversight and receive reports from the Internal Auditor.

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Key Entity Information and Management (continued)

- The Finance and Human Resources Committee of the Youth Advisory Board is in place to receive and recommend to the Board for approval financial statements, work plans and budgets of NYC.
- Programs & Resource mobilization committee reviews and recommends for approval work plans and performance contracts to YAB.
- The parliamentary committee on Social Protection provides oversight on the State Department for Youth Affairs and the Arts under which NYC falls under.
- The external auditor for NYC is the independent office of the Auditor General.
- UNDP a major development partner, carries out independent audits on processes and financial assistance advanced to jointly implement specific programmes and activities.

(f) Entity Headquarters

P.O. Box 23677-00100
Absa Towers 12th Floor
Loita Street
NAIROBI, KENYA

(g) Entity Contacts

Telephone: (254) 020-2013920
E-mail: info@nationalyouthcouncil.go.ke
Website: www.nationalyouthcouncil.go.ke

(h) Entity Bankers

National Bank of Kenya Ltd
Harambee Avenue
P.O. Box 41862-00100
NAIROBI, KENYA

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Key Entity Information and Management (continued)

(i) Independent Auditor

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(j) Principal Legal Adviser

The Attorney General



State Law Office and Department of Justice

Harambee Avenue P.O. Box 40112


City Square 00200


Nairobi, Kenya

3. The Board of Directors



<p>1.</p>	 <p>Sophy Nekoye Waliaula Sociologist Bachelor of Arts Sociology Master of Arts Sociology</p>	<p><u>CHAIRPERSON</u></p> <p>Ms Sophy Nekoye Waliaula was born on 17th April 1983. She was appointed to the Board on 23rd January 2023. She holds a Bachelor of Arts Degree in Social Sciences from Makerere University as well as a Master of Arts Degree in Sociology from the University of Nairobi. Sophy is currently pursuing a PhD in Sociology from the University of Nairobi. She currently works at Kibabii University as a Senior Administrator and ISO Coordinator in the performance contracting and quality assurance directorate specifically managing the University quality management system based on ISO 9001:2015 and ISO/IEC 27001:2013 (ISMS), general administration and Human Resource duties. She previously worked at Pan Africa Mills (E.A) Ltd as well as Nuba Relief Rehabilitation and Development Organization.</p>
<p>2.</p>	 <p>Alex Kunni Environmentalist BSc Environmental Conservation & Natural Resource Management</p>	<p><u>MEMBER</u></p> <p>Mr. Alex Kunni was born on 1st January 1989 and holds a bachelor's degree in environmental Conservation and Natural Resources from the University of Nairobi. He is currently an MBA student at Strathmore Business School. He is an environmentalist and passionate about sustainability and green businesses. He believes a healthy environment is the foundation to any society's progress and well-being.</p> <p>Currently, he heads the operations department at OXX Energy Kenya limited, overseeing its incubation and plays a key role in strategy formulation for the business' growth. He looks to champion LPG uptake in rural Kenya.</p>



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		<p>Mr. Kunni is an environmental consultant and a green entrepreneur; a start-upper with interests in clean energy and focuses on SMEs business strategy development, incubating new business models and building out channel programs. He is a calculated risk-taker, a critical thinker with deep industry knowledge.</p> <p>He also serves as the sales and distribution manager at Elle Logistics working with British American Tobacco. The member is an independent member of the Board who does not Chair any committee of YAB. Alex sits in the Programs & Resource mobilization committee as well as the Audit Committee of the Board. Kunni was appointed to the Board on 13th May 2021.</p>
3.	 <p>Angel Mbuthia Accountant Certified Public Accountant & Sociologist</p>	<p style="text-align: center;"><u>MEMBER</u></p> <p>CPA Angel Mbuthia was born on 21st April 1995. She is the current Secretary for Gender and International Relations in the All-Africa Students Union that has its headquarters in Accra, Ghana. She previously served as Vice-President of the Students Organization of Nairobi University (SONU) and the Secretary for Academic Affairs in the same Union. She is currently pursuing her master's in research and public Policy at the University of Nairobi. She is also a Certified Public Accountant. She holds a Bachelor of Arts degree in Sociology & Political Science from University of Nairobi. She has been on various platforms nationally and internationally advocating for youth inclusion in governance. She sits in the Finance and Human Resources Committee as well as the Programs and Resource Mobilization Committee of the Board. She Chairs the Programs and Resource mobilization Committee and is an independent Director. She was appointed to the Board on 13th May 2021.</p>



<p>4.</p>	 <p>Ashura Michael Gender Specialist and Lawyer Bachelor of Arts Bachelor of Laws</p>	<p style="text-align: center;"><u>MEMBER</u></p> <p>Ms. Ashura Michael was born on 26th March 1993. She is a young Deaf human rights and Gender activist in Kenya. The Speaker of East African Legislative Assembly, she holds a Bachelor of Arts in Gender and Development from University of Nairobi and Currently studying Law in the same University. Certified from University of Illinois Urban-Champaign with Civil Leadership, she holds a Political, Leadership and Governance certificate by Fredrich Ebert Stiftung. She is the former co-chair for Youth Council of UNICEF’S Global Partnership on Children with Disabilities; She is a Board Member of Positive Young Women Voice and has served a number of national and international organizations.</p> <p>She is a member of the UNDP sounding board. She is the Founder and Director of Free a Girl’s World Network (FGW-N), an organization that aims to empower the girl child. She has won several humanitarian and leadership awards. She was appointed as a commissioner for Developing countries during the World Congress of the Deaf, Istanbul. She was recently named the most influential young Kenyan 2019 under leadership and governance category and one of the top 15 Kenyan women blazing trail the corporate suite 2020 (Law and Policy) by the Daily Nation newspaper, Ms. Ashura is guided by the wise counsel of Mother Teresa that, “I alone cannot change the world, but I can cast a stone across the water to create many ripples.” She sits in the Finance and Human Resources Committee. She does not chair any committee of the Board and is an independent member of the Board. She was appointed to the Board on 13th May 2021.</p>
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<p>5.</p>	 <p>Esha Mohammed Abdallah Educationalist BA Education Arts</p>	<p style="text-align: center;"><u>MEMBER</u></p> <p>Ms. Esha Mohammed Abdallah was born on 8th February 1997. She is a graduate of Moi University. She holds a bachelor's degree in education arts. She is a youth leader who is passionate about youth empowerment and promoting gender equality because to her for a nation to truly thrive and flourish then gender parity is essential. She serves the youth of Mombasa and Kenya in various capacities including as a Youth Advisory Group member at the Global Opportunity Youth Network, the Cabinet Secretary of education at Mombasa County Youth Assembly and the vice chair lady Kenya Red Cross Mombasa as well as the health lead at Swahili pot Hub Foundation.</p> <p>She believes in the power the youths hold and their capabilities. She acknowledges that all young people need is the opportunity and support for them to export their skills and talents towards them realizing their full potential. She Chairs the Audit and Risk Management Committee of the Board and as well sits in the Programs and Resource Mobilization Committee of the Board.</p> <p>Esha is an independent member of the Board. She was appointed to the Board on 13th May 2021.</p>
<p>6.</p>	 <p>Job Njenga Actuary Bsc. Acturial Science</p>	<p style="text-align: center;"><u>MEMBER</u></p> <p>Mr. Job Njenga was born on 1st December 1992. He is a senior statistician working with Nakuru County government. He holds a bachelor's degree in actuarial science and a Certificate in Leadership and Mentorship, both from Kenyatta University. He has interest in entrepreneurship as he is the Director of Parkview driving school and Elimu High school, both in Naivasha, Nakuru County. He also works with a group of young sand-harvesters in Mai-mahiu. Job is ambitious, very aggressive and has great passion for the young people</p>

		<p>and advocates for protection of the boy child, as well. Job is an independent member of the Board and Chairs the Finance and Human Resources Committee. He also sits in the Programs and Resource Mobilization Committee. He was appointed to the Board on 13th May 2021.</p>
7.	 <p>Dr Kevin Machogu Medical Doctor MBCHB</p>	<p style="text-align: center;"><u>MEMBER</u></p> <p>Dr Kevin Machogu was born on 25th April 1984. He is a medical doctor and University of Nairobi graduate with a Bachelor of Medicine & Surgery with an inclination towards internal medicine. With a group of like-minded individuals who noticed a gambling problem within the youth cohort he formed an NGO termed "Responsible gambling Kenya" that is the leading provider of information, advice, support and free counseling for prevention and treatment of problem gambling. The NGO provides treatment for problem gamblers and their families and creates awareness about responsible gambling and treatment, and encourages an effective approach to responsible gambling within the gambling industry. Dr. Machogu is an independent member of the Board and sits in Finance & Human Resource Committee and he does not chair any Board Committee. Kevin was appointed to the Board on 13th May 2021.</p>
8.	 <p>Raymond Ochieng Ouma Theologist & Sociologist</p>	<p style="text-align: center;"><u>MEMBER PS YOUTH AFFAIRS ALTERNATE</u></p> <p>Mr. Raymond Ochieng Ouma was born on 23rd September 1983. Raymond is currently the Secretary Youth Development State Department for Youth Affairs, the Arts & Sports. He previously served as the 1st substantive CEO of National Youth Council. In addition, he has been a Corporate Governance and Public Sector Strategy Consultant in the public sector. Raymond was appointed to the Board as an alternate to the Principal Secretary Youth Affairs. Raymond sits in the Programs and Resource mobilization as well as</p>

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	<p>Msc Sociology</p>	<p>Finance and Human Resources Committee of the Board and does not chair any committee. Raymond holds a bachelor’s degree in theology from Pan Africa Christian University as well as a master’s degree in Sociology from University of Nairobi. He is currently pursuing a PhD in development studies from Jomo Kenyatta University of Agriculture & Technology.</p>
<p>9.</p>	 <p>Irene Kendi Educationalist BA Education</p>	<p style="text-align: center;"><u>MEMBER</u></p> <p>Ms. Irene Kendi was born on 1st January 1986. Irene sits in the Programs & Resource Mobilization Committee as well as the Audit Committee of the Board. She is an independent Board member. Irene holds a Bachelor of Education Degree from University of Nairobi and a Master of Arts in Women Leadership and Governance in Africa from the same University.</p> <p>Irene has worked as a researcher African Women Studies Centre as well as an operations manager at Kenya Girl Guides Association. Irene is the founder Mamre foundation, Kenya University Female Students Association and as a coordinator Interparty Youth Forum, Meru County. In addition, Irene served as a Program coordinator at COTU</p>
<p>10.</p>	 <p>Margaret Kiogora BA International Relations</p>	<p style="text-align: center;"><u>ACTING CHIEF EXECUTIVE OFFICER</u></p> <p>Ms. Margaret was born on 25th July 1984. She holds a Bachelor of Arts in International Relations and a Higher diploma in Human Resources Management. In addition, she is a holder of a Certificate in Monitoring & Evaluation as well as a Certified Human Resource Professional. Ms. Margaret is an experienced Human Resource professional with a history of working in banking and hospitality industry. Involved in employee recruitment, training and development, the provision of compensation and benefits, the</p>

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	<p>Certified Human Resource Professional Diploma in Human Resources</p>	<p>enforcement of disciplinary procedures and conflict resolution, while ensuring that the company continues to meet its business and organizational objectives. Margaret currently serves as the Acting CEO and sits in Youth Advisory Board.</p>
<p>11.</p>	 <p>Victor Malombe Advocate Bachelor of Laws</p>	<p><u>PRINCIPAL LEGAL OFFICER & ACTING CORPORATION SECRETARY</u></p> <p>Mr. Victor Malombe was born 14th September 1990 and is an Advocate of the high court of Kenya and a Commissioner for Oath. He holds a Bachelor of Law degree from Catholic University as well as a Diploma in Law from the Kenya School of Law. He has a cumulative 5-year post admission experience both in private and public sector. He is not a member of the Institute of Certified Secretaries of Kenya.</p>

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4. Key Management Team

	Management	Details
1.	 <p>Margaret Kiogora, CHRP(K), BA, MBA Qualifications:</p> <ul style="list-style-type: none"> ➤ MBA (Human Resource) ➤ Bachelor of Arts in International Relations ➤ Higher diploma in Human Resources Management ➤ Certificate in Monitoring & Evaluation ➤ Certified Human Resource Professional ➤ Member IHRM/ No.010185 	<p><u>ACTING CHIEF EXECUTIVE OFFICER</u></p> <p>Ms. Margaret currently serves as the Acting Chief Executive Officer of the National Youth Council. She is responsible for the day-to-day management of NYC and oversees the overall strategic direction of the National Youth Council.</p>
2.	 <p>Maureen Wairimu Waweru Qualifications:</p> <ul style="list-style-type: none"> ➤ MA (International Public Relations) ➤ BA Journalism & Media Studies (Public Relations) ➤ CIPR-UK Member PRSK/ No.011-797 	<p><u>PRINCIPAL ADVOCACY AND COMMUNICATION OFFICER</u></p> <p>Ms. Wairimu is in charge of Advocacy and Communication Department. She oversees the implementation of the organizational of communication strategy and advocacy agenda.</p>




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<p>3.</p>	 <p>Juliet Owino</p> <p>Qualifications:</p> <ul style="list-style-type: none"> ➤ MSC Project Planning & Management ➤ Bachelor's Degree in Tourism Management ➤ Diploma in Project Management ➤ Certificate in monitoring & Evaluation 	<p><u>PRINCIPAL RESEARCH AND POLICY OFFICER</u></p> <p>Ms. Juliet is in charge of Research and Policy support division.</p> <p>She oversees research and policy formulation on youth agenda at the National Youth Council.</p>
<p>4.</p>	 <p>Viridiana Wasike</p> <p>Qualifications:</p> <ul style="list-style-type: none"> ➤ MBA (Strategic Management) ➤ Bachelor of Technology in Electrical & Communication Engineering 	<p><u>PRINCIPAL PARTNERSHIP AND COLLABORATION OFFICER</u></p> <p>Ms. Viridiana is in charge of Partnership and Resource Mobilization Department.</p> <p>She oversees the overall resource mobilization and partnership initiatives at the National Youth Council.</p>


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<p>5.</p>	 <p>Caroline Chebet Kosgey Qualifications: <input type="checkbox"/> MA Economics (Ongoing) <input type="checkbox"/> BA Economics with IT <input type="checkbox"/> Member Economics Society of Kenya/ No. ESK/FM0222</p>	<p><u>PRINCIPAL ECONOMIST & ACTING PRINCIPAL HUMAN RESOURCES AND ADMINISTRATION OFFICER</u></p> <p>Ms. Chebet is in charge Strategy, Planning and Compliance Division and currently acting as the Principal Human Resource and Administration Officer. She oversees the review and implementation of the strategic plan, performance contracting and work-plans as well as the Human Resource and Administration function at the National Youth Council</p>
<p>6.</p>	 <p>Elvis Mwangi Songa Qualifications: <input type="checkbox"/> PhD Business Administration (Finance Option) Ongoing <input type="checkbox"/> MBA (Finance Option) <input type="checkbox"/> Bachelor of Commerce (Finance) <input type="checkbox"/> Certified Public Accountant, CPA (K) <input type="checkbox"/> Certified Credit Professional CCP(K)</p>	<p><u>PRINCIPAL FINANCE & ACCOUNTS OFFICER</u></p> <p>Mr. Songa is in charge Finance and Accounts Division. He oversees the budget formulation, implementation & monitoring as well as financial management and reporting.</p>

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<p>7.</p>	 <p>Johnson Rithaa Qualifications: <input type="checkbox"/> MBA Finance <input type="checkbox"/> Bachelor of Accounting & Finance <input type="checkbox"/> Diploma in Hotel Management <input type="checkbox"/> Diploma in Human Resource Management <input type="checkbox"/> CPA (Ongoing) <input type="checkbox"/> MKIM/No. 63391</p>	<p><u>PRINCIPAL REGULATION AND COORDINATION OFFICER</u></p> <p>Mr. Rithaa is in charge Regulation and Coordination Department.</p> <p>He oversees the registration and coordination of Youth Serving Organizations, Community Based Organizations, Youth Workers and Youth Sector Working Groups.</p>
<p>8.</p>	 <p>Victor Malombe Qualifications Advocate of the High Court of Kenya LL. B, Dip. KSL, MML Member LSK/ No. P.105/13662/17</p>	<p><u>PRINCIPAL LEGAL OFFICER</u></p> <p>Mr. Victor Malombe is in charge Legal services at NYC. He provides overall legal expertise and support on legal issues relating to the functions, structures and activities of the organizations.</p>
<p>9.</p>	 <p>Beatrice Apiyo</p>	<p><u>SENIOR SUPPLY CHAIN MANAGEMENT OFFICER</u></p> <p>Ms. Beatrice Apiyo oversees procurement and supply chain function at the Council.</p>

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	<p>Qualifications</p> <ul style="list-style-type: none"> ➤ MBA (Supply Chain) ➤ BBM (Supply Chain) 	
10	 <p>John Mogwambo Ngoko</p> <p>Qualifications:</p> <ul style="list-style-type: none"> <input type="checkbox"/> MBA (Finance) <input type="checkbox"/> BBM (Accounting) <input type="checkbox"/> CPA-K <input type="checkbox"/> Member ICPAK / 25638 <input type="checkbox"/> Member IIA/No.2087121 	<p><u>SENIOR INTERNAL AUDITOR</u></p> <p>Mr. John Ngoko oversees audit at NYC. He provides independent and objective assurance on risk management, controls and governance at the National Youth Council.</p>

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5. Chairman's statement

NYC has engaged in activities as in furtherance of achievement of its mandate as stipulated in the establishing Act. The performance Contract signed by NYC with the then Ministry of ICT, Innovation and Youth Affairs set out key priority activities that were to be undertaken during the financial year.



During the Financial Year the following programmes and activities were undertaken:

- I. Held the 2022 National Youth Week and International Youth Week celebration
- II. Partnered with UNDP and drafted County Youth Policies for 27 counties.
- III. Engaged rigorous social media campaigns in furtherance of the advocacy agenda for the youth in creating awareness on government opportunities for youth.
- IV. Supported and partnered with various youth serving organizations to promote youth participation and empowerment through holding of youth forums.
- V. Conducted a peace campaign with over 5000 youth engaged from Pokot and Marakwet communities; dubbed One Life: One Nation Campaign in Kerio Valley before the General Elections of 2022.
- VI. Conducted regional Training of Trainers (ToT) in partnership with IEBC-YCC and UNDP in Civic engagement and peace forums towards the General Elections of August 2022. At least 2000 youth leaders were engaged directly.

During the financial year, NYC was able to consolidate a number of successes key among them were:

1. Engaged approximately 1 million youth both directly and indirectly in peace and civic engagements, leadership and governance forums and inter-generational dialogues.
2. Successful preparation of draft County Youth Policies for 27 Counties in partnership with UNDP.
3. Increased youth participation in the electoral process
4. Increased number of youths elected to leadership roles in 2022 general elections compared to the 2017 general elections.

During the year, NYC encountered a number of challenges key among them were:

1. Absence of Council members who are a critical governance body of the institution.

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2. Inadequate budgetary allocation.
3. Inadequate staff that makes it difficult to achieve the mandate of NYC. Currently the staff in post stands at 17% of the overall staff establishment.
4. Substantial budget cut in the last quarter of the financial year.

The NYC will continue to engage the relevant stake holders to ensure National Youth Council elections are conducted to have NYC members in place. The NYC will aggressively lobby for additional funding both from GoK and development partners to better achieve its mandate. Additionally, NYC will align its Strategic Plan to the Bottom-up Economic Transformation Agenda (BETA) to ensure all Kenyan youth are empowered.



Sophy Nekoye Waliaula

Chairperson

Youth Advisory Board

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6. Report of the Chief Executive Officer



This is the eighth set of financial statements being prepared by the National Youth Council since its establishment in 2012. NYC started operating its own finances in January 2015 after opening its own bank account.

NYC is a youth empowerment platform and provides an elaborate structure that facilitates the participation and inclusion of the youth in governance, national affairs and ensures that youth programmes involve them and are youth centered.

NYC employed the following strategies to fulfil its mandate:

1. Promoting Entrepreneurship and youth employment through forums
2. Strengthening participation of youth in governance and leadership roles.
3. Conducting Inter-generational dialogues to address critical youth issues.
4. Strengthening strategic partnership and mobilizing resources for youth empowerment.
5. Inspiring and promoting spirit of unity and patriotism among the youth.
6. Popularizing affirmative programmes and mainstreaming youth issues.

During the period FY 2022/2023, NYC conducted the following programs and activities.

1. Held the 2022 National Youth Prayer and Peace Festival celebrations from 6th to 12th August, 2022 out of which over 100,000 youth participated in seven days of prayer towards a peaceful general election.
2. NYC domesticated the KYDP 2019 in 27 Counties which then led to the formulation process of 27 County Youth Draft Policies in partnership with the County Governments and UNDP
3. NYC held 15 youth dialogues on youth contemporary issues through which youth were sensitized on accessing Affirmative Funds, entrepreneurship, registration of businesses and dissemination of information on Access to Government Procurement Opportunities (AGPO)
4. NYC increased its visibility and online presence through rigorous social media campaigns on Twitter, Facebook, Instagram, YouTube channel and LinkedIn as well as the website by creating awareness on Government opportunities for young people in different sectors.

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5. NYC supported and partnered with 1500 Youth Serving Organizations (YSOs) and initiatives to promote youth participation and empowerment through forums, social media and activities.
6. In partnership with the State Department of Youth Affairs and the Arts, NYC held a regional comparative learning session towards the planning of the 6th edition of the YouthConnekt Africa Summit in November 2023.
7. NYC hosted Zambia, Liberia and Uganda Youth Councils for a bench-marking exercise.
8. NYC participated in the Pan-African Youth Union high-level ministerial consultative conference held in Rabat, Morocco.
9. In support of the Greening Kenya initiative #JazaMiti, NYC engaged youth to plant over 10,000 trees in partnership with the Ministry of Youth Affairs, the Arts and Sports, Kenya Forest Service, Youth Empowerment Development Network.

The National Youth Council has experienced significant challenges in FY 2022/2023 which include.

1. Governance challenge. The term of the previously elected Council members elapsed in May of 2019. Absence of Council members who are a critical governance body of the institution has occasioned a major governance gap in terms of youth representation.
2. Inadequate budgetary allocation. During the FY2022/2023 the budgetary requirement of NYC was Ksh.523 million out of which a paltry Ksh. 98 million was allocated. This led to a resource gap of Ksh.425 million making it difficult to achieve set targets.
3. Inadequate staff: currently the staff in post stands at 14 out of 81 of the overall staff establishment. This has posed a challenge to achieve the mandate of NYC.
4. Substantial budget cut in the last quarter of the financial year; 20% of quarter 4 budgetary allocation was cut resulting in difficulty in executing contractual obligations and activities relating to the core mandate.

The key milestone in the financial year 2022/2023 was the successful development of the draft County Youth policies in 27 Counties with the assistance of donor funding from our partner UNDP. In addition, NYC engaged approximately 1 million youth both directly and indirectly in peace and civic engagements, leadership and governance forums and inter-generational dialogues, increased youth participation in the electoral process, increased number of youth elected into leadership roles in 2022 general elections compared to the 2017 general elections.

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However, a budget cut of 20% of quarter 4 budgetary allocation was experienced which affected our financial performance. NYC was able to absorb all the funds allocated to it during the year.

The National Youth Council (NYC) will maintain communication with the appropriate parties to guarantee that elections for council members are carried out. The NYC will actively seek increased funding from both the Government of Kenya (GoK) and development partners to better fulfil its responsibilities. Furthermore, NYC will adjust its Strategic Plan to align with the Bottom-up Economic Transformation Agenda (BETA) to empower all Kenyan youth.



Margaret Kiogora CHRP (K)

Acting C.E.O / Secretary of the Board

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7. Statement of Performance against predetermined objectives for FY 2022/2023

National Youth Council has 5 strategic pillars within the current Strategic Plan for the year 2022/2023.

These strategic pillars are as follows:

- Strategic pillar 1: Regulation and coordination.
- Strategic pillar 2: Advocacy, lobbying and publicity.
- Strategic pillar 3: Research on youth issues
- Strategic pillar 4: Training and capacity building
- Strategic pillar 5: Partnership and resource mobilization.

National Youth Council develops its annual work plans based on the above 5 pillars/Themes/Issues.

Assessment of the Council's performance against its annual work plan is done on a quarterly basis. The National Youth Council achieved its performance targets set for the year 2022/2023 period for its National Youth Council strategic pillars, as indicated in the table below:

Table 1: National Youth Council Performance outputs, Key Performance Indicators, Activities & Achievements for FY 2022/2023

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Regulation and coordination	To regulate and coordinate youth activities and initiatives being undertaken by Youth Serving Organizations	No. of youth Serving organizations in NYC database and coordinated	Update the YSO database and Coordinate 1,500 YSOs in various sectors as per Sector Working Groups guidelines/framework	1,500 YSO registered and coordinated
Advocacy, lobbying and publicity	To strengthen participation of youth in	No. of youth engaged in leadership and	Engage 23,500 youth in governance and leadership roles	23,850 youth engaged

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	governance and leadership roles	governance initiatives		
	To promote patriotism, national cohesion and peaceful coexistence among the youth	No. of youth engaged in promoting patriotism, national cohesion and peaceful coexistence forums	Engage 10,000 youth in promoting patriotism, national cohesion and peaceful coexistence	Over 100,000 youth engaged both directly and indirectly
Research on youth issues	To leverage research in youth issues to drive policy and evidence-based interventions	No. of youth related research or surveys conducted	Conduct at least one (1) Survey on Participation of Vulnerable Youth in economic, social and political spaces	1 (One) survey conducted
Training and capacity building	To promote and popularize empowerment initiatives and programmes targeting the youth.	No. of youth sensitized on existing youth empowerment initiatives	Train and capacity build 20,000 youth on existing youth empowerment initiatives	Over 100,000 youth sensitized both directly and indirectly
Partnership and resource mobilization	To strengthen strategic partnership and mobilize resources for youth empowerment	No. of key partners engaged to conduct joint activities and programmes	Engage 10 key partners to conduct NYC activities	More than 10 partners engaged

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8. Corporate Governance Statement

The table below illustrates the total number of Board meetings held by each Committee, number of meetings each member attended, number Board Special meetings and total number of meetings held during the Financial Year 2022/2023. During the year, a total of 22 Board and committee meetings were held.

Board Member	Finance and Human Resource Committee meetings	Programs & Resource Mobilization Committee meetings	Audit & Risk Management Committee meetings	Full Board meetings	Special Meetings	TOTAL
Sophy Nekoye Waliaula				1	3	4
Raymond Ochieng Ouma	5	4		4	5	18
Alex Alli Kunni		4	4	4	5	17
Angel Warira	5	4		4	5	18
Irene Kendi			4	4	5	13
Esha Mohammed			4	4	5	13
Kevin Machogu	5	4		4	5	18
Job Njau Njenga	5	4		4	5	18
Michael Ashura	5			4	5	14
TOTAL	5	4	4	4	5	

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NYC Act 2014 establishes the Council, to be known as the National Youth Council. The Council is a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of suing and being sued, taking, purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property, borrowing money and doing or performing all such other things or acts necessary for the proper performance of its functions under this Act, which may lawfully be done by a body corporate.

The appointment of NYC members is by way of elections carried out from the grassroots level. However, NYC Council is currently not in place.

The YAB is appointed by the Cabinet Secretary for the time in charge of Youth Affairs whose role is to receive and approve work plans, financial statements and budgets of NYC. In addition, the YAB advises NYC on the general discharge of their mandate. YAB is currently fully constituted to provide oversight. We note that appointment of the members of the Board is not staggered posing a challenge in succession planning.

The YAB has developed a comprehensive board charter and work plan for the committees as well as the Board. This is to ensure that the Board discharges its responsibilities in a clear and defined manner and to provide for a proper mechanism for Board Performance evaluation.

The induction for the Board members was carried out at the Kenya School of Government Mombasa Campus upon their appointment. The Board members were trained on Finance for non-finance managers in Mombasa as well as Board induction training conducted by the Institute of Certified Secretaries in Naivasha. During the financial year, SCAC is mandated to carry out performance evaluation for the Board as well as individual members. Board members are required in every formal meeting to disclose conflict of interest on any agenda items before the Board. The Board remuneration is done on the basis of Government circulars (SRC) and guidelines as issued from time to time. The Board commits to carry out Governance Audits periodically as provided in the mwongozo code of corporate governance for state corporations.

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9. Management Discussion and Analysis

NYC received the Kshs 98 million for the last 3 financial years. In the last 3 financial years the NYC has spent an average of 45% of the total budget in personnel emoluments. In the last 3 financial years NYC has expensed a paltry 19% of the total budget on execution of core mandate areas.

This has been occasioned by constant budgetary allocation of Ksh 98m despite the recruitment of key staff. Despite the budgetary constraints NYC has endeavoured to enhance its operational performance by adopting cost saving measures. NYC has been able to reach up to 500,000 youth and engage them on social media platforms in furtherance of advocacy role of NYC. NYC did not have any key projects or investments but implemented a joint devolution programme in collaboration with UNDP. NYC has complied with all statutory requirements and there are no major risks facing the organisation. The National Youth Council is in compliance with statutory requirements and has no material arrears.

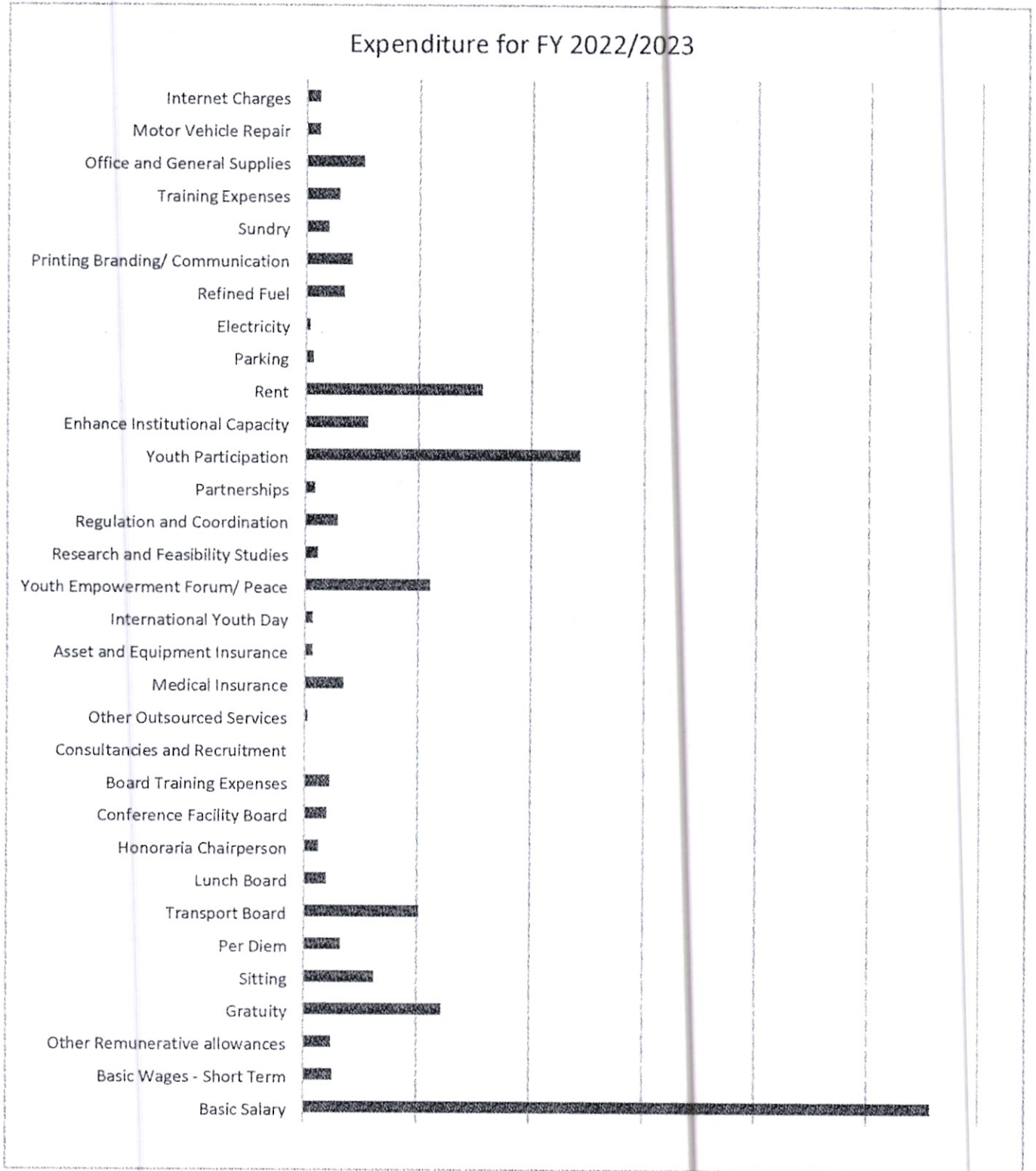
The Youth sector has been re-organised and classified under the Ministry of Youth Affairs, The Arts and Sports.

The National Youth Council is domiciled in the Ministry of Youth Affairs, the Arts and Sports. The ministry has brought on board the Art sector which is a critical area in the youth sector. The economy was projected to be on a downward trend especially towards the general elections and the service sector was average in performance.

However, the inflation rate was projected at an average of 10%. International supply chain was greatly interrupted by Russia Ukraine war that resulted in depreciation of the shillings against major world currencies.

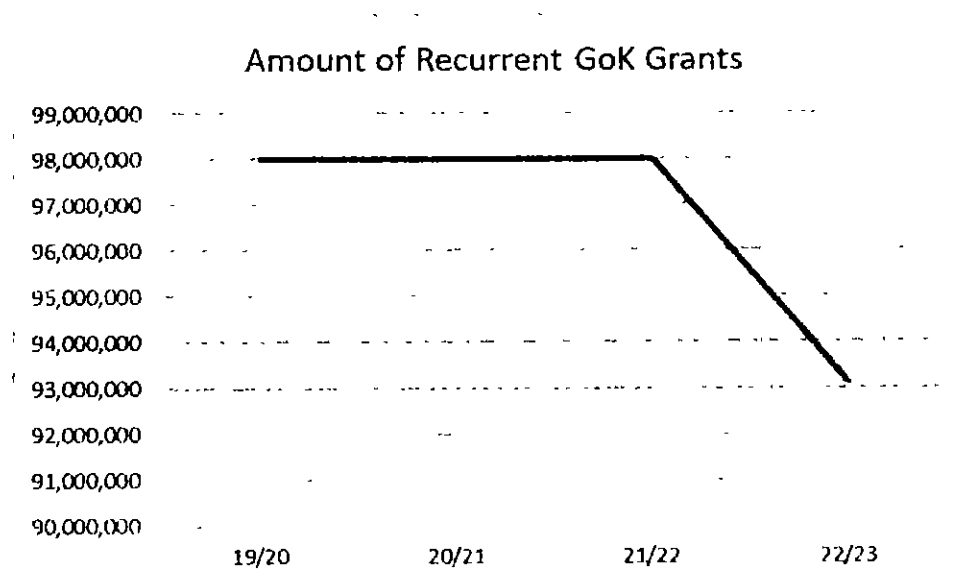
NYC plans to engage more development partners to ensure a robust implementation of its mandate in the presence of all the above factors.

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The above table represents expenditure analysis for the financial year 2022/ 2023.

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The above graph illustrates budgetary allocation of NYC for the last 4 Financial Years

10. Environmental and Sustainability Reporting

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

i) Sustainability strategy and profile

The whole world is reeling from the staggering impact of climate change. The spread, scale and frequency of disasters like hurricanes, typhoons, wildfires and heat waves, melting sea ice and glaciers, droughts and desertification, floods and rising sea levels, in numerous regions of all continents, indicate that humanity is confronting unprecedented devastation on a global scale.

The State of Climate in Africa report lays it bare. High water stress is estimated to affect about 250 million people in Africa and is expected to displace up to 700 million people by 2030. In the past 50 years, drought related hazards have claimed the lives of over half a million people and led to Remarks by H.E. Hon. William Ruto on behalf of Africa Group & Kenya at the 27th Conference of Parties (COP27) to economic losses of over 70 billion USD in the region. More than 1 000 flood-related disasters were reported involving more than 20,000 deaths in Africa alone over this period. It is estimated that by 2050, climate impacts could cost African nations USD 50 billion annually. On this backdrop, the National Youth Council has partnered with Kenya Forest Service and Green Army movement which intends to engage in tree planting across the country in support of the government objective of planting 15 billion trees by 2032.

NYC achieved in planting more than 20,000 trees during the financial year.

ii) Environmental performance

NYC has engaged in tree planting activities across the Country for environmental sustainability.

NYC has adopted The President's Directive on planting of 15 billion trees across the Country.

NYC has no environmental policy in place but commits to put one in place. NYC has in place waste collection bins in the pursuit of proper waste management.

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In addition, NYC has engaged Youth in environmental clean ups with the aim of creating effective, efficient and safe environment and reduce degradation of the environment. NYC has planted trees in Karura forest, Ngong forest amongst other places during the financial year.

iii) Employee Welfare

NYC has in place a Human Resource Policy and Procedure Manual that outlines the process of recruitment. The process takes into consideration gender ratio, Youth, Women and people with disabilities. The recruitment processes of NYC are always competitive as required by the law. NYC has set up an employee welfare committee to deliberate on staff welfare issues. In addition, NYC provides its staff with a medical cover, group life insurance as well as work injury benefits cover. NYC has in place approved career progression guidelines as well as approved annual training plans for staff and Board members.

The performance of staff is evaluated at the end of each financial year. However, NYC is yet to adopt a performance reward scheme for outstanding performance.

NYC has complied to OSHA Act 2007 by conducting safety drills and insurance of staff against any hazard at the workplace (Work Injuries Benefits Act) WIBA. NYC sensitizes staff on safety measures at the workplace and ensures the work place is free of any potential hazards.

In addition, NYC provides a full medical cover for all its staff.

iv) Market Place Practices-

a) Responsible Competition practice

NYC does not engage in any competitive trading. However, NYC has adopted anti-corruption mitigation strategies such as suggestion boxes. NYC adopts a neutral political stand as required of all Government officials who are to serve all Kenyans without any bias. NYC works closely with

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closely affiliated agencies in the Youth sector such as Youth Enterprise Development Fund and Youth Serving Organizations to achieve the mandate of NYC effectively.

b) Responsible Supply Chain and Supplier Relations

NYC has maintained good business practices by complying with the Provisions of the Public Procurement & Assets Disposals Act 2015 in all procurement engagements. NYC has honored all contractual obligations as and when they fall due and has adopted payment practices that are in line with Government directives.

c) Responsible Marketing & Advertisement

NYC has fully adopted Government guidelines and regulations on Advertising to ensure safeguard of Government as well as stakeholder's interests. Specifically, NYC has adopted My Gov as the advertising platform in compliance with Government directive.

d) Product Stewardship

NYC has ensured rights and interest of the Youth are protected and advocated for at all times.

e) Corporate Social Responsibility/Community Engagements

During the year NYC engaged in tree planting, medical camps and food distribution to less privileged in partnership with Spread Truth Africa.

During the year food items worth 1million were distributed to youth and children in line with council initiative of community service.

NYC in partnership with Spread Truth Africa have been able to undertake various CSR and community related activities:

I. Medical camps

We provided free medical services, sexual reproductive information and education, and other crucial medical information to the residents. The camps aimed at strengthening and implementing comprehensive and inclusive mental, emotional, and psychosocial wellness amongst youth to realize their potential.

Areas: Meru and Kajiado Counties.

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II. Food distribution

We provided nutritional support and essential food stuffs to communities faced with the wrath of malnutrition as a result of the drought that had stricken the country. Areas: Nairobi, Tana River, Mombasa, Narok, Kajiado, Samburu and Elgeyo Marakwet Counties.



III. Sanitary pads distribution

We have distributed sanitary pads to young women and girls from vulnerable background to ensure their well-being and menstrual hygiene needs are met. Areas: Nairobi, Tana River, Mombasa, Narok, Kajiado, Samburu and Elgeyo Marakwet Counties.



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11. Report of the directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the National Youth Council affairs.

i) Principal activities

The principal activities of the entity are to Co-ordinate Youth Serving Organizations, Community Based Organizations, and Youth based NGOs. In addition, the National Youth Council is charged with the responsibility of advocating and lobbying for initiatives and policies that favor the youth. The National Youth Council acts as the voice as bridge between the Youth and Government.

ii) Results

The results of the entity for the year ended June 30, 2023, are set out in pages 42 to 91

iii) Directors

The members of the Board of Directors who served during the year are shown on page 7 to 14. During the year the Chairperson of the Youth Advisory Board was appointed on 23rd January 2023. During the financial year there were no board of directors who resigned.

iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The National Youth Council has not operationalized its regulatory function. During the financial year NYC did not make any surplus hence no remittance to consolidated fund.

v) Auditors

The Auditor General is responsible for the statutory audit of the National Youth Council in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. In addition, Deloitte Certified Public Accountants were appointed to conduct audit on donor funds.

By Order of the Board



.....

Victor Malombe

Corporation Secretary/Secretary to the Board

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12. Statement of Directors' Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, National Youth Council Act 2014 require the Directors to prepare financial statements in respect of NYC, which give a true and fair view of the situation of the National Youth Council at the end of the financial year/period and the operating results of NYC for that year/period. The Directors are also required to ensure that NYC keeps proper accounting records which disclose with reasonable accuracy the financial position of NYC. The Directors are also responsible for safeguarding the assets of NYC.

The Directors are responsible for the preparation and presentation of NYC's financial statements, which give a true and fair view of the situation of NYC for and as at the end of the financial year (period) ended on June 30, 2023.

This responsibility includes:

- i. Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- ii. Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of NYC.
- 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 NYC.
- v. Selecting and applying appropriate accounting policies; and
- vi. Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for NYCs' financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act) and NYC Act 2014. The Directors are of the opinion that NYC financial statements give a true and fair view of the state of NYC transactions during the financial year ended June 30, 2023, and of NYC financial position as at that date.

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The Directors further confirms the completeness of the accounting records maintained for NYC, which have been relied upon in the preparation of NYCs financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that NYC 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 National Youth Council financial statements were approved by the Board on _____ 2023 and signed on its behalf by:



.....
Sophy Nekoye Waliaula
Chairperson of the Board



.....
Margaret Kiogora CHRP(K)
Acting Chief Executive Officer

REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL YOUTH COUNCIL FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Youth Council set out on pages 1 to 41, which comprise of the statement of financial position as at 30 June, 2023, and the statement of financial performance, the statement of changes in net assets, the statement of cash flows and the statement of comparison of budget and

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Youth Council as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accruals Basis) and comply with the Public Finance Management Act, 2012 and the National Youth Council Act, 2009.

Basis of Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Youth Council 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 judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Unapproved Over-Expenditure

Review of the statement of comparison of budget and actual amounts revealed that Management had overspent on remuneration of Directors and use of goods and services by an amount of Kshs.2,983,144 and Kshs16,856,638 respectively. However, Management did not provide evidence of approval of the over expenditure contrary to Section 12 of the State Corporation Act, 2012 which states that, "no state corporation shall, without the prior approval in writing of the Minister and the Treasury, incur any expenditure for which provision has not been made in an annual estimate prepared and approved in accordance with Section 11. Management has explained that the over-

expenditure was occasioned by the budget cut which the Council suffered during the financial year.

In the circumstances, Management was in breach of the law.

2.0 Lack of an Approved Board Charter

It was noted that there was no approved Board Charter as required by Section 1.11 of Mwongozo, The Code of Governance for State Corporations, that states, "(1) The Board should develop and adopt a Board Charter; (2) The Board Charter should clearly define the roles, responsibilities and functions of the Board in the governance of the organization; (3) The Board should periodically review its Board Charter."

In the circumstances, the Board was in breach of the regulations.

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

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

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements prepared 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the Council's ability to sustain services, disclosing as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Council or to cease operations.

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

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

The Board of Directors is responsible for overseeing the Council'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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in

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

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

07 May, 2024

**National Youth Council
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14. Statement of Financial Performance for the Year ended 30 June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other government entities	6	93,100,000	98,000,000
Public Contributions and Donations	7	5,000,000	5,000,000
Total Revenue		98,100,000	103,000,000
Expenses			
Use of goods and services	8	57,127,232	53,728,575
Employee costs	9	37,643,550	34,550,422
Board Expenses	10	12,983,144	13,259,932
Depreciation and Amortization Expense	11	3,726,847	4,403,392
Total Expenses		111,480,773	122,247,793
Surplus(deficit)		(13,380,773)	(19,247,793)

The notes set out on pages 49-91 form an integral part of these Financial Statements.

The Financial Statements set out on page 42 were signed on behalf of the Board of Directors by:



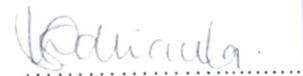
Margaret Kiogora CHRP (K)
Ag. Chief Executive Officer

Date:



Koech Kiplangat
Principal Accountant
ICPAK NO: 31185

Date: 22/03/2024



Sophy Nekoye Waliula
Chairperson of the Board

Date: 22/03/2024

**National Youth Council
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15. Statement of Financial Position for the Year ended 30 June 2023

Assets			
Current Assets			
Cash and cash equivalents	12	7,035	2,615,540
Inventories	13	1,696,251	770,746
Total Current Assets		1,703,286	3,386,286
Non-Current Assets			
Property, plant and equipment	14	9,034,586	12,621,932
Total Non- Current Assets		9,034,586	12,621,932
Total Assets		10,737,872	16,008,218
Liabilities			
Current Liabilities			
Trade and other Payables	15	13,380,773	18,305,472
Total Current Liabilities		13,380,773	
Non-Current Liabilities			
Non-Current Employee Benefit Obligation	16	13,035,126	-
Total Non-Current Liabilities		13,035,126	18,305,472
Total Liabilities		26,415,899	18,305,472
Net Assets			
Reserves		(2,297,254)	16,950,539
Accumulated surplus/(Deficit)		(13,380,773)	(19,247,793)

**National Youth Council
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Total Net Assets		(15,678,027)	(2,297,254)
Total Net Assets and Liabilities		10,737,872	16,008,218

The Financial Statements set out on page 44 were signed on behalf of the Board of Directors by:



Margaret Kiogora CHRP (K)
Ag. Chief Executive Officer

Date: 22/03/2024



Koech Kiplangat
Principal Accountant

ICPAK NO: 31185

Date: 22/03/2024



Sophy Nekoye Waliaula
Chairperson of the Board

Date: 22/03/2024

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16. Statement of Changes in Net Assets for the Year ended 30 June 2023

[REDACTED]							
As at July 1 2021	-	-	-	16,950,539	-	-	16,950,539
Deficit for the Year	-	-	-	(19,247,793)	-	-	(19,247,793)
As at June 30, 2022	-	-	-	(2,297,254)	-	-	(2,297,254)
As at July 1, 2022	-	-	-	(2,297,254)	-	-	(2,297,254)
Deficit for the Year	-	-	-	(13,380,773)	-	-	(13,380,773)
As at June 30, 2023	-	-	-	(15,678,027)	-	-	(15,678,027)

Note

General Reserve relates to the movement of surpluses and deficits arising from the statement of financial performance for the periods indicated above. NYC does not have any other items affecting the Statement of Changes in Net Assets.

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17. Statement of Cash Flows for the Year ended 30 June 2023

		2022-2023	2021-2022
	Note	KSh	KSh
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	93,100,000	108,000,000
Public contributions and donations	8	5,000,000	5,000,000
Total Receipts		98,100,000	113,000,000
Payments			
Use of goods and services	16	54,328,535	53,728,575
Employee costs	17	33,599,934	31,831,244
Board Expenses	18	12,779,996	13,259,932
Pending Bills		-	12,719,178
Total Payments		100,708,505	111,538,929
Net cash flows from/ (used in) operating activities		(2,608,505)	1,461,071
Cash flows from investing activities		-	-
Net cash flows from/ (used in) investing activities		-	-
Cash flows from financing activities		-	-
		2022-2023	2021-2022
	Note	KSh	KSh
Increase in capital funds		-	-
Net cash flows from / (used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(2,608,455)	1,461,071
Cash and cash equivalents as at 1 st July 2022		2,615,540	1,154,469
Cash and cash equivalents as at 30th June 2023		7,035	2,615,540

Note

PSASB has now prescribed only the Direct Method of cash flow preparation for all entities reporting under accrual basis of accounting.

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2023

	Original Budget	Revised Budget	Budget	Actual for the period	Variance	Percentage
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers from Other Governments entities	98,000,000	(4,900,000)	93,100,000	93,100,000	0.00	100%
Public Contributions and Donations	0.00	5,000,000	5,000,000	5,000,000	0.00	100%
Total Income	98,000,000	(100,000)	98,100,000	98,100,000	0.00	100%
Expenses						
Use of Goods and Services	45,170,594	(4,900,000)	40,270,594	57,127,232	(16,856,638)	(42 %)
Employee costs	42,829,406	-	42,829,406	37,643,550	5,185,856	12%
Remuneration of Directors	10,000,000	-	10,000,000	12,983,144	(2,983,144)	(30 %)
Total Expenditure	98,000,000	(4,900,000)	93,100,000	107,753,926	(14 ,653,926)	(16%)
Surplus for the period	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-

**National Youth Council
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19. Notes to the Financial Statements

1. General Information

National Youth Council is established by and derives its authority and accountability from National Youth Council Act 2014. NYC is wholly owned by the Government of Kenya and is domiciled in Kenya. The Entity's principal activity is to coordinate Youth Serving Organizations as well as advocating and lobbying for policies that favor the Youth.

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 National Youth Council accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the National Youth Council. The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations Act, the National Youth Council act 2014 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**National Youth Council
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Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2023.

Standard	Effective date of adoption
<p>IPSAS Financial 41: Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held. • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>This standard does not affect the National Youth Council currently since NYC does not have any financial instruments</p>

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<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. This standard does not affect the National Youth Council currently since there are no social benefits reported in the financial statements
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <p>This standard does not affect NYC currently since NYC does not have any financial instruments.</p>

**National Youth Council
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<p>Other improvements IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> ● IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008). ● IPSAS 39: Employee Benefits. Now deletes the term composite social security benefits as it is no longer defined in IPSAS. ● IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. <p>This standard does not affect the National Youth Council since NYC does not process any social security benefits.</p>
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Notes to the Financial Statements (Continued)

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

<p>IPSAS 43</p>	<p>Applicable 1st January 2025</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 cash flows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p> <p>The standard does not affect NYC since NYC does not execute any lease agreements at the moment</p>
<p>IPSAS 44:</p>	<p>Applicable 1st January 2025</p>

**National Youth Council
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<p>Non- Current Assets Held for Sale and Discontinued Operations</p>	<p>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. NYC is not affected by the standard currently since no assets in NYC are held for sale.</p>
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iii. **Early adoption of standards**

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

**National Youth Council
Annual Reports and Financial Statements
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Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The National Youth Council recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to NYC and the fair value of the asset can be measured reliably.

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 National Youth Council 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 Rendering of services

The National Youth Council recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are coverable.

**National Youth Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the National Youth Council.

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or NYC'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 Current FY was approved by the National Assembly on 30th June 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the National Youth Council recorded additional appropriations of Kshs 98,100,000 on the 2022/2023 budget following the governing body's approval.

**National Youth Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

The National Youth Council budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section xxx of these financial statements.

c) Taxes Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the National Youth Council operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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Summary of Significant Accounting Policies (Continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against

**National Youth Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Deferred tax (Continued)

current income tax liabilities and the deferred taxes relate to the same taxable National Youth Council and the same taxation authority.

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-today maintenance of an investment property. Investment property acquired through a nonexchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. Transfers are made to or from investment property only when there is a change in use.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the National Youth Council. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The National Youth Council also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the National Youth Council will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the National Youth Council. Operating lease payments are

**National Youth Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

The National Youth Council expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the National Youth Council can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Financial instruments

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

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both NYC 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 cash flows 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.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Subsequent measurement.

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.

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.

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.

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.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

b) Financial liabilities

Classification

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

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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

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

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the National Youth Council.

k) Provisions

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

l) Social Benefits

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

m) Contingent liabilities

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

n) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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.

o) Nature and purpose of reserves

The NYC creates and maintains reserves in terms of specific requirements. The National Youth Council maintains a General Reserve for accumulated surpluses and deficits from the statement of financial performance.

p) Changes in accounting policies and estimates

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

q) Employee benefits

Retirement Benefit plans

The National Youth Council provides retirement benefits for its employees. NYC provides for gratuity since all its staff since they are employed on contractual terms.

r) 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.

s) Borrowing costs

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

**National Youth Council
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

t) Related parties

The National Youth Council regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the National Youth Council, or vice versa. Members of key management are regarded as related parties and comprise the Youth Advisory Board members, the CEO and heads of various departments in NYC as outlined in fiduciary management section.

u) Service concession arrangements

The National Youth Council analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular,

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

where a private party contributes an asset to the arrangement, the National Youth Council recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the National Youth Council also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

v) Cash and cash equivalents

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

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w) Comparative figures

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

x) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the National Youth Council.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

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Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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Notes to the Financial Statements (continued)

6. Transfers from Other Government entities

Description	2022	2023
Unconditional Recurrent Grants	93,100,000	98,000,000
Conditional Grant-UNDP through Ministry of Devolution	5,000,000	5,000,000
Total Government Grants	98,100,000	103,000,000

The funds were meant for the preparation of draft county Youth policies in 11 ASAL Counties

b) Transfers from Ministries, Departments and Agencies (MDAs)

Description	2022	2023	2022	2023	
State Department for Youth Affairs & the Arts	93,100,000	-	-	93,100,000	98,000,000
Total	93,100,000	-	-	93,100,000	98,000,000

7. Public Contributions and Donations

Description	2022	2023
Other Public Donations (UNDP)	5,000,000	5,000,000
Total Transfers and Sponsorships	5,000,000	5,000,000

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Description	2022-2023	2021-2022
	Kshs	Kshs
Reconciliation Of Public Contributions and Donations		
Balance Unspent at Beginning of The Year	5,000,000	-
Current Year Receipts	5,000,000	5,000,000
Conditions Met - Transferred to Revenue	5,000,000	5,000,000
Conditions To Be Met - Remain Liabilities	-	-

8. Use of Goods and Services

Description	2022-2023	2021-2022
	Kshs	Kshs
Medical Insurance	3,848,316	4,678,065
International Youth Day	360,140	396,000
Peace/Empowerment Forums	5,531,970	2,373,340
Research & Feasibility Studies	843,350	548,255
Regulation & Co-ordination	1,434,610	34,600
Youth Participation in Leadership & Governance	12,163,215	25,171,596
Rent & Rates	7,815,905	4,802,506
Audit Fees provision	258,695	
Motor Vehicle Operation Costs	587,680	775,723
Parking Fees	337,560	-
Electricity	180,732	137,203
Staff Training	2,170,740	3,426,210
Office & General Supplies Services	2,532,419	2,292,641
Other Operating Expenses	-	3,201,038
Refined Fuel & Lubricants	1,685,679	2,216,700
Printing & Branding	2,035,545	2,408,262

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Sundry Expenses	992,428	750,458
Internet Charges	587,817	515,978
Strategic Plan Expenses	2,774,302	-
Partnership & Collaboration Expenses	438,000	-
Other Outsourced Services	134,514	-
Asset & Equipment Insurance	355,944	-
Bank charges	57,671	
UNDP Donor Expenses	10,000,000	-
Total	57,127,232	53,728,575

9. Employee Costs

	2022-2023	2021-2022
Salaries and wages	29,058,201	31,831,244
Employer contribution to pension schemes	-	2,719,178
Gratuity	6,097,669	-
Basic Wages-Short Term Employees	1,275,000	-
Other remunerative Benefits-Seconded Staff	1,212,680	-
Employee costs	37,643,550	34,550,422

10. Board Expenses

	2022-2023	2021-2022
Chairman/Directors' Honoraria	628,387	1,020,000
Sitting Allowances	3,221,200	2,610,000
Accommodation Allowance	1,624,500	3,654,467

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Transport Allowances	4,593,967	3,141,228
Meal Allowances	990,880	214,000
Conference Facility for Board Retreats	803,410	609,580
Board Training	1,120,800	3,030,657
Total	12,983,144	14,279,932

During the year, the Chairperson of the Youth Advisory Board was appointed in January 2023. The number of special meetings during the year was higher compared to the previous year resulting in slight upward trend on sitting allowances. Transportation costs comprises pending bills for air tickets brought forward from the previous financial year and those incurred within the financial year. Overall, the Board expenses were approximately 15% of the overall budget of Kshs 93.1 Million.

11. Depreciation and Amortization Expense

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Depreciation & amortization expense	3,726,847	4,403,392
Total Depreciation & amortization	3,726,847	4,403,392

12. Cash and Cash Equivalents

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Current Account	7,035	2,615,540
Total Cash and Cash Equivalents	7,035	2,615,540

Cash variation in the financial year is attributed to budgetary cut of Kshs 4,900,000 experienced in the last quarter of the financial year 2022/2023

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Detailed Analysis of the Cash and Cash Equivalents

Detailed Analysis of the Cash and Cash Equivalents			
a) Current Account			
National Bank of Kenya	01020085182800	7,035	2,615,540
Grand Total		7,035	2,615,540

13. Inventories

13. Inventories		
Consumable stores	1,696,251	770,746
Total inventories at the lower of cost and net realizable value	1,696,251	770,746

Consumable stores comprise of stationery items and merchandise procured during the financial year which remained unutilized as at the end of the financial year 2022/2023

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Notes to the Financial Statements (Continued)

14. Property, Plant & Equipment

	Motor vehicles	Furniture and fittings	Computers	Total
	Kshs	Kshs	Kshs	Kshs
As At 1 July 2020	15,682,979	758,167	6,570,990	23,012,136
Additions	-	-	139,500	139,500
As at 30 th June 2022 FY	15,682,979	758,167	6,710,490	23,151,636
Additions	-	-	-	-
Disposals	-	-	-	-
As at 30 th June 2023 FY	15,682,979	758,167	6,710,490	23,151,636
Depreciation And Impairment				
As At 1 July 2021	(3,920,744)	(94,771)	(1,971,297)	(3,920,744)
Depreciation	(2,940,559)	(82,925)	(1,379,908)	(4,403,392)
As At 30 th June 2022	(6,861,303)	(177,696)	(3,351,205)	(8,324,136)
Depreciation	(2,646,503)	(72,559)	(1,007,786)	(3,726,847)
As at 30 th June (2023)	9,507,806	250,255	4,358,991	14,117,052
Net Book Values				
As at 30 th June 2022 FY	8,821,676	580,471	5,330,582	14,827,500
As at 30 th June 2023 FY	6,175,174	507,912	2,351,500	9,034,586

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14 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Motor Vehicles, Including Motorcycles	15,682,979	(9,507,806)	6,175,173
Computers And Related Equipment	6,710,490	(4,358,991)	2,351,500
Office Equipment, Furniture, And Fittings	758,167	(250,255)	507,912
Total	23,151,636	(14,117,052)	9,034,586

Property plant and Equipment includes the following assets that are fully depreciated:

Motor Vehicles including Motorcycles	15,682,979	25%
Computers and Related Equipment	6,570,990	30%
Office Equipment, Furniture and Fittings	758,167	12.5%
Total	23,151,636	67.50%

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Notes to the Financial Statements (Continued)

15. Trade and Other Payables

Description	Amount Current FY		Amount Comparative FY	
	Ksh	Kans	Ksh	Kans
Trade payables	6,539,962		18,305,472	
Employee payables	5,243,616		-	
Third-party payments-YAB	1,338,500		-	
Audit Fees Provision	258,695		-	
Total trade and other payables	13,380,773		18,305,472	
Ageing analysis: (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	13,380,773	100%	18,305,472	100%
Total (tie to above total)	13,380,773	100%	18,305,472	100%

16. Non-Current Employee Benefit Obligations

This were accrued gratuity payments that were approved by the board as valid and therefore a provision was made and remitted to Britam Life Assurance Limited. The scheme is administered by Britam Life Assurance Limited Company.

17. Cash Generated from Operations

Description	FY 2023		FY 2022	
	Ksh	Kans	Ksh	Kans

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Cash flows from operating activities			
Receipts			
Transfers from other governments entities		93,100,000	108,000,000
Public contributions and donations		5,000,000	5,000,000
Total Receipts		98,100,000	113,000,000
Payments			
Use of goods and services		54,328,575	53,728,575
Employee costs		33,599,934	31,831,244
Board Expenses		12,779,996	13,259,932
Pending Bills B/F		-	12,719,178
Total Payments		100,708,505	111,538,929
Net cash flows from/(used in) operating activities		(2,608,505)	1,461,071

18. Financial Risk Management

The National Youth Council activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity'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 National Youth Council does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

i) Credit risk

The National Youth Council 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

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National Youth Council management based on prior experience and their assessment of the current economic environment.

iii) Market risk

The National Youth Council has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The National Youth Council Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the National Youth Council exposure to market risks or the way it manages and measures the risk.

b) Interest rate risk

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

Management of interest rate risk

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

Capital Risk Management

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

19. Related Party Disclosures

a) Nature of related party relationships

Entities and other parties related to the National Youth Council include those parties who have ability to exercise control or exercise significant influence over its operating and financial

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decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the National Youth Council, holding 100% of the National Youth Council equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) NYC
- v) Key management.
- vi) Youth Advisory Board.

20. Contingent Assets and Contingent Liabilities

Contingent Liabilities

Contingent Liabilities		
COURT CASE NO ELRC CAUSE E517	7,744,012	-

**National Youth Council
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Total		
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21.Events after the Reporting Period

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

22.Ultimate And Holding Entity

The Entity is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Youth Affairs, The Arts and Sports. Its ultimate parent is the Government of Kenya.

23.Currency

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

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20. Appendices

Appendix I: Implementation Status of Auditor-General's Recommendations

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

1	Presentation of Financial statements	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023
2	Inaccuracies in Financial statements	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023
3	Unsupported pending bills	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023
4	Unsupported expenditure	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023
5	Overpayment on foreign travels	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023

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6	Unconfirmed expenditure	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023
7	Unexplained Variance	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023
8	Irregular recruitment and stipends to interns	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023
9	Failure to provide work tickets	Relevant adjustment to be made before parliamentary committee hearing	Not resolved	31 st Dec 2023



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Margaret Kiogora CHRP (K)
Ag. Chief Executive Officer
Date:

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Appendix II: Projects implemented by National Youth Council

Projects implemented by the State Corporation/ SAGA Funded by development partners and/ or the Government.

[REDACTED]						
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Status of Projects completion

[REDACTED]							
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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Appendix IV: Transfers from Other Government Entities

State Department for Youth Affairs & the Arts	17 08 2022	Recurrent	24,500,000	24,500,000	-	-	-	-	24,500,000
	09 11.2022	Recurrent	24,500,000	24,500,000	-	-	-	-	24,500,000
	24 01 2023	Recurrent	24,500,000	24,500,000	-	-	-	-	24,500,000
	28 04 2023	Recurrent	19,600,000	19,600,000	-	-	-	-	19,600,000
UNDP	24 08 2022	Donor Funds	5,000,000	5,000,000	-	-	-	-	5,000,000
Total			98,100,000	98,100,000	-	-	-	-	98,100,000

Appendix IV- Inter-Entity Confirmation Letter

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[Insert your Letterhead]

[Insert name of beneficiary Entity]

[Insert Address]

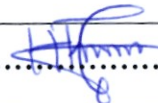
Confidentiality amounts received by [name of beneficiary Entity] as at 30th June 2023							
		Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30th June				Amount	Differences
		(Current FY)				Received by	
						[beneficiary	
						Entity]	
				(KShs) as at	(KShs) (F)=(D-		
				30 th	E)		
				June (Previous	FY) (E)		
Reference	Date Disbursed	Recurrent (A)	Development (B)	Inter-	Total		

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Number				Ministerial (C)	(D)=(A+B+C)		
Total							

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

Head of Accountants department of beneficiary Entity:

Name Keech Kiplangat Sign  Date 22/03/2024

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

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Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objective	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Appendix VII: 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
N/A	N/A	N/A	N/A	N/A	N/A	N/A

