

REPUBLIC OF KENYA



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THE AUDITOR-GENERAL

ON

STATE DEPARTMENT FOR DIASPORA AFFAIRS

FOR THE YEAR ENDED
30 JUNE, 2025

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



OFFICE OF THE PRIME CABINET SECRETARY &
MINISTRY OF FOREIGN AND DIASPORA AFFAIRS

STATE DEPARTMENT FOR DIASPORA AFFAIRS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2025



TRANSITIONAL IPSAS FINANCIAL STATEMENTS/PREPARED IN ACCORDANCE WITH THE ACCRUAL BASIS OF ACCOUNTING METHOD UNDER INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

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1. Acronyms and Definition of Key Terms

A: Acronyms and Abbreviations

IFMIS	<i>Integrated Financial Management Information System</i>
IPPD	<i>Integrated Payroll and Personnel Database</i>
IPSAS	<i>International Public Sector Accounting Standards</i>
M&E	<i>Monitoring and Evaluation</i>
MCS	<i>Mobile Consular Services</i>
MDAS	<i>Ministries, Departments and Agencies</i>
PCS	<i>Prime Cabinet Secretary</i>
PFM	<i>Public Finance Management</i>
PFMA	<i>Public Finance Management Act</i>
PFMR	<i>Public Finance Management Regulations</i>
PS	<i>Principal Secretary</i>
PSASB	<i>Public Sector Accounting Standards Board</i>
SDDA	<i>State Department for Diaspora Affairs</i>

B: Definition of Key Terms

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

2. Key MDA Information and Management

a. Background information

The State Department for Diaspora Affairs established vide Executive Order No. 1 of 2023 and has a ten (10) point mandate and two (2) institutions (Diaspora Placement Agency and Diaspora Investment Support Office). Formation of the State Department was to fulfil the Government's commitments to the diaspora in recognition of their crucial role in Kenya's economic development.

Prior to its designation as a fully-fledged State Department, SDDA was a Directorate within the Ministry of Foreign Affairs, charged with Diaspora and Consular matters. The State Department is represented in the Cabinet by the Prime Cabinet Secretary (PCS) and Cabinet Secretary, Ministry of Foreign and Diaspora Affairs.

b. Mandate

The State Department is mandated with protection of the rights and championing welfare of the diaspora, continuous engagement of the Kenyan Diaspora, diaspora empowerment and prosperity.

Vision Statement

An engaged and empowered Diaspora for a competitive and prosperous Kenya

Mission Statement

To champion the protection of Kenya's diaspora rights and welfare, and to mainstream them to National Development.

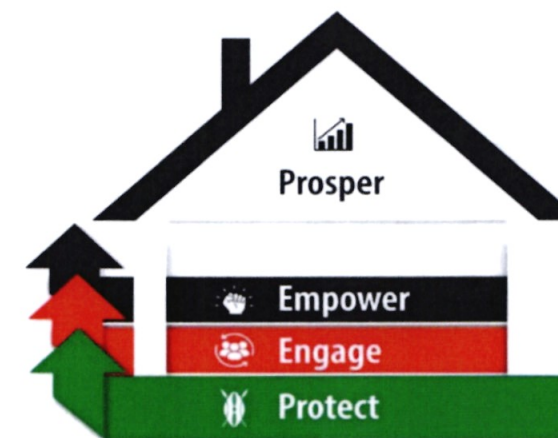
Core Values and Principles

The State Department for Diaspora Affairs is guided by the following core values:

1. **Diaspora-Centric:** The State Department shall endeavour to understand the needs and concerns of the Kenyans in diaspora and develop programs and initiatives that effectively address their needs and aspirations.
2. **Patriotism:** The staff in the Department is determined to be patriotic and promote nationalism at all levels.
3. **Reliable:** The State Department shall strive to be available and trustworthy in-service delivery to the diaspora.
4. **Inclusive:** We shall guarantee that the stakeholders and the diaspora are treated equitably and fairly in the development and implementation of programs and initiatives.

≡ 10 POINT MANDATE

SDDA 10 POINT MANDATE



c. Key Management

The State Department for Diaspora Affairs day-to-day management for the FY 2024-2025 was under the following:

No.	Designation
1.	Office of the Prime Cabinet Secretary & Cabinet Secretary
2.	Office of the Principal Secretary
3.	Welfare and Partnerships Directorate
4.	Investments and Entrepreneurship Directorate
5.	Head of Administration
6.	Head of Finance
7.	Head of the Accounting
8.	Head, Supply Chain Management
9.	Head, Central Planning and Project Monitoring
10.	Head, Human Resource Management and Development

No.	Designation
11.	Head, Internal Audit
11.	Head, Information Communication Technology
12.	Head, Counselling Services
13.	Head, Communications

d. Fiduciary Management

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

No	Designation	Name
1.	Accounting Officer	Ms. Roseline Kathure Njogu, CBS
2.	Secretary, Welfare and Partnerships	Amb. Hellen Gichuhi, MBS
3.	Secretary, Investments and Entrepreneurship	Amb. Isaiya Kabira, MBS
4.	Director Administration	Ms. Margaret Wamoto
5.	Senior Chief Finance Officer	Mr. Gideon Gichana
6.	Senior Deputy Accountant General	CPA Polly N. Maingi
7.	Director Supply Chain Management Services	Mr. Obiero Makori
8.	Director Planning	Mr. Daniel N. Mwaura
9.	Director Human Resource Management and Development	Dr. Paul K'Angira

e. Fiduciary Oversight Arrangements

The fiduciary oversight structure comprises the Internal Audit Unit and various committees that are established. The members of the committees are drawn from various directorates, departments, divisions and units within the State Department, offering a wide range of skills and expertise. High level key fiduciary oversight arrangements include:

i. Public Finance Management Standing Committee

The committee is established to coordinate management of public finance for the SDDA. (Regulation 18 of PFMR 2015), The committee is charged in ensuring prioritization of resources, identifying risks and implementation of appropriate mitigation measures and monitoring timely resolution of audit issues among others.

ii. Budget Implementation Committee

The committee is charged with the responsibility of implementation of the State Department for Diaspora Affairs budget and its prudent management.

iii. Human Resources Management Advisory Committee

The committee is charged with the responsibility of effective management of the human resource management and development function in line with the Constitution, Government Policies, procedures, practices and circulars on human resource.


iv. Internal Audit Unit

This is the unit charged with providing independent assurance of the organization’s risk management, governance and internal control processes.

v. Audit Committee

The committee is charged with supporting the Accounting Officer in regard to risk control and governance (Regulation 174 of PFMR 2015). The functions of the Committee are as follows:

- a) Support the Accounting Officers with regard to their responsibilities for issues of risk, control and governance and associated assurance but the responsibility over the management of risk, control and governance processes remains with the management of the concerned entity; and
- b) follow up on the implementation of the recommendations of internal and external auditors.

f. Entity Headquarters	g. Entity Bankers	h. Independent Auditors	i. Principal Legal Adviser
<p>State Department for Diaspora Affairs P. O. Box 30551- 00100 316 Upper Hill Chambers 2nd Ngong Avenue NAIROBI, KENYA</p>	<p>Central Bank of Kenya Haile Selassie Avenue P.O. Box 60000 City Square 00200 NAIROBI, KENYA</p> <p>KCB Bank Capital Hill branch P.O Box 48400-00100 NAIROBI, KENYA</p>	<p>Auditor General Office of The Auditor General Anniversary Towers, University Way P.O. Box 30084 GPO 00100 NAIROBI, KENYA</p>	<p>The Attorney General State Law Office & Department for Justice. Harambee Avenue P.O. Box 40112 City Square 00200 NAIROBI, KENYA</p>
j. Entity Contacts			
<p>Telephone: (254) 20-318888 E-mail: info@diaspora.go.ke Website: www.diaspora.go.ke Social Media:  @Diaspora_KE</p>			

3. Profile of Cabinet Secretary



H.E. Dr. Musalia Mudavadi, EGH

Prime Cabinet Secretary and Cabinet Secretary, Ministry of Foreign and Diaspora Affairs

H.E Dr. Wycliffe Musalia Mudavadi, EGH is a seasoned Kenyan politician and renowned economist. He was Vice-President in 2002 and Deputy Prime Minister and Minister for Local Government from 2008 - 2013. Mudavadi was one of the youngest members of Parliament and also made history as the youngest minister of finance. He was Minister for Supplies and Marketing (1989 - 1993) , Finance (1993 - 1997), Agriculture (1997 - 1999) and Transport, Communications and Information (2000 - 2002).

In addition, he has served as Vice-President (2002) and also Deputy Prime Minister and Minister for Local Government of the Republic of Kenya (2008 - 2013). Until October 2022, he was the party leader of the Amani National Congress, one of the founding political parties of the Kenya Kwanza alliance.

He is responsible for coordinating the government's legislative agenda and overseeing policy implementation across ministries as well as and heading the ministry, implementing government policy, and advising the President.

4. Profiles of Accounting Officer and Key Management.



Ms. Roseline Kathure Njogu

Principal Secretary, State Department for Diaspora Affairs

Ms. Roseline Kathure Njogu, CBS is the Principal Secretary and Accounting Officer of the State Department for Diaspora Affairs. She holds a Master of Laws (LLM) degree from Harvard Law School, a Bachelor of Laws degree (LLB) from the University of Nairobi and is a PhD candidate at the University of Nairobi.

Ms. Njogu is an advocate of the High Court of Kenya, and brings over 18 years of legal experience advising corporations in technology, health, energy, financial services and international development.

As an accomplished public intellectual, she has taught family law, succession and gender law over the last 15 years and has published extensively.

She is responsible for implementing government policies, managing the day-to-day operations of a State Department, and providing policy advice to the Cabinet Secretary.



Amb. Hellen Adhiambo Gichuhi, MBS

Secretary, Diaspora Welfare and Partnerships

Ambassador Hellen Gichuhi, MBS is a career diplomat who currently serves as the Secretary, Diaspora Welfare and Partnerships, State Department for Diaspora, Ministry of Foreign and Diaspora Affairs.

Ambassador Gichuhi has also served as Charge d'Affaires Embassy of Kenya in France, accredited to Portugal, Serbia, Holy See and Monaco; she has also been Ambassador/ Deputy Permanent Delegate, at the Permanent Delegation of Kenya to UNESCO; and Deputy Head of Mission, Kenya High Commission, Pretoria, South Africa. She holds an MA in International Studies and Diplomacy and a Bachelors in Education degree.

The Ambassador has over 15 years of positive contribution in diplomacy and diplomatic relations; over 25 years of active engagement in training, administration and education work; and over 30 years involvement in participatory human development processes.

In addition, Ambassador Gichuhi has excellent communication and negotiation skills having participated in several bilateral and multilateral fora, as well as in various investment conferences as a speaker. Because of her passion for literacy, she is a Board member of the Start a Library Trust and Alicia Memorial Daycare.

She is responsible for the Coordination and overseeing diaspora welfare, partnerships and fundraising, Diaspora involvement in democratic practices, Diaspora engagement and associations; bilateral engagements such as JCC, diaspora issues in the multilateral arena and high-level engagements.



Ambassador Isaiya Kabira, MBS

Secretary of Diaspora Investments, Skills, and Entrepreneurship

Ambassador Isaiya Kabira is a seasoned diplomat and communications expert with over three decades of experience in public service, diplomacy, and media. Currently serving as the Secretary of Diaspora Investments, Skills, and Entrepreneurship at the State Department for Diaspora Affairs, he plays a pivotal role in shaping Kenya's engagement with its diaspora communities.

Previously, he was Kenya's High Commissioner to Australia and New Zealand (2014-2020) and held senior roles such as Press Secretary to President Mwai Kibaki (2003-2013) and Director General of International Conferences at the Ministry of Foreign Affairs. He has worked in Kenya's media industry, contributing to Daily Nation and Kenya Television Network.

Ambassador Kabira holds a Bachelor of Arts from the University of Nairobi and has completed advanced studies at Harvard University and the Australia National University. He has authored books on Kenya's 3rd President, H.E. Mwai Kibaki, and was awarded the Moran of the Burning Spear (MBS) in 2007 for his public service.

Amb Kabira's roles include that of spearheading the department's International Labour Mobility program that aims at getting work placement for Kenyans around the world. He is in charge of the Diaspora Investment support office that focuses on increasing Diaspora Direct Investments (DDI). He also oversees the Diaspora Placement Agency that is charged with connecting Kenyans to international job opportunities. His docket also includes skills transfer to enable Kenya benefit from the pool of talent of Kenyans working and studying abroad.



Dr. Paul W.C. K'Angira

Head, Human Resource Management and Development

Dr. K'Angira holds a Doctorate degree in Leadership and Management from Northwestern University, Illinois a Master's degree in Business Administration and Bachelor's degree in Law (LLB) both from the University of Nairobi. He also holds a Diploma in Law from the Kenya School of Law and is an Advocate of the High Court of Kenya. He is a certified Public Secretary and Human Resource Practitioner.

Mr. K'Angira has over 30 years' experience gathered in both the Public and Private Sectors. His broad experience spreads through practice of Leadership and Strategic Management, Human Resource Management and Development, Commercial and Labour Laws. He has served in various Ministries as Director, Human Resource Management and Development including; Tourism, Wildlife, Environment and Natural Resources, Transport, Lands and Investment.

Mr. K'Angira is a Member of the Law Society of Kenya, Law Society of East Africa, Institute of Human Resource Management, Institute of Directors of Kenya and Institute of Certified Public Secretaries of Kenya.

He is responsible for Strategic Human Resource Planning and Talent Management, Overseeing recruitment, Training and Development. Employee Relations and Managing workplace conflicts, ensuring compliance with labor laws, and fostering a positive work environment. Compensation and Benefits management. Performance Management. Identifying training needs and developing programs to enhance employee skills. Promoting a diverse and inclusive workplace culture. Identifying and mitigating HR-related risks.

Ms. Margaret Wamoto

Director, Administration



Ms. Margaret Wamoto is the head of administrative services at the State Department. She holds a Masters Degree in Public Administration.

She has more than 30 years' experience in public service having worked at the Executive Office of the President (State House), the Ministry of Interior and National Administration, the Ministry of East African Community, the Ministry of Education and the State Department for Public Service. Her role includes effective coordination and stewardship of Government business and responding to emerging policy and development initiatives; Oversight of logistics services within the state department; Coordination of efficient management of record support units; Coordination of Ministerial/Departmental cross cutting activities; Provide efficient office management and logistical support to the technical departments; Management and implementation of physical developmental projects for the State Department as well as coordination of general office duties.



Head, Central Planning and Project Monitoring Department

Mr. Daniel N. Mwaura is the Director Planning at the State Department. He holds a Master of Arts Degree in Economics and a Bachelor's Degree in Economics.

He has over 30 years' experience as an economist in various MDAs. Prior to his posting to the State Department for Diaspora Affairs, Mr. Mwaura served as Director of Planning at the State Department for Shipping and Maritime Affairs. He is a member of the Economics Society of Kenya, with vast experience in strategic planning, policy formulation as well as monitoring and evaluation.

He is responsible for planning and coordination of implementation of programs and projects as well as M&E in the State Department.



Mr. Gideon Gichana

Head, Finance Unit

Mr. Gideon Gichana is the Senior Chief Finance Officer, State Department for Diaspora Affairs. He is a Member of the Institute of Certified Public Accountants of Kenya (ICPAK) and holds a Master's Degree in Business Administration - Finance and Bachelor of Science (BSC) in Mathematics and Computer Science.

Mr. Gichana has vast experience in public financial management, public sector budgeting and sectoral planning. He has previously worked at the Ministry of Finance, Ministry of Youth & Sports, and State Department for Immigration and Citizen Services.

He is responsible for the overall financial management in the State Department. His specific duties include; budget planning, preparation and implementation; systematic scheduling of expenditure consistent with work plans and providing leadership in the budget management.



CPA Polly N. Maingi

Head, Accounts Unit

Ms. Polly N. Maingi is the Senior Accountant General, State Department for Diaspora Affairs. She holds a Masters Degree in Business Administration, and a Bachelor of Commerce Degree in Management Science.

She is a practicing Accountant and a member of the Institute of Certified Public Accountants of Kenya (ICPAK). She has vast experience spanning over 27 years in Accounting Systems Implementation, Business process re-engineering and Policy implementation.

Ms. Maingi has previously worked at The National Treasury, Ministry of Agriculture, NG-CDF Board among others. She is one of the pioneers in the operationalisation of IFMIS. She is responsible for the overall accounting function of the State Department. Specific duties include; Providing technical advice to the Accounting Officer on accounting matters, budget implementation and Financial Reporting.



Mr. Obiero Makori

Head, Supply Chain Management

Obiero Makori, Director, Supply Chain Management holds a Masters Degree in Business Administration and Bachelor of Arts in Economics from University of Nairobi. He is also a Graduate of Diploma in Supply and Purchasing from Chartered Institute of Procurement and Supply (CIPS), London. He is a registered member and practitioner of Kenya Institute of Supply Management.

Mr. Obiero is highly experienced with 30 years in public service. Dedicated and committed in development of supply chain management. He has previously worked in Office of the President, Public Works, Ministry of Health, The National Treasury, Ministry of Agriculture, Ministry of Education, Ministry of Lands, Ministry of Industrialization and Trade and Ministry of Public Service and Performance delivery

As a supply chain Management Director, He manages and directs the purchasing of all the goods and services a procuring entity needs. He is responsible for identifying potential supplier sources, potential vendors through pre-qualifications, negotiating favourable supplier agreements and managing supplier and vendor contracts. He is responsible for material usage and disposal after use.



Mr. Peter Burugu

Head, Counselling Unit

Mr. Peter Burugu holds a Masters Degree in Counselling and Psychology, Bachelor's Degree in Education (Economics and Business studies), a Certified Public Accountant and a Certified Public Secretary.

He has vast experience in youth matters, training, counselling, public administration and governance. Mr. Burugu has previously worked in the Ministry of Public Service and Gender Affairs before joining the State Department for Diaspora Affairs. He is responsible for the counselling and wellness unit.

Specific duties include counselling and strengthening wellness for the Kenyan diaspora, more so in the area of mental health issues and conducting pre-departure training to Kenyan migrant workers. Further, he provides psychological first aid, psychosocial support and counselling to distressed Kenyans in the diaspora and their families.



Mr. Peter Mogere

Head, Internal Audit

Mr. Peter Mogere is a Senior Deputy Internal Auditor General and the Head of the Internal Audit Unit in the State Department.

He holds a Bachelor's Degree in Commerce (BCom), and also a holder of CPA II and is an Associate Certified Fraud Examiner as well as a member of The Institute of Internal Auditors, Kenya. He has over 25 years of work experience in public service. Mr. Mogere previously worked at the State Department for Wildlife in charge of internal audit and field sub-county stations. His role in the State Department includes evaluation of effectiveness of risk management, control and governance.



John Masika

Director, Information Communication Technology

John is the Director – ICT, State Department for Diaspora Affairs. He holds a PhD in Strategic Management (Technology & Innovation Strategy), MBA (Information System Management), and a Bachelor of Science in Computer Science. He completed his postgraduate tech fellowship at Cambridge University EdTech Academy in UK. John currently serves the Academy as a continuing EdTech fellow supporting

the its research programmes in Africa.

He has vast experience spanning over 24 years in digital transformation initiatives, IT audits and digital forensic, and IT security. Prior to joining the State Department for Diaspora Affairs, John worked at TVET Authority, Kenya Airways Plc, Housing Finance Group, Kenya Airports Authority, Kenya Maritime Authority, the National Treasury (GITs Directorate) and Egerton University. At the State Department for Diaspora Affairs, he is responsible for leading digitisation projects and management of ICT operations.



Mr. Romel Asirikwa, HSC

Head, Public Communications

Mr. Romel Asirikwa, Assistant Director for Information, serves as the Head of Communications at the State Department. He holds a Postgraduate Diploma in Mass Communication from the Kenya Institute of Mass Communication (KIMC), as well as a Bachelor's Degree in Business and Information Technology from Jomo Kenyatta University of Agriculture & Technology.

With over 10 years of experience in communications, Mr. Asirikwa has previously worked at the Presidential Communication Unit (PCU), formerly known as the Presidential Strategic Communications Unit (PSCU-State House), and at the Directorate of Public Communications (DPC) within the Ministry of Information, Communications and the Digital Economy. He was awarded the Head of State Commendation (HSC) in 2021 for his role in advancing Government strategic communications agenda.

In his current role at the State Department, he is responsible for overseeing the daily operations of the Communications Unit and ensure effective dissemination of information about the department's activities and engagements

5. Statement by the Prime Cabinet Secretary and Cabinet Secretary, Ministry of Foreign and Diaspora Affairs



I am greatly honoured to present the State Department for Diaspora Affairs' Annual report and financial statements for the Year ended 30th June 2025. In this particular year, the State Department was allocated a total budget of Kshs **613,696,665**. The funds were intended for advancing the interests of Kenyans abroad through service delivery in line with the mandate of the State Department.

The State Department continues to address challenges of the Kenyans living abroad by successfully implementing its programs and initiatives. In the period under review, some of the achievements include; Offering Mobile Consular Services to 1,876 Kenyans in the diaspora, Facilitating Evacuation of 1196 Kenyans from various parts of the world, and Repatriation of 1,604 Kenyans in (1,507) distress and (125) mortal remains, repatriating 168 victims of human trafficking and engaging the Kenyan diaspora through State and High-Level visits in 13 Countries.

The State Department also contributed to the Government agenda of creating jobs through the Kazi Majuu that has enabled over 400,000 Kenyans to secure dignified jobs abroad, across various sectors—including healthcare, construction, engineering, hospitality, and education—through bilateral labour agreements and strategic partnerships with countries such as Germany, Austria, and Jersey. The Kazi Majuu initiative rolled out targeted programs including Mkulima Majuu, Mwalimu Majuu, Muuguzi Majuu, and Mhandisi Majuu, designed to align diaspora opportunities with Kenya's skilled workforce. Additionally, there has been enhanced pre-departure support by establishing language testing centres.

In the review period, the Kenya Diaspora Policy 2024 was finalized and launched to reaffirm the Government's unwavering commitment to protect, engage, empower and prosper Kenyans living in the diaspora. The policy will ensure that necessary resources are put in place to effectively promote the interests of Kenya's nationals in all foreign jurisdictions.

6. Statement by the Principal Secretary / Accounting Officer



I am delighted to present the key milestones attained by the State Department for Diaspora Affairs during the Financial Year 2024/2025. The State Department for Diaspora Affairs was established vide Executive Order No. 1 of 2023, with a six (6) point mandate. This was later expanded through addition of three (3) mandates as well as the establishment of the Diaspora Placement Agency, under the Executive Order No. 2 of 2023 and further expanded through an addition of one (1) mandate and establishment of the Diaspora Investment Support Office under the Executive Order No. 1 of 2025. The State

Department therefore has a ten (10) point mandate and two (2) institutions. Formation of the State Department was to fulfil the Government's commitments to the diaspora in recognition of their crucial role in Kenya's economic development.

The State Department engaged various stakeholders to institutionalise diaspora centric systems and policies, including holding engagements with the Diaspora and using the constructive feedback received to strengthen our approach and strategies in handling diaspora and consular matters.

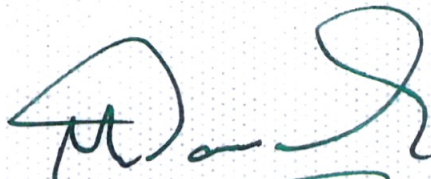
In the Financial year 2024/25, the State Department for Diaspora Affairs was allocated an approved budget of **Kshs. 828,143,693** in the Recurrent vote which was revised downwards to **Kshs. 637,826,729** in the Supplementary Estimates No. I of 2024/25 Financial Year and further revised downwards to **Kshs. 613,696,665** in the Supplementary Estimates No. II of the FY 2024/25.

The State Department was funded under one (1) programme namely Management of Diaspora and Consular Affairs and the following four (4) sub-programmes: Diaspora Economic, Commercial and Cultural Affairs; Management of Consular Affairs; Diaspora Interest Abroad; and General Administration, Planning and Support Services.

State Department for Diaspora Affairs
Annual Report and Financial Statements for the year ended 30th June 2025

The enhanced service delivery and engagements with the Kenyan Diaspora have impacted positively on diaspora remittances, which continued to rise. In the FY 2024/25, the Kenyan diaspora remittances rose to Ksh. 660.9 billion from Ksh. 589.6 in 2023/24 FY representing a 12.1% increase. This is on course towards achieving one of the Government targets of facilitating the growth of diaspora remittances to Ksh. 1 trillion by 2027.

Finally, the financial report and statements provide an opportunity to elaborate how the funds allocated to the State Department in the Financial Year were appropriated towards delivery of the strategic objectives as outlined in the Strategic Plan 2023-2027. It is with great satisfaction that I note that in the 2024/25 Financial Year, the State Department continued to execute its core mandate of protecting, engaging, empowering and prospering the diaspora as per the expanded mandate outlined in the Executive Order No. 1 of 2025.

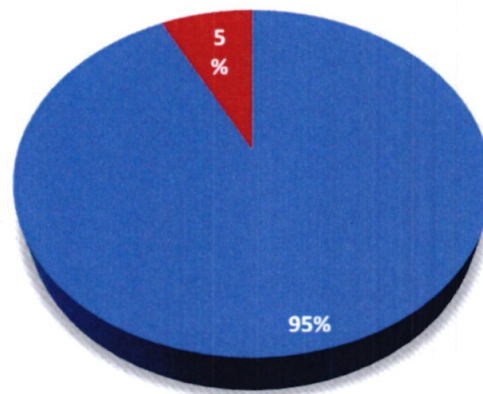


H.E. Dr. Musalia Mudavadi, EGH
Prime Cabinet Secretary & Cabinet Secretary
Ministry of Foreign and Diaspora Affairs

The budget performance of the State Department was as follows:

Sub - Program	Amount (Kshs)	Utilisation (Ksh)	Absorption Rate (%)
Diaspora Economic, Commercial and Cultural Affairs	217,764,253	207,057,332	95
Management of Consular Affairs	61,035,491	60,965,694	100
Diaspora Interest Abroad	42,207,098	41,123,244.45	97
General Administration, Planning and Support Services	292,689,823	274,775,451	94
Management of Diaspora and Consular Affairs	613,696,665	583,921,721	95

Budget Absorption



Further, the budget utilisation of Ksh. 583,921,721 was incurred under the following economic classes: Compensation to Employees, Kshs 236,822,247, Use of Goods and Services, Ksh. 321,301,669, and Acquisition of Assets, Ksh. 25,797,805.

In the period ending 30th June 2025, the State Department achieved key milestones in its service delivery to the Kenyans in the Diaspora. These included: -

A total of 1,196 Kenyans in distress were evacuated from various countries including Lebanon (1168), Iran (21) and medical evacuations in Oman (1), South Korea (1), UAE (1), Lebanon (1) and Tanzania (3). Additionally, a total of 408 Kenyans in diaspora (Kenyans in distress-285, mortal remains-125)

were repatriated from Saudi Arabia, Kuwait, Russia, UK and USA among other countries. The State Department also provided Counselling, psychological first aid and psycho-social support services to 847 Kenyans in distress (medical evacuees, emergency crisis evacuees) and their families.



Photo: A section of Kenyan evacuees from Lebanon during the evacuation process

Mobile Consular Services (MCS) were offered to 1,871 Kenyans in the diaspora in eleven (11) countries including Germany (151), South Korea (17), Malta (100), Cyprus (50), Switzerland (285), Australia & New Zealand (963), Thailand (111) South Korea (15), Sweden (35) and Finland (144). Under this initiative, Kenyans in the diaspora were facilitated with identity cards, passports, birth certificates, application for citizenship, document attestation, declaration of dual citizenship, police clearance and emergency travel certificates.



Photo: Kenyans in Thailand and Australia receiving services through the MCS outreaches

The State Department hosted the inaugural Jamhuri Diaspora Awards in December 2024 where 16 Kenyans living abroad were honored for their significant contributions to the country. The Awards ceremony celebrated Kenyans in the Diaspora who have excelled in various fields including Media & Journalism, Community engagement, Philanthropy & social impact, education & mentorship, art & culture and patriotism among others.



PHOTO: State Department for Diaspora Affairs PS with the inaugural Jamhuri Diaspora Awards awardees

In addition, Kenyans in the diaspora were engaged through State and High-Level visits in USA, Germany, China, India, Switzerland, Saudi Arabia, Austria, Egypt, Hungary, Qatar, UAE, UK and Brazil. The engagements provided a platform for dissemination of Government policies, programmes and projects and availed the diaspora an opportunity to share their views and contribute to the national development discourse. The State Department in collaboration with the Diaspora Technical Working Group (DTWG) held discussions with Katiba Kenya, Law Society of Kenya (LSK), the IEBC, the National Assembly committee on Diaspora and Migrant Workers, the National Assembly committee on Defence and Foreign Relations, the Treasury and H.E the President on various issues affecting the Kenyans in the diaspora.



PHOTO: H.E. The President, PS - SDDA and the Diaspora Technical Working Group at the State House, Nairobi.

The State Department facilitated signing of a Comprehensive Migration and Mobility Agreement with Germany, an MoU with Austria and signing of a Strategic partnership on remote jobs with Friedrich Naumann Foundation (Germany). In addition, an MoU was signed with GR8 employment solutions and training limited of Jersey Island on promotion of employment opportunities. The State Department also launched the Global Labour Market Strategy 2023-2027 that aims to position Kenya as a key player in the dynamic and ever-evolving global labour market.



PHOTO: Signing of Comprehensive Migration and Mobility Agreement with Germany led by H.E. President William Ruto and the Prime Cabinet Secretary

A Comparative Study to India on Diaspora contribution to National development was conducted in November, 2024. The study aimed at sharing best practices in supporting and managing diaspora affairs and entailed among others in-depth deliberations with India's Ministry of External Affairs and the Reserve Bank of India.

The State Department also conducted five (5) Diaspora Job Fairs under the Diaspora Mashinani initiative. The job fairs offered Kenyans comprehensive guidance on procedural and documentation requirements for labour mobility.



PHOTO: Signing of MoU with GR8 Employment Solutions & Training Limited of Jersey



PHOTO: Prime Cabinet Secretary and PS State Department for Diaspora Affairs during the launch of the Kenya Diaspora Policy 2024

State Department for Diaspora Affairs

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The State Department launched the Kenya Diaspora Policy 2024 in March 2025. The Policy highlights different Policy Areas and proposed Policy Actions with a view to enhancing diaspora service delivery and facilitating diaspora investment, skills, knowledge and technology transfer.

Further, the State Department held engagements with the media to inform Kenyans about the Department's mandate, activities and initiatives.



PHOTO:PS State Department for Diaspora Affairs during KBC Prime Edition and Spice FM Media Interviews

During the implementation period, the State Department experienced challenges and constraints which influenced service delivery. These include:

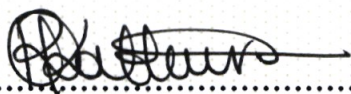
- Financial constraints by Kenyan Missions abroad which impacted diaspora service delivery and timely budget implementation of planned activities;
- International labour migration, evolving global conflicts and volatility of peace and security which affected Kenyans in the Diaspora;
- Lack of accurate data of Kenyans in the Diaspora coupled with low registration of Kenyans with missions abroad, affecting planning and decision making;
- Increased incidences of Human trafficking and transnational crimes targeting the Kenyan Diaspora;
- Expanded mandate without requisite funding eg the formation of the Diaspora Placement Agency (DPA) and the Diaspora Investment Support Office; and
- Inadequate office space.

The State Department deployed a number of strategies to mitigate against possible risks. These include: adherence to Public Finance Management Act, 2012, Public Finance Management Regulations, 2015; the Public Procurement and Assets Disposal Act, 2015 and the Public Procurement Regulations, 2020; as well as constitution of the Corruption Prevention Committee.

To improve diaspora service delivery, the State Department intends to: fast track the deployment of diaspora officers across selected missions abroad; regular roll out of Mobile Consular Services in the diaspora in a bid to bring consular services close to the Kenyans; regular consular visits to affected countries to address plight of migrant workers; roll out of the Diaspora Integrated Information Management System and enhance operations of the 24-hour Diaspora Response centre; and development of a Diaspora Bill to institutionalise diaspora as the 48th County.

I sincerely thank our stakeholders and partners for their support and collaboration throughout the reporting period. In particular, I thank the Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs for his strategic leadership and invaluable support.

Finally, I acknowledge the members of staff for their dedication and unwavering commitment to the execution of the State Department's mandate and service delivery to the Kenyan Diaspora. Indeed, the key milestones enumerated above would not be possible without the input of such an excellent team.



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Roseline Kathure Njogu, CBS

Principal Secretary

State Department for Diaspora Affairs

Office of the Prime Cabinet Secretary and Ministry of Foreign & Diaspora Affairs

7. Statement of Performance Against Predetermined Objectives for FY2024/25

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer presents a statement of performance against predetermined objectives of the MDA.

The key strategic objectives as per the State Department for Diaspora Affairs Strategic Plan 2023 – 2027 are to:

- a) Protect the rights and promote the welfare and interest of the Kenyan Diaspora;
- b) Facilitate Diaspora Savings, Investments, remittances and technology transfer;
- c) Strengthen engagement and partnership with the Kenyan diaspora;
- d) Facilitate placement of Kenyans in the international jobs market, skills and technology transfers;
and
- e) Strengthen Policy, Legal and Institutional Framework.

Linked to these objectives are specific programmes outcomes and outputs and performance indicators. The SDDA achieved the following on programme performance, to demonstrate the progress towards achievement of the predetermined objectives.

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Table 1: Programme performance against predetermined objectives

Programme	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY 2024/25			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
Programme: Management of Diaspora and Consular Affairs SP 1: Diaspora, Economic, Commercial and Cultural Affairs	Strengthen engagement and partnership with the Kenyan Diaspora. Facilitate Diaspora savings, investments, remittances and Technology transfer	Kenyan Diaspora mainstreamed in national development	Diaspora engagements strengthened	No. of engagement meetings during outbound state visits	4	13	9	12	44	32	Diaspora engagement carried out in USA, Germany, China, India, Switzerland, Saudi Arabia, Austria, Egypt, Hungary, Qatar, UAE, UK and Brazil.
				No. of benchmarking visits undertaken	1	1	-	5	1	(4)	1 visit to India undertaken.
				No. of Diaspora virtual town hall meetings organized	12	14	1	24	27	3	Hosted 14 successful virtual webinars on diaspora tax and customs in partnership with KRA (2), Diaspora Investment Strategy (1), GLMS with balozis (1) EAC Diaspora Policy (2), Diaspora Policy (1) Investment on Haba Haba (3), Diaspora TWG on elections amendment bill (1), Webiner with Kenyans in Finland on final rights packages (1),

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Programme	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY 2024/25			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
				No. of meetings with Regional Deans of Kenya Missions abroad	4	2	(2)	8	3	(4)	Philanthropic groups from UK & USA (2) Two meetings held with regional deans on labor mobility and human trafficking
				Diaspora database link in the Ministry website for the Kenyan Diaspora to register created	1	1	-	1	1	-	Link already on the e-citizen website as a service offered
				An updated database of the Kenyan Diaspora maintained	1	1	-	1	1	-	Diaspora database is updated
		Kenya's diaspora integrated into the national development agenda		No. of diaspora conferences and investment expos held	4	3	(1)	12	13	1	Participated in the Nyanza international investment conference in Kisumu, Murang'a County investment conference and the Kitui Investment conference.
			Bilateral labour agreements and MOUs facilitated ¹	No. of bilateral and labour agreements MOUs	2	4	2	6	8	2	Four (4) Strategic Partnerships on labour migration and mobility were signed with Germany (2),

¹ Target added after additional mandates captured in the executive orders preceding development of the Strategic Plan

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Programme	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY 2024/25			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
											Austria (1) and Jersey (1).
			Diaspora excellence awards established	Annual diaspora excellence awards	1	1	-	2	2	-	Held the Jamhuri Diaspora Awards on 13th December, 2024 where the State Department honoured 16 Kenyans living abroad.
			Establishment of Diaspora-specific investment products lobbied for	No. of meetings held with key stakeholders	12	8	(4)	16	9	(7)	Meetings held with local banks and fintechs to advocate for diaspora facing products
			Establishment of interest-bearing Bank Accounts for Foreign denominations for Diaspora/non-resident Kenyan accounts lobbied for	No. of meetings held with key stakeholders	12	6	(6)	16	9	(7)	Held meetings with Credit bank, ABSA bank, NCBA bank, Paramount Bank, KCB and Commercial International bank.
			A platform for public participation	No. of engagements with MDAs, the National	4	4	-	4	4	-	Public participation for the Kenya Diaspora Policy 2024 undertaken in

State Department for Diaspora Affairs

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Programme	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY 2024/25			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
SP 2: Management of Consular Services	• Protect the Rights and promote the welfare and interest of Kenyan Diaspora	A secure Kenyan diaspora	n of the diaspora in planning, budgeting, and policy formulation created	Assembly, the Senate, and County Assemblies							Kisumu, Nakuru, Mombasa and Machakos counties
			Consular services provided	Number of Kenyans served	1500	1,871	371	8500	15,678	7,178	MCS services offered in eleven (11) countries including Germany (151), South Korea (17), Malta (100), Cyprus (50), Switzerland (285), Australia & New Zealand (963), Thailand (111) South Korea (15), Sweden (35) and Finland (144).
			Draft Diaspora Evacuation Plan	National Evacuation Plan	1	1	-	1	1	-	Evacuations and Repatriation guidelines developed for implementation
			Finalized and implemented	% Level of implementation	100	100	-	100	100	-	21 Kenyans from Iran and 1168 from Lebanon successfully evacuated via a multiagency approach. (IOM - 42, GOK - 416, Self-Sponsored - 710) Medical evacuations were done in Tanzania (3), Oman

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Programme	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY 2024/25			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
											<p>(1) and South Korea (1), Lebanon (1) UAE (1).</p> <p>An approximate of 400 distress cases have been reported to the Division.</p> <p>Repatriation of 352 Kenyan diaspora in distress and mortal remains were repatriated. Mortal Remains (125) Kenyans in distress (285).</p> <p>Repatriation of victims of Human Trafficking from Myanmar (157), Malaysia (2), Myanmar (1) and India (7) Somalia (1) – A Total of 168 Kenyans were repatriated.</p>
			A framework for assessing the performance of honorary consuls developed	A framework developed	1	1	-	1	1	-	A framework for assessment of honorary consuls developed and implemented

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Programme	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY 2024/25			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			Consular visits undertaken	No of high-level consular visits to regions where there are major consular issues affecting Kenyans	4	3	(1)	12	11	(1)	Consular visits undertaken in India, Austria and the USA
SP3: Diaspora Interests Abroad	<ul style="list-style-type: none"> Facilitate placement of Kenyans in the International jobs market, skills and technology transfer 	Increased diaspora remittance	Diaspora professionals and business people mapped	No of Countries	25	0	(25)	25	0	(25)	Mapping Tool under development.
			Diaspora mainstreamed into National development process	No. of investment/skills diaspora forum for resources and skills mobilization amongst the Kenyan diaspora abroad	4	3	(1)	4	3	(1)	Three (3) forums held with Kenyans in Saudi Arabia (1), Germany (1) and a webinar with the Diaspora-on-Diaspora Investment Strategy (1).
SP 4: General Administration, Planning and Support Service	<ul style="list-style-type: none"> Strengthen Policy, Legal and Institutional frameworks 	Efficient service delivery to the Kenyan diaspora.	Staff welfare activities conducted	No. of wellness activities conducted	2	2	-	5	6	1	Staff participated in the Faraja Cancer Run/Walk and the Department's staff wellness day.
			Career progression training and Capacity building of Ministry staff conducted	No. of officers trained	115	113	(2)	188	169	(19)	35 officers' capacity built on enhancing service delivery

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Programme	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY 2024/25			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			Internships/ industrial attachments opportunities offered	No. of youths engaged	30	64	34	100	157	57	64 engaged – 56 attachés and 8 interns
			Network Infrastructure established	Level (%) of Network infrastructure established	100	100	-	100	100	-	Network Infrastructure established in the UAP Old Mutual building
			Video Conferencing Facility established	% Level of establishment	100	100	-	100	100	-	Facility fully established
			A 24-hr emergency response centre established	% Level of establishment	100	100	-	100	100	-	Fully Established
			Strategic Plan developed	Strategic Plan	1	1	-	1	1	-	Strategic plan developed and launched; Target achieved
			Kenya Diaspora Policy 2014 reviewed	% of completion	100	100	-	100	100	-	Kenya Diaspora Policy 2024 finalized and launched

8. Governance Statement

The Prime Cabinet Secretary provides overarching strategic policy leadership to the State Department. Serving as the primary link between the Ministry of Foreign and Diaspora Affairs and both the President and Parliament, the Prime Cabinet Secretary ensures that the State Department's priorities align with national development goals. The office guides the formulation of diaspora-related policy, facilitates inter-ministerial coordination, and promotes a coherent approach to addressing the welfare, rights, and economic engagement of Kenyans living abroad.

The Principal Secretary is responsible for the overall coordination, management, and execution of the State Department's mandate. Reporting to the PCS, the PS provides operational oversight, ensures policy implementation, manages resources, and drives performance across all directorates, divisions, and units. This role involves close collaboration with technical teams, diplomatic missions, other government agencies, and diaspora stakeholders to deliver effective programs and services that respond to the needs and aspirations of Kenyans abroad.

The State Department's core mandate is executed through two technical directorates. The Diaspora Welfare and Rights Directorate promotes continuous dialogue with Kenyans abroad, safeguards their welfare and rights, coordinates evacuations and reintegration, fosters partnerships across sectors, and advocates for diaspora representation in governance structures. It operates through two divisions: the Diaspora Welfare Division, which delivers consular, and cultural diplomacy services, provides counselling and legal support, and facilitates the reintegration of returning migrants; and the Liaison and Partnerships Division, which builds and strengthens diaspora associations, mobilizes philanthropic initiatives, engages county governments and diplomatic missions, and develops partnerships and resource mobilization strategies for diaspora programs.

The Diaspora Investments and Entrepreneurship Directorate drives diaspora economic engagement by facilitating investments, enhancing remittance efficiency, fostering skills and technology transfer, and encouraging enterprise development. It comprises two divisions: the Diaspora Savings, Investments and Remittances Division, which identifies and promotes investment opportunities, supports diaspora SACCOs, collaborates to reduce remittance costs, and encourages financial literacy; and the Diaspora Skills and Expertise Division, which maps diaspora talent, supports professional

recognition, fosters skills exchange, develops a diaspora think tank, and mobilizes resources for capacity-building in entrepreneurship, innovation, and job creation.

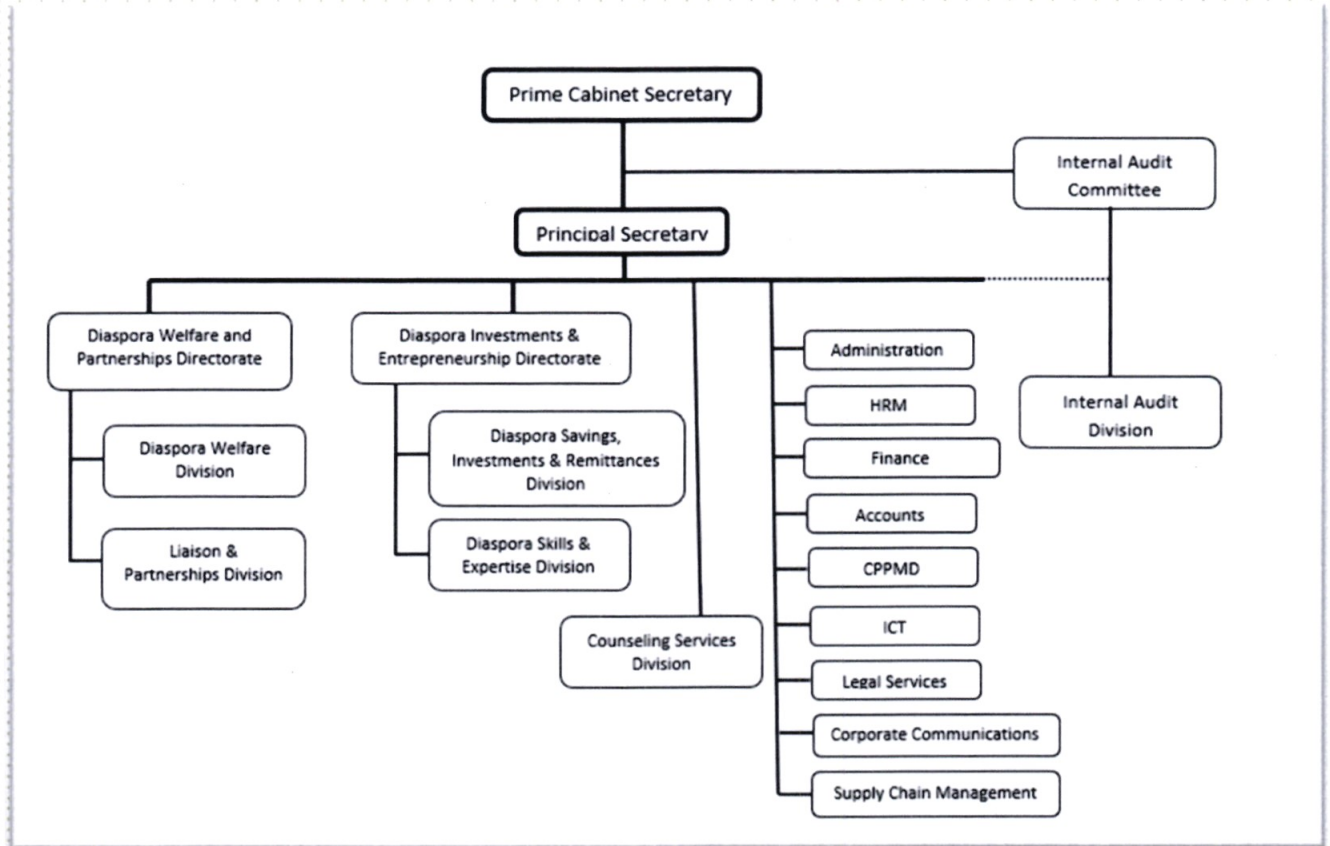
To support the PS in delivering on the State Department's objectives, specialized administrative and technical units provide targeted operational capacity. The Administration Division manages daily operations, logistics, and ensures the smooth handling of directives and cross-cutting matters. The Human Resource Management and Development Unit oversee recruitment, training, staff welfare, and career progression to build a motivated and skilled workforce. Financial stewardship is maintained through the Finance Unit, which formulates and manages the departmental budget, and the Accounting Unit, which implements the budget, prepares financial reports, and ensures compliance with fiscal regulations. Strategic planning and performance oversight are led by the Central Planning and Project Monitoring Department, which handles M&E, strategic plan formulation, annual work planning, and performance contracting. Public engagement is facilitated by the Communications Division, which designs communication strategies, manages media relations, and ensures accurate, timely dissemination of information to stakeholders.

The Legal Services Unit provides legal advice, ensures compliance with laws and regulations, manages litigation affecting the State Department, and offers guidance on matters involving Kenyans in the diaspora. Efficient procurement and resource allocation are handled by the Supply Chain Management Services, which oversees purchasing and inventory management in line with procurement laws. The Information Communication Technology (ICT) Unit manages the State Department's digital systems, databases, call centres, and ICT infrastructure, ensuring reliable and secure platforms for service delivery. The Internal Audit Unit strengthens governance by conducting audits, assessing risks, and advising on internal controls. The Records Management and Library Unit ensure proper documentation, archiving, and retrieval of records to support decision-making and accountability. Lastly, the Counselling Unit provides psychosocial support and counselling services to departmental staff, distressed Kenyans abroad, and their families, promoting mental wellness and resilience within the diaspora engagement framework.

Through this leadership, technical, and administrative structure, the State Department for Diaspora Affairs ensures a coordinated, efficient, and accountable approach to advancing the welfare, rights, and economic integration of Kenyans abroad into the national development agenda.

8.1 A brief on the key leadership/governance structure of the State Department for Diaspora Affairs

The State Department for Diaspora Affairs under the leadership of the Prime Cabinet Secretary has various structures that facilitate good governance.



8.2 Management Committees established, Roles and Activities

a. Public Finance Management Standing Committee

The Committee is established pursuant to regulations 18 and 19 of the Public Finance Management Act, (National Government) Regulations 2015. The Committee was established on 14th August 2024 to undertake the following roles and responsibilities:

- a) Ensuring that there is prioritization on resources allocated to a National Government entity for the smooth implementation of the entities Mission, strategy, goals, risk policy plans and objectives;
- b) Regularly reviewing, monitoring budget implementations and advice on the entity's accounts, major capital expenditures and reviewing performance and strategies at least on a quarterly basis;
- c) Identifying risks and implementation of appropriate measures to manage such risks or anticipated changes impacting on the entity;
- d) Reviewing on a regular basis the adequacy and integrity of the entity's internal control, acquisition and divestitures and management information systems including compliance with applicable laws. Regulations, rules and guidelines;
- e) Establishing and implementing a system that provides necessary information to the stakeholders including stakeholder communication policy for the entity in line with Article 35 of the Constitution;
- f) Monitoring the effectiveness of the corporate governance practices under which the entity operates and proposes revisions as may be required, from time to time;
- g) Monitoring timely resolution of audit issues; and
- h) Any other matter referred to it from time to time by the responsible Cabinet Secretary or in the case of Parliament, Judiciary, Independent Office and Commissions, the head of that entity

b. Budget Implementation Committee

This is the committee charged with the responsibility of implementation of the State Department for Diaspora Affairs budget and its prudent management. The Committee was established on 17th September 2024 to undertake the following duties:

- i) Review and consider the annual cash flow plans;

- j) Review the utilisation of the cash limits and consider any changes as may be required;
- k) Review the utilisation of the donor funds voted for the State Department;
- l) Advise the Accounting Officer on the challenges related to the budget implementation;
- m) Review and recommend the reallocation of payments;
- n) Review and approve the submission of the payment returns, payroll IPPDs, pending bills and A-I-A returns for the State Department and recommend actions to be taken;
- o) Participate in Sector Working Groups (SWG) for budget making; and
- p) Review Annual budgets, Supplementary Estimates and performance of budget against actual for the Directorates in consultation with the Heads of Directorates.

c. Human Resources Management Advisory Committee (HRMAC)

The HRMAC committee was constituted on 19th July, 2024 and held three meetings during the year on 10th August, 2024, 11th December, 2024 and 9th June, 2025. The duties include:

- Recruitment, selection and appointment of staff;
- Promotion for officers;
- Confirmation in appointment for all Job Groups;
- Training and Development, including induction of all transferred and newly recruited staff;
- Training Impact Assessment;
- Management of skills, audit and inventory;
- Proposals on staff establishment and complement control;
- Payroll management;
- Deployment and posting of staff;
- Promotion and implementation of Values and Principles of Public Service and ensuring compliance;
- Administration of biennial and final declaration of income, assets and liabilities and the public service code of conduct and ethics for officers in CSG '8' and below;
- Quarterly report on the initial and final declaration of income, assets and liabilities for all public officers;
- Quarterly report on the discharge of Human Resource function including implementation of PSC decisions;

- Quarterly report on the status of implementation of the recommendations contained in the annual values and principles report;
- Conduct and report on investigations;
- Recommendation for waiver of requirements of the career progression guidelines;
- Recommendation for review of grading and organisation structures;
- Recommendation for review of career progression guidelines;
- Recommendation for secondments, leave of absence, unpaid leave and transfer of service;
- Recommendation for retirement under 50 years' rule;
- Recommendation for retirement on medical grounds;
- Recommendation for retirement on voluntary grounds;
- Recommendation for engagement of interns;
- Recommendation for re-designation;
- Recommendation for engagement and renewal of contracts;
- Recommendation for Public Service Excellence Award;
- Disciplinary control
- Pensions Management; and
- Staff welfare, health and safety.

d. Employee Performance Management Committee

The committee was constituted on 19th July, 2024 to undertake the following functions

- a) Undertake a quarterly review of implementation of the Strategic Plan and Performance Contracts;
- b) Ensure a clear linkage between Institutional Performance Contract and the Staff Performance Appraisal Systems;
- c) Ensure that the overall assessment of employee performance is within the context of institutional performance as evaluated through the staff appraisal system;
- d) Ensure the performance of all officers is evaluated and feedback on performance is relayed in writing at the end of the year;
- e) Hold quarterly performance review meetings;
- f) Consider performance reports from various departments within the State Department and make recommendations for improvement;
- g) Review cases of appeals on appraisal ratings between supervisors and appraisees;

- h) Make recommendations to the Authorised Officer on the application of Rewards and Sanctions
- i) Develop and implement the internal monitoring, evaluation and reporting system; and
- j) Ensure that the integrity and credibility of the overall process of rewards and sanctions system is safeguarded and maintained at all times.

e. Disposal Committee

- a) The disposal committee was formed on 10th January, 2024 pursuant to section 163(1) of the Public Procurement and Asset Disposal Act 2015. For the purpose of disposal of unserviceable, obsolete, obsolescent or surplus stores equipment or assets.
- b) The Disposal Committee is responsible for verification and processing of all recommendations in liaison with the head of supply chain management function.
- c) The committee has the following functions;
- d) conduct board of a survey of items for disposal;
- e) verify the condition and the location of the items identified for disposal;
- f) determine the current market value of the items for disposal;
- g) set up a reserve price based on (c) above, where technical advice is not required;
- h) verify the justification and procedure for disposal;
- i) seek technical expertise where necessary to ascertain the value and the condition of the items; and
- j) prepare a disposal report and submit it to the accounting officer, with specific recommendations on the items to be disposed or those not to be disposed and the reasons thereof.

However, within the year the Committee did not hold its meetings because there were no items for the State Department to dispose.

f. Audit Committee

Pursuant to section 73(5) and (155) of the Public Finance Management Act 2012 and Public Finance Management Regulations 2015 and Gazette Notice No. 40 of 15/4/2016 on the establishments of the audit committees in all public entities. The Office of the Prime Cabinet Secretary and Ministry of Foreign and Diaspora Affairs established the Audit Committee whose functions are:

- c) Support the Accounting Officers with regard to their responsibilities for issues of risk, control and governance and associated assurance but the responsibility over the management of risk, control and governance processes remains with the management of the concerned entity; and
- d) follow up on the implementation of the recommendations of internal and external auditors.

An audit committee can involve all or a combination of the following duties and responsibilities:

- (i) Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- (ii) Provide an independent review of an entity's reporting functions to ensure the integrity of financial reports.
- (iii) Monitor the effectiveness of the entity's performance management and performance information.
- (iv) Provide strong and effective oversight of an entity's internal audit function.
- (v) Provide effective liaison and facilitate communication between management and external audit.
- (vi) Provide oversight of the implementation of accepted audit recommendations.
- (vii) Ensure the entity effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.

8.3 Risk Management Policies within SDDA

The State Department for Diaspora Affairs (SDDA) is working towards having in place comprehensive risk management policies to ensure operational integrity, resource optimization, and compliance with legal requirements. The Internal Audit Unit plays a complementary role by continuously monitoring risk exposure and compliance, and by recommending timely mitigation measures to strengthen internal controls. The Unit also undertakes risk-based audits and provides management recommendations from time to time.

To further safeguard operations, SDDA has adopted several strategies, including strict adherence to the Public Finance Management Act, 2012 and Public Finance Management Regulations, 2015, as well as the Public Procurement and Asset Disposal Act, 2015 and the Public Procurement Regulations, 2020. Additionally, a Corruption Prevention Committee has been constituted to promote transparency and accountability, alongside the maintenance of a comprehensive asset register to track and safeguard public resources. These measures collectively ensure proper utilization of resources, promote ethical

conduct, and enhance the Department's capacity to anticipate, mitigate, and manage potential risks effectively.

8.4 Recent training and development in governance for those in key leadership.

During FY 24/25, the state department has undertaken skills improvement and knowledge enhancement programs for its officers, including the Senior Management Course, Strategic Leadership Development Program, and Lower Cadre training. These training programs have ensured officers are equipped with the requisite skills to perform their duties and are also in line with the various schemes of service for career progression.

8.5 Public Participation Activities

Pursuant to Article 10 of the Constitution on National values and Principles of governance, and in line with the Department's mandate on mainstreaming the Diaspora, the State Department for Diaspora Affairs held public participation on reviewing the Diaspora Policy 2014, the Finance Bill 2024/2025, the Diaspora Investment Strategy, Strategic Plan 2023 - 2027 as well as during town halls conducted alongside Mobile Consular Services, Diaspora Investment Conferences, Diaspora job fairs and during State/High level visits. The views gathered from the public participation exercises were used to inform government policy and decision making on diaspora matters.

8.6 Compliance with Laws and Regulations

The State Department complied with all statutory requirements

9. Management Discussion and Analysis

In the Financial years 2022/23 the State Department had an approved budget of Ksh. 658,000,00, against expenditure of Ksh. 313,819,495 translating to a utilization of 52.2%. in the subsequent FY 2023/24 the approved budget was 1,187,710,295 and expenditure of Ksh. 1,091,119,533 giving a budget utilization of 92%. In the last FY 2024/25, the State Department had an approved budget of Ksh. 613,696.665 utilization of Ksh. 583,921,721 or 95%.

In the Financial year 2024/25, the State Department for Diaspora Affairs was allocated an approved budget of **Kshs. 828,143,693** in the Recurrent vote which was revised downwards to **Kshs. 637,826,729** in the Supplementary Estimates No. I of 2024/25 Financial Year and further revised downwards to **Kshs. 613,696,665** in the Supplementary Estimates No. II of the FY 2024/25.

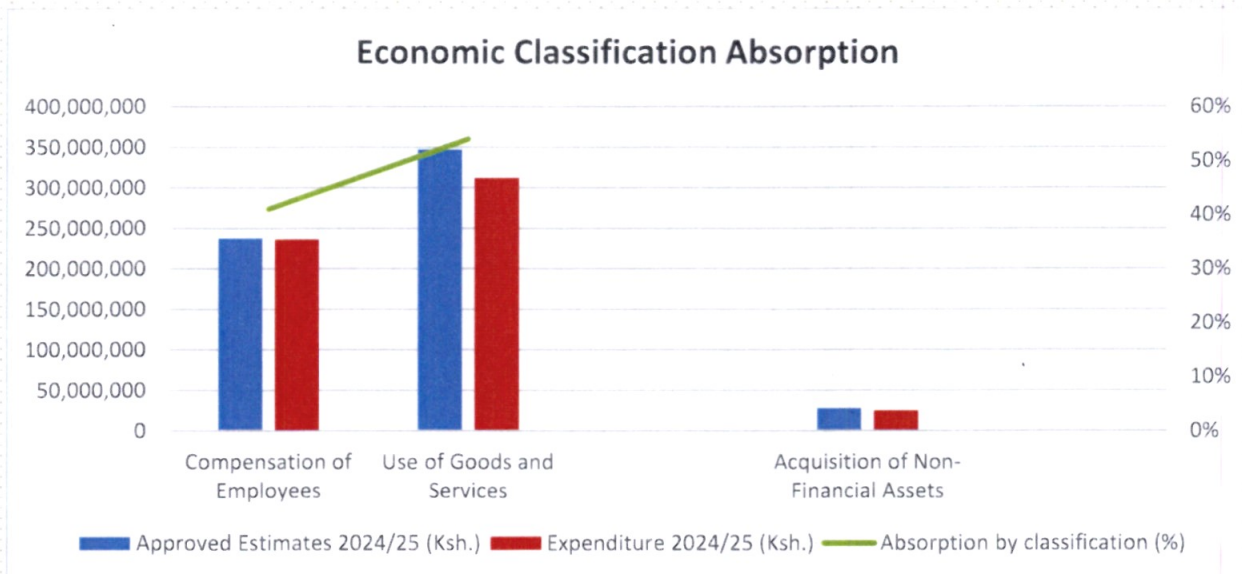
The State Department was funded under one (1) programme namely Management of Diaspora and Consular Affairs and the following four (4) sub-programmes: Diaspora Economic, Commercial and Cultural Affairs; management of Consular Affairs; Diaspora interest abroad; and General Administration, Planning and Support Services.

Program	Approved Estimates FY 2024/25 (Kshs)	Revised Estimates No. I FY 2024/25	Revised Estimates No. II FY 2024/25
Management of Diaspora & Consular Affairs	828,143,693	637,826,729	613,696,665
Grand Total	828,143,693	637,826,729	613,696,665

Programme 1: Management of Diaspora and Consular Affairs

The objective of this programme is to promote engagement with the Kenyan Diaspora with an aim of mainstreaming them into the National Development agenda and enhance consular services. This programme was allocated **Kshs. 613,696,665** and the utilization/absorption as at the end of the Financial Year 2024/25 was **Kshs. 583,921,721**. This translates to an absorption of **95%** where the utilization in economic classification was as follows: -

Economic Classification	Approved Estimates 2024/25 (Ksh.)	Expenditure 2024/25 (Ksh.)	Absorption by classification (%)
Compensation of Employees	237,769,963	236,822,247	40.5%
Use of Goods and Services	347,473,376	321,301,669	55%
Acquisition of Non-Financial Assets	28,453,326	25,797,805	4.4%
Total	613,696,665	583,921,721	100%



The State Department did not have any development projects in the period under review. However, funding proposals have been submitted to establish safe houses in four (4) missions abroad namely Riyadh (Saudi Arabia), Doha (Qatar), Dubai (UAE) and New Delhi (India) at a cost of Kshs. 200,000,000. This is in a bid to champion and protect the rights and welfare of the Kenyans in Diaspora.

Compliance with statutory requirements

The SDDA complied with all statutory requirements.

Major risks facing the organisation.

The major risks facing the State Department are:

- a. Geopolitical Instability - Wars, conflicts, or political changes affecting Kenyans in diaspora
- b. Foreign Exchange Losses - Forex losses incurred by the State Department when remitting funds to spending units (Missions abroad)
- c. Budget cuts – Reduction in the State Departments budget affects full implementation of the mandates and operationalization of the two (2) sagas (Diaspora Placement Agency and Diaspora Investment Support Office).
- d. Immigration Policy changes - Stricter visa and work permit regulations by foreign governments making placements abroad harder.

Material arrears in statutory and other financial obligations

There were no arrears in statutory obligations. However, the State Department has bills payable amounting Kshs 231,473,635.

Review of the economy and sector

The State Department has a Presidential Directive aimed at facilitating the growth of diaspora remittances from KSh. 478.5 billion in 2022 to KSh. 1 trillion in 2027. In the FY 2024/25 review period, the Kenyan diaspora remittances rose to Ksh. 660.9 billion.

The State Department also contributed to the Government agenda of creating jobs through the Kazi Majuu that has enabled over 400,000 Kenyans to secure dignified jobs abroad, across various sectors—including healthcare, construction, engineering, hospitality, and education—through bilateral labour agreements and strategic partnerships with countries such as Germany, Austria, and Jersey.

Future developments

The Government needs to consider increasing allocation of adequate funds towards the State Department for Diaspora Affairs so as to meet the needs of the programmes, projects and the two SAGAs namely; Diaspora Placement Agency and Diaspora Investment Support Office.

Any other information considered relevant to the users of the financial statements.

The State Department for Diaspora Affairs began its operations in December 2022 following the executive Order no. 1 of 2022 and has been operational in the last two years and seven months by the end of the FY 2024/25.

10.Environmental and Sustainability Reporting

a) Sustainability strategy and profile

The State Department leveraged on technology to ensure prudent use of financial resources and time management by conducting online meetings/webinars, reducing paper work through email services, serving Kenyans through the Diaspora 24-Hour Response Center. The State Department will engage other MDAs to facilitate programmes and activities that touch on the Kenyan diaspora including IEBC on diaspora voting, KRA on taxation and the Central Bank on diaspora remittances among others.

b) Environmental performance /climate change/ mitigation of natural disasters

The State Department for Diaspora Affairs planted 34,770 trees in the FY 2024/25 in Kirinyaga, Nairobi, Mombasa, Meru, Machakos, Nakuru and Kisumu Counties. This is in line with the Presidential Directive on National Tree Growing and Restoration Campaign of growing at least 15 billion trees by 2032. The trees planted included an assortment of indigenous trees including *Azandrachia Indica*, *Terminalia Cattapa*, *Terminalia Brownii*, *Casuarina Equisetifolia* and *Seena Siamea*. The initiative was mainly affected by budgetary constraints for purchase, planting and maintenance of trees.



PHOTO: SDDA officers led by Director Planning (Centre right) planting trees in Mombasa during a public participation exercise of the Kenya Diaspora Policy 2024.

c) Employee welfare

The State Department continues to adhere to the Human Resource policies and regulations and any other policy documents that ensure employees are positively impacted. This has been achieved through timely implementation of succession management circulars from Scheme Administrators.

The State Department has also provided continuous training opportunities to its officers e.g. Career progression training courses, skills and knowledge enhancement programs at the Kenya Schools of Government.

Recently, the staff participated in a wellness day in collaboration with various stakeholders to sensitize staff on mental well-being, screening of non-communicable diseases, health check-ups and physical activities that ensure the officers foster a culture of team work, work life balance and embrace a holistic approach to their environment.

The State Department has a Counselling unit that offers psycho-social support to the Staff. Additionally, the State Department has developed a Mental Wellness Action Plan that addresses the rising mental health challenges at the work place.

d) Operational Practices

The State Department adheres to the Public Finance and Management Act, 2012, Public Finance Management Regulations 2015, the Public Procurement and Asset Disposal Act, 2015 and Public Procurement and Assets Disposal Regulations 2020 in its operations, acquisition of non-financial assets and financial management. The State Department also observes guiding principles set by the Public Procurement and Asset Disposal Act 2015 and its Regulations 2020. The principles include; Good governance, integrity, equal opportunity, professionalism, transparency and accountability, compliance and conformity, maximisation of value for money, efficiency and effectiveness, recognition of international trade treaties and interests, and sustainable procurement.

e) Community Engagements

The State Department, in collaboration with MDAs and non-state actors, engaged communities across various counties through Job Fairs. These forums provided youth with information on safe labour mobility pathways and connected job seekers with licensed recruitment agencies for on-site screening.

State Department for Diaspora Affairs

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

In partnership with philanthropic Kenyan diaspora groups—Hernia International and Tumaini Brothers—the Department facilitated two free medical camps in Meru and Murang’a counties. The State Department also joined the Faraja Run/Cancer Walk, a CSR initiative dedicated to raising cancer awareness, supporting survivors, and showing solidarity with those affected. These activities underscore the Department’s commitment to community wellness and social responsibility.



PHOTO: SDDA represented by Amb. Ann Wanjohi, Tumaini Brother's Keepers ran a two-day medical camp in Murang’a County,

11. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements to be prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the State Department for Diaspora Affairs is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Diaspora Affairs accepts responsibility for the entity's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the entity's financial statements give a true and fair view of the state of the entity's transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer in charge of the State Department for Diaspora Affairs further confirms the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the State Department for Diaspora Affairs confirms that the MDA has complied fully with applicable Government Regulations, and that the State Department for

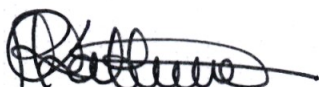
State Department for Diaspora Affairs

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

Diaspora Affairs' funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the State Department for Diaspora Affairs' financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the PSASB of Kenya.

Approval of the financial statements

The State Department for Diaspora Affairs' financial statements were approved and signed by the Accounting Officer on 29th AUGUST 2025.



.....
Name: Roseline Kathure Njogu, CBS

Accounting Officer



.....
Name: Polly N. Maingi
Head of Accounting Unit
ICPAK M/No 5427

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR DIASPORA AFFAIRS FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying transitional IPSAS financial statements of State Department for Diaspora Affairs set out on pages 1 to 36, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance,

Report of the Auditor-General on State Department for Diaspora Affairs for the year ended 30 June, 2025

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

In my opinion, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of the State Department for Diaspora Affairs as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Opinion

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

Key Audit Matters

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

Other Matter

1. Inadequate Budgetary Provisions to undertake Diaspora Activities in Foreign Missions

During the year under review, the State Department did not have staff to implement diaspora activities in Foreign Missions despite having an approved staff establishment of twenty-six (26) staff for Foreign Missions. The State Department depended on staff from the State Department for Foreign Affairs to carry out diaspora activities in the Foreign Missions. Management indicated that non-deployment of staff to implement diaspora activities in Foreign Missions was due to lack of a budget.

Further, physical verification carried in sampled Missions indicated challenges in implementing diaspora functions due to limited budgetary provisions. Some of the Missions abroad incurred emergency costs, rescue operations, provision of temporary hosting of victims and coordinated repatriation efforts of affected individuals. However, these critical interventions were severely constrained by limited or non-dedicated funding.

The lack of adequate budgetary provision to undertake diaspora functions and activities in Foreign Missions may have negatively impacted on the achievement of the objectives of the State Department.

2. Unresolved Prior Year Matters

In the prior year audit report, several issues were raised under Emphasis of Matter, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the State Department in 2024/2025 revealed that the following four (4) of the issues remained unresolved.

	Report Section	Audit Issue
1	Emphasis of Matter	Pending accounts payable
2	Report on Lawfulness and Effectiveness in Use of Public Resources	Non-compliance with National Social Security Fund Tier II deductions
3	Report on Lawfulness and Effectiveness in Use of Public Resources	Irregularities in recruitment of Foreign Service cadets
4	Report on the Effectiveness of Internal Controls, Risk Management and Governance	Enhancement of governance systems for security related expenditures

Other Information

The Management is responsible for the Other Information set out on page iii to liii which comprise of Key Entity Information and Management, Profiles of Cabinet Secretary, Accounting Officer and Key Management, Statement by the Prime Cabinet Secretary, Statement by the Accounting Officer, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

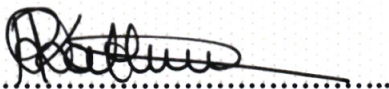
Nairobi

02 December, 2025

13. Statement of Financial Performance for the year ended 30 June 2025


Description	Notes	Period Ended June 2025
		Kshs
Revenue from non-exchange transaction		
Transfers from Exchequer	6	587,847,003
Total		587,847,003
Total revenue		
		587,847,003
Expenses		
Employee costs	7	233,531,133
Use of goods and services	8	363,897,156
Depreciation and amortization expense	9	11,557,976
Total expenses		608,986,265
Surplus/Deficit for the year		(21,139,262)

The Financial Statements set out on pages 1 to 7 were signed by:



Name: Roseline Kathure Njogu, CBS

Accounting Officer



Name: Polly N. Maingi

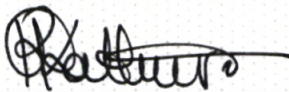
Head of Accounting Unit

ICPAK M/No 5427

Statement of Financial Position as at 30 June 2025

Description	Notes	Period as at June	Opening Statement
		2025	1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	10	43,674,085	35,407,631
Receivables from Exchange Transactions	11	48,815	
Total Current Assets		52,652,500	35,407,631
Non-Current Assets			
Property, Plant, and Equipment	12	65,451,542	69,333,990
Intangible Assets	13	36,311,377	-
Total Non-Current Assets		101,762,919	69,333,990
Total Assets (A)		154,415,419	104,741,621
Liabilities			
Current Liabilities			
Trade and Other Payables	14	231,473,635	174,014,602
Refundable Deposits	15	13,578,552	8,490,287
Total Current Liabilities		245,052,187	182,504,889
Non-Current Liabilities			
Total Non-Current Liabilities		-	-
Total Liabilities (B)		245,052,187	182,504,889
Net Assets (A-B)		(99,566,368)	(77,763,268)
Represented By:			
Reserves		-	-
Accumulated Surplus		(99,566,368)	(77,763,268)
Capital Fund		-	-
Net Assets		(99,566,368)	(77,763,268)

The financial statements set out on pages 1 to 7 were signed by:



Name: Roseline Kathure Njogu, CBS

Accounting Officer



Name: Polly N. Maingi

Head of Accounting Unit

ICPAK M/No 5427

15. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Accumulated Surplus	Total
	kshs	kshs
As at July 1, 2024	(77,763,268)	(77,763,268)
Surplus/ deficit for the period	(21,139,262)	(21,139,262)
Returns to exchequer	(747,094)	(747,094)
Other changes (Assets donated in kind)	83,255	83,255
As at 30 June 2025	(99,566,369)	(99,566,369)

16. Statement of Cash Flows for the year ended 30 June 2025

	Notes	Kshs
Cash flows from operating activities		
Receipts		
Transfers from exchequer	6	587,847,003
Other receipts		135,372,640
Total receipts		723,219,643
Payments		
Employee costs	7a	236,822,247
Use of goods and services	8a	321,162,669
Other Payments		130,284,375
Total payments		688,269,291
Net cash flows from/(used in) operating activities	16	34,950,352
Cash flows from investing activities		
Purchase of PPE	12a	(3,210,435)
Purchase of Intangible Assets	13a	(22,726,369)
Net cash flows from/(used in) investing activities		(25,936,804)
Cash flows from financing activities		
Return to Exchequer		(747,093)
Net cash flows from financing Activities		(747,093)
Net increase/(decrease) in cash & Cash equivalents		8,266,454
Cash and cash equivalents at the start of the period	10	35,407,631
Cash and cash equivalents at the end of the period	10	43,674,085

17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

Recurrent and Development Combined

Description	Original budget	Adjustments	Final budget	Actual on a comparable basis	Budget utilization difference	% of utilization
	A	B	C=a+b	D	E=c-d	F=d/c %
Revenue						
Transfers from exchequer	828,143,693	(214,447,028)	613,696,665	587,847,003	25,849,662	96%
Total revenue	828,143,693	(214,447,028)	613,696,665	587,847,003	25,849,662	96%
Expenses						
Employees Costs	309,000,000	(76,921,322)	237,769,963	236,822,247	947,716	100%
Use of goods and services	419,273,692	(71,800,316)	347,473,376	321,301,669	26,171,707	92%
Total recurrent expenses	728,273,692	(143,030,353)	585,243,339	558,123,916	27,119,423	95%
Capital items						
Acquisition of PPE	99,870,001.00	(71,416,675)	28,453,326.00	25,797,804.70	2,655,521	91%
Total expenses Development	99,870,001	(71,416,675)	28,453,326	25,797,805	2,655,521	91%
Total expenses	828,143,693	(214,447,028)	613,696,665	583,921,721	29,774,944	95%
Surplus/ deficit				3,925,282		

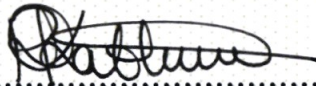
*State Department for Diaspora Affairs
Annual Report and Financial Statements for the year ended 30th June 2*

a) Commentary on significant underutilization and overutilization

i. The underutilization of 10% on use of goods and services was due to non-completion of some services procured during the year.

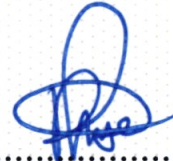
b) Reallocations within the year: The changes between the original and final budget are as a result of reallocations within the budget and budget cuts during supplementary I and II

The entity financial statements were approved on 29th August, 2025 and signed by:



Name: Roseline Kathure Njogu, CBS

Accounting Officer



Name: Polly N. Maingi

Head of Accounting Unit

ICPAK M/No 5427



Budget Reconciliation to the Statement of Cash Flows

Description of Particulars		Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	3,925,282
1	Increase in Deposits	5,088,266
2	Opening cash and cash equivalents	35,407,631
4	Refund to exchequer	(747,093)
	Closing Cash and Cash Equivalent as per the statement of Cash flows	43,674,086

Budget Execution by Programmes and Sub-Programmes for FY2025

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
Programme: Management of Diaspora and Consular Affairs					
Subprogramme 1: Diaspora Economic, Commercial and Cultural Affairs	253,247,788	-35,483,535	217,764,253	207,057,332	10,706,921
Subprogramme 2: Management of Consular Affairs	44,643,748	16,391,743	61,035,491	60,965,694	69,797
Subprogramme 3: Diaspora Interest Abroad	37,928,885	4,278,213	42,207,098	41,123,244	1,083,854
Subprogramme 4: General Administration, Planning and Support Services	492,323,272	-199,633,449	292,689,823	274,775,451	17,914,372
Total	828,143,693	-214,447,028	613,696,665	583,921,721	29,774,944

18. Notes to the Financial Statements

1. Establishment

The State Department for Diaspora Affairs was established vide Executive Order No. 1 of 2023, with a six (6) point mandate. This was later expanded through addition of three (3) mandates as well as the establishment of the Diaspora Placement Agency, under the Executive Order No. 2 of 2023 and further expanded through an addition of one (1) mandate and establishment of the Diaspora Investment Support Office under the Executive Order No. 1 of 2025. The State Department therefore has a ten (10) point mandate and two (2) institutions. Formation of the State Department was to fulfil the Government's commitments to the diaspora in recognition of their crucial role in Kenya's economic development.

The State Department for Diaspora Affairs is wholly owned by the Government of Kenya and is domiciled in Kenya. The MDA's principal activity is protection of the rights and championing welfare of the diaspora, continuous engagement of the Kenya Diaspora, diaspora empowerment and prosperity.

2. Statement of Compliance and Basis of Reporting

Statement of compliance

These financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

For the purpose of these financial statements, the State Department for Diaspora Affairs has been categorized as a Schedule 1 national government MDA in line with Section 4 of the Public Finance Management Act, 2012 read together with Regulation 211 (2) of the Public Finance Management (National Government) Regulations, 2015. Schedule 1 national government entities include Ministries, Departments, Agencies, constitutional institutions and independent offices. MDAs are reporting entities whose primary objective is to provide policy and coordination of government services.

The use of public resources by MDAs is primarily governed by Chapter 12 of the Constitution, the relevant Appropriation Act, the Public Finance Management Act, of 2012, and the Public Procurement and Disposal Act, of 2015.

These financial statements were authorized for issue by the Accounting Officer on 29th AUGUST, 2025.

The financial statements have been prepared in accordance with the Public Finance Management Act. The State Department for Diaspora Affairs has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st year financial statements are transitional financial statements and the following elements of the financial statements have been recognized: -

- Financial Assets and Liabilities
- Motor Vehicles

Reporting period

The reporting period for these financial statements is for the period ended 30 June, 2025.

Basis of preparation

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows). Under an accrual basis, revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

Critical accounting judgements

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

Recognition of revenue

A revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met. Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

Recognition of non-exchange expenses and liabilities

A liability is a present obligation of the State Department for Diaspora Affairs for an outflow of resources that results from a past event. Expenses (and other liabilities) are recognized when there is a present obligation (legal or constructive) as a result of a past event. An outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate of the obligation can be made. Judgment is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported.

The State Department for Diaspora Affairs pursues a number of policy targets and outcomes. However, the commitment to these targets and outcomes, generally, do not of themselves constitute a present obligation unless the State Department for Diaspora Affairs is clear on the cost it intends to incur, when payment will be made, and to whom and as a consequence has raised a valid expectation. As a consequence, liabilities are not reported for costs associated with the State Department for Diaspora Affairs policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the *SDDA*'s future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis. *SDDA* did not hold any financial instruments in the period under review.

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO₂eq. The State Department for Diaspora Affairs Commitment to climate change action does not constitute a present obligation on the balance sheet but is disclosed separately.

Physical assets

An asset is a resource presently controlled by the State Department for Diaspora Affairs as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows.

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 2025.*

There were no new and amended standards issued in the financial year.

ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an MDA.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The State Department has taken advantage of the transition clause under IPSAS 33 and has not included the Lease of office space in this report and financial Statements. Once implemented the State Department will recognise a lease liability and a right of use asset.</p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. SDDA did not have any assets due for disposal by the end of the financial period.</p>
IPSAS 45-Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in</p>

Standard	Effective date and impact:
	<p>IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. SDDA did not have any heritage or infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value. SDDA assets have been measured on historical cost basis.</p>
<p>IPSAS 47- Revenue</p>	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an MDA shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. The standard has no effect on recognition of revenue for SDDA.</p>
<p>IPSAS 48- Transfer Expenses</p>	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. Transfer expenses shall be recognised in the statements of financial performance to the extent which they have been accounted for. The SDDA did not have any transfer expense transactions.</p>

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

iii) Early adoption of standards

The State Department for Diaspora Affairs did not early adopt any new IPSAS. SDDA is transitioning from cash to accrual basis of accounting and is applying provisions of IPSAS 33 in presenting its financial statements.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes, and fines

The State Department for Diaspora Affairs 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 the State Department for Diaspora Affairs and the fair value of the asset can be measured reliably. The State Department for Diaspora Affairs did not have any such revenue in the period under review.

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 State Department for Diaspora Affairs and can be measured reliably. Development grants are recognized in the statement of financial performance after meeting the revenue recognition criteria. Conditional grants are recognized as revenue upon fulfilment of the set conditions. There were no grants for the period under review.

ii) Revenue from exchange transactions

Rendering of services

The State Department for Diaspora Affairs Recognizes revenue from the 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 recoverable. No such revenue was realized in the period under review.

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. The State department did not realize such income in the period under review.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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. The State department did not realize such income in the period under review.

b) Budget information

The original budget for FY 2024/25 was approved by the National Assembly on 28th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the State Department for Diaspora Affairs upon receiving the respective approvals to conclude the final budget. Accordingly, the State Department was allocated an approved budget of **Kshs. 828,143,693** in the Recurrent vote which was revised downwards to **Kshs. 637,826,729** in the Supplementary Estimates No I of 2024/25 and further revised downwards to **Kshs. 613,696,665** in the Supplementary Estimates No.II of the FY 2024/25.

The State Department for Diaspora Affairs' budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. 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 cash flows has been presented under section 10 of these financial statements.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 50-year period. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use. The State Department does not have any investment properties.

d) 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 State Department for Diaspora Affairs 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.

e) Right of use asset

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the State Department for Diaspora Affairs incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred

to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the State Department for Diaspora Affairs expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position. The State Department has taken advantage of the transition clause under IPSAS 33 and has not included the right of use asset nor the lease liability in these statements.

f) Tangible Natural Resources

The State Department for Diaspora Affairs recognizes a tangible natural resource if, and only if: It is probable that service potential associated with the natural resource will flow to the State Department for Diaspora Affairs the State Department for Diaspora Affairs controls the tangible natural resource as a result of past events; and the tangible natural resource can be measured reliably. Where these criteria are not met, the State Department for Diaspora Affairs discloses the tangible natural resource in the notes to the financial statements. Where a tangible natural resource is recognized as an asset as the result of an event that is not a transaction in an orderly market, including non-exchange transactions, the asset shall be measured initially at its deemed cost. An MDA shall apply IPSAS 46, Measurement when measuring the deemed cost of such a recognized tangible natural resource. A recognized tangible natural resource acquired through an exchange transaction shall be measured at its cost. The historical cost model is applied after initial recognition less any depreciation and impairment losses. The State Department did not have any tangible natural resources as at the date under review.

g) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the State Department for Diaspora Affairs. 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 SDDA 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 SDDA 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. The SDDA has taken advantage of the transition period allowed under IPSAS 33 and has not recognized any lease in this financial report.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

h) 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. The SDDA has intangible assets recorded which are work in progress.

i) Research and development costs

The State Department for Diaspora Affairs expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the State Department for Diaspora Affairs 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 reliably measure 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. The State Department did not incur any such costs during the year under review.

j) 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 State Department for Diaspora Affairs does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the entity's financial statements. A financial instrument is any contract that gives rise to a financial asset of one MDA and a financial liability or equity instrument of another MDA. At initial recognition, the State Department for Diaspora Affairs 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. The State Department did not have any financial instruments as at the period under review.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

a. Financial assets

Classification of financial assets

The State Department for Diaspora Affairs classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/ equity, or fair value through surplus and deficit based on both the State Department for Diaspora Affairs' 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 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 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 MDA has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the State Department for Diaspora Affairs 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through net assets/ equity

Financial assets that are held for the 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.

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 State Department for Diaspora Affairs manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through a surplus or deficit model.

Impairment

The State Department for Diaspora Affairs 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 State Department for Diaspora Affairs recognizes a loss allowance for such losses at each reporting date. The State Department had no impairment of financial assets in the period under review.

Summary of Significant Accounting Policies (Continued)

b. Financial liabilities

Classification

The State Department for Diaspora Affairs classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

k) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or 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 distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the State Department for Diaspora Affairs. Inventories have been excluded in these statements as the State Department has taken advantage of the transition period in line with IPSAS 33.

l) Provisions

Provisions are recognized when the State Department for Diaspora Affairs 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 State Department for Diaspora Affairs 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 SDDA did not have any provisions in the year under review.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) 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 needs of society as a whole. The State Department for Diaspora Affairs would recognise a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the State Department for Diaspora Affairs will incur in fulfilling the present obligations represented by the liability. SDDA does not have any Social Benefits scheme.

n) Contingent liabilities

The State Department for Diaspora Affairs 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. There were no known contingent liabilities.

o) Contingent assets

The State Department for Diaspora Affairs 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 State Department for Diaspora Affairs in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs. There were no known contingent Assets.

p) Nature and purpose of reserves

The State Department for Diaspora Affairs creates and maintains reserves in terms of specific requirements. The State department maintains reserves for accumulated surplus and donated assets.

q) Changes in accounting policies and estimates

The State Department for Diaspora Affairs recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical. No changes were recorded in the year under review.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

r) Employee benefits

Retirement benefit plans

Defined contribution plans are post-employment benefit plans under which an MDA pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation. The State Department for Diaspora Affairs does not provide retirement benefits for its employees and directors.

s) 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 on 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.

t) 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 the construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

u) Related parties

The State Department for Diaspora Affairs 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 State Department for Diaspora Affairs, or vice versa. Members of key management are regarded as related parties and comprise the senior managers.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

v) Service concession arrangements

The State Department for Diaspora Affairs analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the State Department for Diaspora Affairs 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, and also recognizes a corresponding liability, adjusted by a cash consideration paid or received. SDDA did not have service concession arrangements.

w) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at the 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.

x) Comparative figures

In preparing these financial statements the State Department for Diaspora Affairs has elected to apply paragraph 79 of IPSAS 33, which allows for the election by an MDA to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position as at the time of first-time adoption of the accrual basis of accounting.

y) 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, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 State Department for Diaspora Affairs based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the entity. Such changes are reflected in the assumptions when they occur.

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 State Department for Diaspora Affairs.
- 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.

SDDA has elected the depreciation method as reducing balance with no charge in the year of purchase.

The depreciation rates applied in SDDA are highlighted below:

Motor vehicles	16.67%
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Provisions

Provisions are raised and management determined an estimate based on the information available. 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. The State Department did not have any provisions based on the information available.

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 Notes to the Financial Statements (Continued)

6. Transfers from Exchequer

Nature of transfer	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Total transfers
	Kshs	Kshs	Period ended June 2025 Kshs
Recurrent	587,847,003		587,847,003
Total	587,847,003	-	587,847,003

Description	Kshs
Recurrent	587,847,003
Total Transfers from Exchequer	587,847,003

7. Employee Costs

Description	Period as at June 2025
Basic Salaries - Permanent Employees	100,756,702
Basic Wages - Temporary Employees	-
Personal Allowances paid as part of Salary	128,442,752
Gratuity	4,331,678
Total Employee costs	233,531,133

7 a. Employee costs reconciliation

Description	Period as at June 2025
Statement of financial Performance	233,531,133
Accrued gratuity	(4,331,678)
Accrued gratuity paid during the year	7,622,793
Cashflow Statement	236,822,247

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8. Use of Goods and Services

Description	Period as at June 2025
Utilities, Supplies and Services	361,432
Communication, Supplies and Services	5,391,111
Domestic Travel and Subsistence, and Other Transportation Costs	13,000,435
Foreign Travel and Subsistence, and other transportation costs	190,778,601
Printing, Advertising and Information Supplies and Services	6,373,125
Rentals of Produced Assets	70,009,828
Training Expenses	11,457,715
Hospitality Supplies and Services	25,117,292
Specialised Materials and Supp	1,889,585
Office and General Supplies and Services	17,806,194
Fuel Oil and Lubricants	3,455,825
Other Operating Expenses	16,220,375
Routine Maintenance - Vehicles	1,948,042
Routine Maintenance - Other Assets	87,596
Total Use of Goods and Services	363,897,156

8a. Use of goods and services Reconciliation

Description	Period as at June 2025
Statement of financial Performance	363,897,156
Payables paid during the year	3,754,600
Payables for the year	(46,537,902)
Receivable - Fuel prepayment	48,815
Cashflow statement	321,162,669

9. Depreciation and Amortization Expense

Description	Period as at June 2025
Property, plant and equipment	11,557,976
Total Depreciation and Amortization Expense	11,557,976

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10. Cash and Cash Equivalents

Description	Period as at June 2025	Opening statement 1 st July 2024
	Kshs	Kshs
Recurrent Account	14,786,002	386
Deposits Account	13,578,552	8,490,287
Cash on Hand	1,383	749,945
Balances held by Kenya Missions abroad	15,308,148	26,167,013
Total	43,674,085	35,407,631

10(a) Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	Period as at June 2025	Opening statement 1 st July 2024
		Kshs	Kshs
Recurrent Account			
CBK001	1000695118	14,786,002	386
Deposits Accounts			
CBK002	1000695129	13,578,552	8,490,287
KCB Bank - (Cash on Hand)	1317935233	1,383	749,945
Balances held by Kenya Missions abroad	15,308,148	24,237,748	26,167,013
Total		43,674,085	35,407,631

11. Receivables from Exchange Transactions

Description	Period as at June 2025	Opening statement 1 st July 2024
	Kshs	Kshs
Other exchange debtors	48.815	-
Less: impairment allowance		
Total Receivables	48.815	-
a) Current receivables	48.815	-

11.(b) Ageing analysis for Receivables

Description	2024/2025		Opening Statement 1st July 2024	
	Kshs		Kshs	
Other exchange debtors	48,815		-	
Less: impairment allowance	0		0	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025	% of the total	Opening Statement 1 st July 2024	% of the total
Less than 1 year	48,815	100%	-	-

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12. Property, Plant, and Equipment

Description	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Total
Depreciation Rate	16.67%	12.50%	30%	
Depreciation Rate	16.67%	12.50%	30%	
Cost	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	75,732,911.00	-	-	75,732,911.00
Additions		4,604,092	3,071,436	7,675,528
Disposals				0
Transfer/Adjustments				-
As At 30 June 2025	75,732,911	4,604,092	3,071,436	83,408,439
Depreciation And Impairment				-
Depreciation B/F	6,398,921	-	-	6,398,921
Depreciation	11,557,976	-	-	11,557,976
Transfer/Adjustment				-
As At 30 June 2025	17,956,897	-	-	17,956,897
Net Book Values				-
Opening Bal as 1st July 2024	69,333,990	-	-	69,333,990
As At 30 June, 2025	57,776,014	4,604,092	3,071,436	65,451,542

Additional notes

- i) Furniture and office equipment donated in kind by WIDU valued at Kshs 83,255

12a. Property, plant & equipment- Additions during the year

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year-paid (Kshs)	Additions during the year-payables (Kshs)	Additions during the year-Donations (Kshs)	Historical Cost c/f (Kshs) 2024/2025
Transport equipment	75,732,911	-	-		75,732,911
Office equipment, furniture and fittings		139,000	4,381,837	83,255	4,604,092
ICT Equipment		3,071,436			3,071,436
Total	75,732,911	3,210,436	4,381,837	83,255	83,408,439

Valuation

Items of PPE are valued at Historical cost at the point of recognition in the financial statements. Where historical cost will not available or the item is acquired at, PPE will be valued at the current operational value which is the amount the SDDA would pay for the remaining service potential of an asset at the measurement date.

13. Intangible Assets

Description	Period ended 30th June 2025
	Kshs
Cost	
At beginning of the period	0
Add: Additions - Work in Progress	36,311,377
Less: Disposal	
At end of the period	36,311,377
Amortization and impairment	
At beginning of the period	0
Amortization	0
At end of the period	0
Impairment loss	0
At end of the period	0
NBV	36,311,377

13a. Intangible assets – additions during the year

Description	Kshs
Paid	22,726,369
Included in payables	13,585,008
Total Intangible Assets	36,311,377

14. Trade and Other Payables

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Trade payables	226,050,440		165,300,292	
Employee payables	5,423,195		8,714,310	
Sub -total	231,473,635		174,014,602	
Other payables- Deposits	13,578,552		8,490,287	
Total trade and other payables	245,052,187		182,504,889	
Ageing analysis: (Trade and other payables)	Current FY	% of the Total	1st July 2024	% of the Total
Under one year	83,506,495	34%	182,504,889	100%
1-2 years	161,545,692	66%	0	%
Total (tie to above total)	245,052,187		182,504,889	

14a. Trade payables movement

Description	Kshs
Trade payables for the year	Kshs
B/F	174,014,602
Paid during the year	(3,754,600)
Acquisition of Assets- Property, Plant and Equipment	4,381,837
Acquisition of Assets- Intangible assets	13,585,008
Others- Use of goods	46,537,902
Gratuity	(3,291,115)
Total Trade payables for the year	231,473,635

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15. Refundable Deposits and Prepayments

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Customer deposits	440,575		8,345,052	
Other deposits	13,137,977		145,235	
Total deposits	13,578,552		8,490,287	
Ageing analysis: (Refundable deposits)	Current FY	% of the Total	1st July 2024	% of the Total
Under one year	13,578,552	100%	8,490,287	100%
Total	13,578,552		8,490,287	

15a. Deposits Receipts and payments during the year

	Current Period	Previous Period
	Kshs	Kshs
Opening Balance	8,490,287.10	195,522.55
Transfers of retentions during the year	135,372,640.35	369,302,891.10
Payments made out of deposit account during the year	-130,284,375.15	361,008,126.55
Closing Balance	13,578,552.30	8,490,287.10

16. Cash Generated from Operations

	Period as at June 2025
Surplus for the period before tax	(21,139,262)
Adjusted for:	
Depreciation	11,557,976
Increase in deposits	5,088,265
Working capital adjustments	
Increase in receivables	(48,815)
Increase/ decrease in payables	39,492,187
Net cash flow from operating activities	34,950,352

17. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the State Department for Diaspora Affairs include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the State Department for Diaspora Affairs, holding 100% of the *SDDA*'s equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the *SDDA*, both domestic and external.

Other related parties include:

1. Cabinet Secretary, Ministry of Foreign and Diaspora Affairs;
2. The Accounting Officer, State Department for Diaspora Affairs;
3. The Accounting Officer, State Department for Foreign Affairs; and
4. Directorates, Divisions and Units in the State Department.

18. Events after the Reporting Period

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

19. Ultimate and Holding MDA

The MDA ultimate parent is the Government of Kenya.

20. Currency

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

19. Appendix

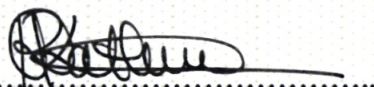
Appendix 1: Implementation Status of Auditor-General's Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
Emphasis of matter 1. - Pending Bills Amounting Kshs 173,835,378	Failure to settle bills during the year to which they relate adversely affects the subsequent year's programs as they form the first charge against that year's budget provision.	The Management acknowledges pending bills adversely affect the subsequent year's programs and will endeavour to institute measures within its control to minimise this. Bills amounting Kshs 3,764,000 were all paid during the financial year 2024/2025.	Not resolved	FY 2025/2026
Emphasis of matter 2. Budgetary control and performance	Underfunding and underutilization affected planned activities	The management acknowledging that the underutilization was in the funds sent to Kenya missions abroad has been checking the budgets to ensure that they are realistic.	Resolved	
Non-compliance with NSSF Tier II deduction	The State Department did not update employee and employer deductions for NSSF tier II	The NSSF deductions are effected centrally in the HRIS. The Tier 2 deductions have not been effected. The State Department awaits response from the State Department for Public Service to ensure compliance.	Not resolved	FY 2025/2026
Irregularities in recruitment of Foreign Service Cadets	The State Department did not adhere to the policy guidelines.	The State Department has an approved establishment for Missions abroad to cater for the excess officers mentioned. The issue will be addressed through deployment of officers to Missions abroad.	Not resolved	FY 2025/2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
Non- Compliance with One-third of basic salary rule	The State Department had officers who did not comply with the one-third basic salary rule	Officers who had breached the one-third salary rule have since complied.	Resolved	
Non-establishment of an Audit Committee	Failure of the Ministry to Establish the Committee contravenes section 7(5) of the PFMA 2012	The Committee is now in place.	Resolved	
Enhancement of governance systems for security related expenditures	Enhance accountability of expenditure of a confidential nature by review of regulations	The State Department ensures accountability of expenditure of a confidential nature as prescribed in Regulation 100(5) of the PFMA, National Government Regulations 2015.	Not Resolved	



Name: Roseline Kathure Njogu, CBS
Accounting Officer

Date 29th AUGUST 2025

Appendix III: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) 2024/2025
Transport equipment	75,732,911	-	-	-	75,732,911
Office equipment, furniture and fittings	119,458,102	4,604,092	-	-	124,062,194
ICT Equipment	50,231,221	3,071,436	-	-	53,302,657
Intangible Assets	-	36,311,377	-	-	36,311,377
Total	245,422,234	43,986,905	-	-	289,409,139



Appendix VI: Reporting of Climate Relevant Expenditures

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

SDDA did not have any climate relevant expenditures in the period under review.

Appendix VII: Disaster Expenditure Reporting Template

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
Management of Diaspora and consular affairs	General Administration, Planning & Support Services	Repatriation of Kenyans following political unrest and Human trafficking	Response	Repatriation	151,804,464	Lebanon Iran Thailand among others

