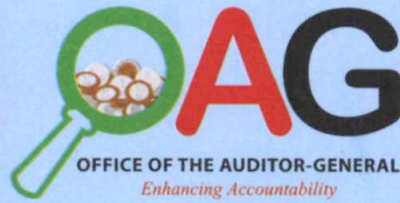


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REPORT

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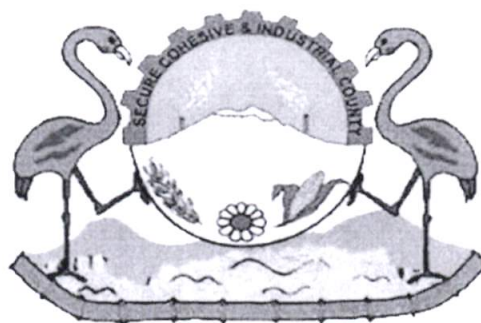
NAKURU COUNTY CO-OPERATIVE
DEVELOPMENT REVOLVING FUND

FOR THE YEAR ENDED
30 JUNE, 2025

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**NAKURU COUNTY CO-OPERATIVE REVOLVING DEVELOPMENT
FUND**

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

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

Nakuru County Co-op Revolving Development Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Nakuru County Co-op Revolving Development Fund
Annual Report and Financial Statements for the year ended June 30, 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings
FY	Financial year
CECM	County executive committee member
CO	Chief Officer
CPA	Certified Public Accountant

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

a) Background information

The Nakuru County Cooperative Revolving Development Fund is established by and derives its authority and accountability from The Nakuru County Cooperative Revolving Development Fund Act, 2020 and the Nakuru County Cooperative Revolving Development Fund Regulations, 2021. The fund is wholly owned by the County Government of Nakuru and is domiciled in Kenya.

b) Principal Activities

The Funds Principal activities mandate is to provide funds for granting low interest rate loans, provide funds to support and revive cooperatives, attract and facilitate investment in cooperatives and lastly but not least provide financial support to cooperatives. The fund administrative committee will formulate policy and guidelines, approve proposals submitted, authorize allocation of funds, approve organization structure of the fund, provide oversight in the utilization of the funds and ensure all projects funded are in consistent with the County priorities specified.

c) Fund Administration Committee

Ref	Name	Position
1	Chairperson	HILLARY KIBET KORIR
2	Committee Member	KEZIAH WAIRIMU NJUGUNA
3	Committee Member	MERCY MBAYA MULI
4	Committee Member	KIBET KURGAT
5	Committee Member	JOSEPH MALINDA
6	Fund Administrator	GEORGE OGALLO

d) Key Management team

Ref	Name	Position
1	Fund Administrator	GEORGE OGALLO
2	Fund Accountant	CPA Wilson Mungai
3	Member	KIBET KURGAT

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Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Directorate Internal Audit	Timothy Mbatia Njoroge
2	Trade, Business support and industrialisation Committee	Stanley Karanja-Chairperson

f) Registered Offices

P.O. Box 2870-20100
Weights and measures
Nakuru ,KENYA

g) Fund Contacts

Telephone: (254) 722947357
E-mail: trade.co@nakuru.go.ke
Website: www.nakuru.go.ke

h) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
Kcb House
Kenyatta Avenue
P.O. Box 48400-00100
Nakuru.

Key Entity and Management (Continued)

i) Independent Auditors

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




j) Principal Legal Adviser

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

k) County Attorney

The County Attorney
County Government of Nakuru
P.O. Box 2870
Nakuru, Kenya

3. Fund Administration Committee

Name	Details of qualifications and experience
 <p>Mr. HILLARY KIBET KORIR Chairperson D.O.B 08/08/1983</p>	<p>Mr Hillary Kibet Korir is a holder of Bachelors of Business Administration and Management, he also holds Certificate in animal Health Business management with work experience of over 8 years in</p>
 <p>Mrs. Mercy Mbinya Muli Vice Chairperson Date of Birth. 1978</p>	<p>Mrs. Mercy Mbinya Muli holds a Bachelor’s Degree in Commerce Accounting Option(Egerton University) She has a Post Graduate Diploma in Tax Administration (JKUAT) She has CPA II and a Post Graduate Diploma in Domestic Tax Administration, with 10 years’ Experience in Accounting and banking sector. She is currently the member of Nakuru County Revolving Development Fund</p>
 <p>MISS. KEZIAH WAIRIMU NJUGUNA Board Member D.O.B 29/05/1992</p>	<p>She is a holder of B.A Mass Communication she has been in business/realtor in over 5 years.</p>

 <p>Mr. Kibet Kurgat Date of Birth 5th January 1989</p>	<p>Mr. Kibet Kurgat holds a Degree in Agribusiness Management.(Egerton University) He holds a Diploma in Farm Resource Management (Egerton University) Currently pursuing Masters in Agricultural and Applied Economics (Egerton Van Pretoria University -South Africa). He is currently the Chief Officer Cooperative and Entrepreneurship. He was a former MCA in Kiptororo Ward from 2017-2022</p>
 <p>CS Joseph Malinda BOARD MEMBER</p>	<p>CS Joseph Malinda Holds a Master’s Degree in Business Management from Kenyatta University, A Bachelors of Law Degree from University Of Nairobi, Diploma in-Law from Kenya School of Law. He is a Certified Secretary (CS) and an Advocate of the High Court of Kenya. He has served the County Assembly of Nakuru as Clerk and Secretary to the County Assembly Service Board. He has previously service various Defunct Local Authorities as the Chief Executive/ Clerk to Council, Kenya Anti-Corruption Authority as an Attorney and Office of the Attorney General as a State Counsel (Public Prosecutions). He currently is the Chief Officer – Finance</p>
 <p>CS Geoffrey Muchoki Mbui Board Member</p>	<p>CS Geoffrey Muchoki Mbui Holds a Bachelors of Law Degree from University Of Nairobi, Diploma in-Law from Kenya School of Law. He is a Certified Secretary (CS) and an Advocate of the High Court of Kenya with over 8 years post admission experience. Experienced in practice in various fields of law such as Litigation and Dispute Resolution, Administrative Law, Corporate & Commercial Law, Corporate Governance, Company Secretarial practice, finance and investments He currently is the Nakuru County Solicitor</p>

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Mr. GEORGE OGALLO

Ag. FUND ADMINISTRATOR




Mr. George Ogallo is a holder of MA in Project planning and Management (UON)

He holds a Bachelor's Degree in Sociology & Georgraphy. (UON)

He holds a diploma in Project Management (KIM)

Currently He is the County Programme Coordinator

4. Management Team

Name	Details of qualifications and experience
 <p>Mr. Kibet Kurgat 1. Date of Birth 5th January 1989</p>	<p>Mr. Kibet Kurgat holds a Masters in Agricultural and Applied Economics. He is currently the Chief Officer Cooperative and Entrepreneurship.</p>
 <p>CPA Wilson Mungai 2. Fund Accountant</p>	<p>CPA Wilson Mungai holds a Master’s Degree from KEMU university and a Bachelor of Arts Degree from the University of Nairobi. He is a Certified Public Accountant- CPA (K) and Certified Secretary-CS. He previously was the treasurer Naivasha Municipal Council and was Ag. Chief Officer Finance from August 2022 to Dec 2022. He currently is the Director of Finance Nakuru County a position he has held from 2013 to date.</p>
 <p>Mr. GEORGE OGALLO Ag. FUND ADMINISTRATOR 3. D.O.B 20th Nov 1977</p>	<p>Mr. George Ogallo is a holder of MA in Project Planning and Management (UON) He holds a Bachelor’s Degree in Sociology & Geography. (UON) He holds a diploma in Project Management (KIM) Currently He is the County Programme Coordinator</p>
<p>Note: The Fund Administrator will feature under both the ‘Board’ and ‘Management’.</p>	

5. Fund Chairperson's Report

1. Introduction

The Nakuru County Cooperative Revolving Development Fund (CRDF) was established as a strategic financing mechanism to enhance the growth and sustainability of cooperative societies through affordable and accessible credit. The CRDF Committee was constituted to provide oversight, strategic direction, monitor performance, and ensure compliance with legal and governance frameworks. This report highlights the achievements, challenges, and recommendations for the Financial Year 2024/2025.

2. Governance and Institutional Set-Up

During the period under review, the Fund made significant strides in operationalizing the institutional and governance structures as outlined in the Nakuru County CRDF Regulations:

- a) **Gazettement of the CRDF Committee:** A total of six members (three public and three private sector representatives) were nominated to the CRDF Committee. However, the gazettement of one private sector representative remains pending.
- b) **Induction of the Committee:** A structured induction session was conducted to onboard members on their roles, mandate, and compliance requirements.
- c) **Opening of Fund Bank Accounts and introducing of Bank Signatories**
- d) **Quarterly Committee Meetings:** Four statutory meetings were held during the financial year. Key resolutions made include:
 - i) Election of Committee Chairperson and Vice-Chairperson.
 - ii) Development of the Fund Organogram.
 - iii) Secondment of staff to form the Fund Secretariat (Fund Administrator, Accountant, and Clerk).
 - iv) Approval of Fund Loaning Policy.
 - v) Development and adoption of work plans and budgets for FY 2023/24, 2024/25, and projections for 2025/26, adhering to the 3% administrative cap under the PFM Act.
- e) **Fund Administration Financial Partner** - Through a competitive procurement process, KCB was appointed as the Fund Financial Partner, mandated with managing the loan processing, disbursement, and recovery in accordance with CRDF guidelines.

3. Changes in the fund during the year

It's also good to note that during the year a member of the Fund Committee Mr. Joseph Malinda who was the Chief Officer Finance was recalled back to County Assembly and replaced by Deputy Director Finance Mr Dan Odundo.

The Mr. George Ogallo has also been replaced by Mr. Martin Gichinga Macharia as the New Fund Administrator effective 19th June 2025.

4. Sensitization and Stakeholder Engagement

In line with the Fund's mandate to promote transparency and stakeholder engagement, county-wide sensitization forums were conducted to educate cooperatives on CRDF objectives, eligibility, and the loan application process. A total of 106 Cooperatives with a total representation of 200 members were reached during the exercise which remains a continuous activity

5. Financial Management and Disbursements

- a) A total of **KShs. 25 million** was transferred into the Fund accounts as budgetary allocation for FY 2023/2024.
- b) A request for the FY 2024/2025 allocation is pending approval.
- c) Quarterly financial reports were prepared and submitted on time to the CECM Finance and Economic Planning for onward transmission to the Office of the Controller of Budget (OCoB).
- d) The Fund recommended and facilitated the disbursement of **KShs. 19,075,500** to five Cooperative Societies after thorough vetting and due diligence by the KCB Bank.

6. Benchmarking and Launch Activities

- An inter-county benchmarking tour was organized to Uasin Gishu and Trans Nzoia Counties to learn best practices in fund administration and community outreach.
- The official **CRDF Launch** was conducted by H.E the Governor with countywide representation. A total of 529 from 94 Cooperatives were in attendance

7. Challenges Faced

Despite commendable progress, the Fund encountered several challenges:

- **Excess demand for loans** relative to available funds, creating long queues and unmet expectations.
- **Limited experience** in implementing such a model, resulting in a steep learning curve.
- **Legal and regulatory gaps** that occasionally hinder timely decision-making and operational efficiency.
- **Low budgetary allocations**, constraining the scale and scope of interventions.
- **Lack of dedicated office space** and fully-fledged staff, as current personnel are on secondment and juggling prior responsibilities.

8. Recommendations



To strengthen the effectiveness and sustainability of the Fund, the Oversight Committee recommends:

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

- a) **Increased Budgetary Allocation** - Lobbying both the County Assembly and Executive to increase financial allocations in line with growing demand.
- b) **Legal and Regulatory Review** - Initiate the process of amending the CRDF regulations to seal operational gaps, enhance flexibility, and improve accountability.
- c) **Enhanced Partnerships** - Leverage public-private partnerships and donor collaborations to mobilize technical and financial support.
- d) **Strengthening Secretariat Capacity** - Transition the Fund Secretariat into a fully staffed and resourced unit with dedicated personnel and office space.

9. Conclusion

The 2024/2025 financial year marked a foundational phase for the Nakuru County Cooperative Revolving Development Fund. The Committee recognizes the tremendous progress made and the dedication of the Fund Secretariat, the Department of Cooperatives, and key stakeholders. With strategic investment and policy refinement, the CRDF is poised to become a transformative tool for cooperative-based economic empowerment in Nakuru County.

 Name: Mr Hillary Kibet Korir .Signature..........Date 30 June 2025.

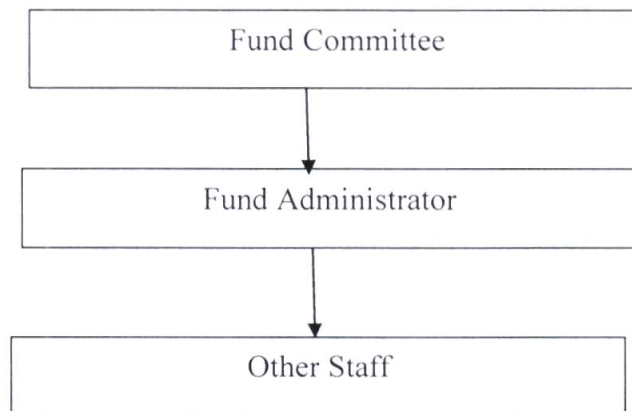
Chairperson of the Fund Administration Committee

6. Report of the fund administrator

During the year under review (2024/2025) the Fund Unit facilitated the achievement of the following activitiesS

- a) Gazettement of County Cooperative Revolving Development Fund (CRDF) Committee – (3 Government/Public, 3 Private) less one Committee who is yet to be gazetted.
- b) Induction training for the CRDF Committee to onboarding them on their new roles
- c) Opening of CRDF Bank Accounts at KCB – CRDF Holding Account 1330516540 and CRDF Administration Account 1330516613
- d) Introduce the Bank signatories as per the CRDF Regulations (Chief Officer in charge of Cooperatives, Appointee of CEC Finance, Director Cooperatives and Fund Administrator)
- e) Held quarterly CRDF Committee meeting as required by the law to;
 - i) Constitute the office – Appoint Chair and Vice Chairperson of the Committee
 - ii) Developed the Fund Organogram

The Fund Organogram



- iii) Established the Fund Unit/Secretariat through secondment of County Staff (Fund Administrator, Fund Accountant and office Clerk) to the Fund
- iv) Developed and approved Loaning Policy as per the legal requirement
- v) Developed and approved work plan and budget for 2023/2024, 2024/2025 and 2025-2026 aligned with the 3% capping on administration as per PFM Act
- vi) Participated in the County-wide sensitization of Cooperatives on the CRDF and application process and eligibility

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CRDF Sensitization Participation

No	Sub County	No. of Coops	Coop Members
1	Naivasha	23	43
2	Njoro	9	21
3	Nakuru East/West	23	39
4	Gilgil	10	11
5	Bahati	11	24
6	Subukia	10	22
7	Rongai	5	11
8	Kuresoi North	5	9
9	Molo	3	5
10	Kuresoi South	7	15
	Total	106	200

- i) Facilitated transfer of 25M to the CRDF accounts being budgetary allocation for 2023-2024. Request of the same for 2024-2025 awaits approval.
- ii) Organized an exchange learning tour to Uasin Gishu and Trans Nzoia to learn and adopt the best practices in the administration of County Funds of similar model as CRDF
- iii) Mobilized and participated on the official launch of the Funds by HE The Governor

CRDF Official Launch Attendance Details

No	Sub County	No. of Cooperatives	Members in Attendance
1	Nakuru West	12	179
2	Molo	9	79
3	Bahati	10	52
4	Nakuru East	17	50
5	Njoro	12	36
6	Subukia	2	36
7	Naivasha	9	25
8	Rongai	11	25
9	Kuresoi South	4	24
10	Kuresoi North	5	20
11	Gilgil	3	3
	Total	94	529

No	Sacco Name	Sub County	Loan Amount
1	Mwaki Travelers Sacco Society Ltd	Nakuru East	2,675,500.00
2	Nakuru Reality Sacco Society Ltd	Nakuru West	3,900,000.00
3	Suka Farmers' Cooperative Society Ltd	Subukia	5,000,000.00
4	Sokoro Sacco Society Ltd	Molo	3,000,000.00
5	Nakuru Wanavijiji HCS Ltd	Nakuru West	4,500,000.00
	Total Amount		19,075,500.00

f.) Through the office of CECM Trade, appointed (through competitive process) KCB Bank to be the Fund Administration partner in the administration and management of loan application, disbursement and recovery.

g.) Prepared and submitted to CECM Finance and Economic Planning quarterly financial reports for onward transmission to Office of the Controller of Budget (OCOB)

h.) Recommended for approval and disbursement of Kshs 19M to the first five (5) Cooperative beneficiaries across the County

Loans Approval and Disbursement Status

Challenges

- a.) High demand for loans from the Fund that exceeds allocation thus queuing by potential beneficiaries
- a) The learning curve effect being this is the first time the Directorate is implementing such financing model in the County
- b) High expectations from the beneficiaries
- c) Gaps in legal frameworks hindering effectiveness and efficiency
- d) Low budgetary allocations, lack of office space for the Fund Unit
- e) Lack of fully-fledged staff for the Fund as the existing are seconded and retains their previous roles.

Recommendations

- i) Lobby for more budgetary allocation
- ii) Champion for the amendment of the legal framework to bridge existing gaps
- iii) Leverage partnerships and collaborations to bridge resource and capacity gaps

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7. Statement of Performance against the County Fund’s Predetermined Objectives

The fund being in its initial stage of implementation during the Financial Year 2024/25, the actual budget allocated during the Financial Year 2024/25 was Kshs 25million of which 3% will be administrative cost while 97% will be fund capital account as per the Act and Regulations.

The Financial Year 2023/24 being the first year, setup on operationalization were done in conformity with PFM Act. The principal activities of the fund were operationalized during the Financial Year 2024/25. The fund will formulate a Strategic plan in order to guide its operations during the FY 2025/26.

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each County Government Entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity’s performance against predetermined objectives.

The key development objectives of the Fund as per the strategic plan are to:

- a) Provide access of low interest rate to cooperatives
- b) Provide fund for reviving and initiate cooperatives
- c) Attract investment in cooperatives
- d) Provide financial support to cooperative societies institution
- e) Provide funds to Cooperative societies institutions to facilitate marketing of products and services

Progress on attainment of Strategic development objectives

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Sacco members Empowerment	Increased financial access by citizens	Strengthened and vibrant cooperative societies	No. of Co-operatives accessing Co-operative Development Revolving Fund	5 cooperatives were successful and received disbursement worth Ksh.19 Million during the period under review

8. Corporate Governance Statement

Appointment of the Chairperson of the committee

The County Executive Committee Member appointed the Chairperson from the four Board Members through a competitive and a transparent process with the approval of the County Assembly.

No. of Meetings Held

The Chairperson of the Nakuru County Cooperatives Revolving Development Fund shall convene meetings at least four meetings in every financial year and not more than three times shall elapse between one meeting and the next meeting. So far, the Board Committee have held four meetings.

Remuneration of the Board Members

The Members of the Committee shall be paid such allowances as the Member of the Executive Committee shall determine in consultation with the County Public Service Board.

Term of the Board

The person under subsection (1) (d) shall hold office for a term of 3 three years renewable for one further term.

Functions of the Board

- a) Formulate policy guidelines on cooperative societies funding.
- b) Ensure that all projects funded under this Act are consistent with the Counties priorities specified in the relevant policy documents.
- c) Approve proposals submitted to it by the Unit under tis Act.
- d) Authorize allocations from the fund.
- e) Formulate or approve standards, guidelines and procedures for funding proposals under this Act.
- f) Approve the organizational structure of the Unit.
- g) Provide oversight in the utilization of the Fund.

Removal of a Board Member

A Board Member will be removed from office in case of;

- a) Bankruptcy.
- b) Criminal offence and imprisonment of not less than 6 months.
- c) Convicted of an offence involving fraud and dishonesty.

- d) Absent without reasonable cause from three consecutive meeting of the committee.
- e) Resigns in writing addressed to the Member of the Executive committee
- f) Is removed from the office by the Member of the Executive Committee for
 - Being unable to perform the function of his office
 - Failing to declare his interest in any matter being considered to be considered by the committee, or
 - Any other sufficient reason as may be prescribed.

Induction and Training

The induction and training was carried out to the new Board Members to familiarize them with their new roles.

Conflict of Interest

Before deliberating of any Board activity, Members with conflict of interest are allowed to declare their interest and record them in the conflict management register.

Conduct of affairs of the Business of the Committee

Subject to subsection (2), the business and affairs of the committee shall be conducted in accordance with the first schedule.

Except as provided in the schedule, the Committee may regulate its own procedure.

9. Management Discussion and Analysis

As per the Nakuru County Cooperative Revolving Fund Act, the Board shall approve all proposals submitted to it by the Cooperative Revolving Development Fund Unit.

The Cooperative Revolving Development Fund Unit shall;

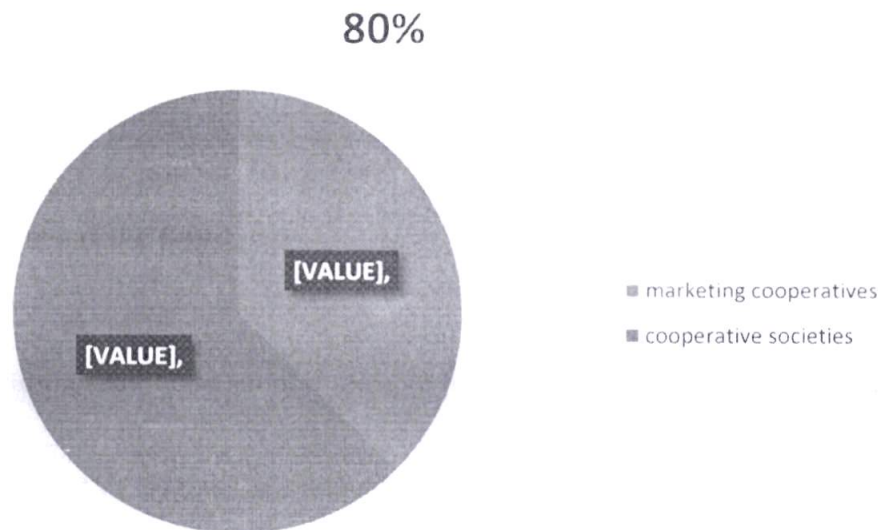
- a. Administer the fund
- b. Provide technical, financial and legal expertise to the beneficiaries of the Fund
- c. Submit to the bank all applications for further due diligence and disbursement of the funds

a. Operations of the Fund

Eligibility

The loan application shall be to support the core business of the Cooperative society

Loan approval shall be based on a maximum of 80% of the total assets for SACCOs, 30% for Marketing Cooperatives, and 50% for the other types of cooperative societies.



10. Environmental and Sustainability Reporting

i) *Sustainability strategy and profile*

The Nakuru County Cooperative Revolving Fund will focus on sustainability as a key driver in its own activities. We are committed to improve the environmental performance of our office-based activities, and to be leaders in best practice environmental management of these. This forms a key component of our commitment to demonstrate good environmental practice in our own operations.

To do this we will establish appropriate procedures and practices to minimize the consumption of energy, water, paper and minimize the generation of waste, associated with our office-based activities. These will include:

- a. Reducing energy, water and paper intensity of our office-based operations.
- b. Reducing the amount of waste we produce, and maximizing the amount reused and recycled.
- c. Separating our office waste into reusable, recyclable, compost and true waste components.
- d. Communicating our environmental performance through regular reporting.
- e. Striving for continual improvement in our environmental performance through generating awareness, and encouraging participation and feedback.

ii) *Environmental performance*

It is believed that the environment is the most significant global issue in a way that societal demands are, alongside legislative rules, becoming a greater force in the environmental work made by companies. Adoption of Environmental management assists in:

- Helps in identifying opportunities,
- Can improve efficiency

With consequences of non-compliance being fines and sanctions

iii) *Employee welfare*

The Nakuru County Cooperative Revolving Fund has no employees directly under it.

iv) *Market place practices-*

The organisation should outline its efforts to:

- a) Responsible competition practice.
 - The Fund unit shall be governed by all relevant government financial and procurement laws and regulations as applicable
- b) Loans approval
 - Loans are approved on first come first served basis.
 - Equity is a priority in all loan approval consideration

v) *Corporate Social Responsibility / Community Engagements*

There was no Corporate Social Responsibility (CSR) activities carried out in the reporting period

Nakuru County Co-op Revolving Development Fund
Annual Report and Financial Statements for the year ended June 30, 2025

11. Report of the Fund committee

The Management Committee submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the Fund affairs.

Principal activities

In exercising the powers of the performance of functions under this Act, the Board shall be guided by the objects and principles of devolved governments as set out in Articles 174 and 175 of the Constitution of Kenya, 2010 in cooperating the following principles;

- (i) Public participation and financial inclusiveness
- (ii) Development partners linkages and participation
- (iii) Protection of the interests of the marginalized persons with disability, women and youth
- (iv) Local ownership and sustainability

Results

The results of the Fund for the year ended June 30, 2025 are set out on page 1 to 7

Trustees

The members of the Board of Fund committee who served during the year are shown on page iii. The changes in the Board during the financial year are as shown in page x:

Auditors

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or any other Certified Public Accountants nominated by the Auditor General to carry out the audit of the Nakuru County Cooperative Revolving Fund for the year ended June 30, 2025 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Management committee



Mr Hillary Kibet Korir

Chair of the Fund Administration Committee

Date: 30th June 2025.

12. Statement of Management's Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of Nakuru County Cooperative Revolving Development Fund established by The Nakuru County Cooperative Revolving Development Fund Act, 2020 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the Nakuru County Cooperative Revolving Development Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Cooperative Revolving Development Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and The Nakuru County Cooperative Revolving Development Fund Act, 2020. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the County Cooperative Revolving Development Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements.

Approval of the financial statements

The Fund's financial statements were approved by the Board on 30/06/2025 and signed on its behalf by:

MR. George Odhiambo Ogaloh

Administrator of the Nakuru County Cooperative Revolving Development Fund

Nakuru County Co-op Revolving Development Fund
Annual Report and Financial Statements for the year ended June 30, 2025

13. Report of The Auditor General on the Financial Statements for Nakuru County Cooperative revolving Development Fund.

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON NAKURU COUNTY CO-OPERATIVE REVOLVING DEVELOPMENT FUND FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, 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

Qualified Opinion

I have audited the accompanying financial statements of Nakuru County Co-operative Revolving Development Fund set out on pages 1 to 40, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial

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

In my opinion, except for the effect of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nakuru County Co-operative Revolving Development Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Nakuru County Co-operative Revolving Development Fund Act, 2020, Nakuru County Co-operative Revolving Development Fund Regulations, 2021 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Revenue from Exchange Transactions

The statement of financial performance reflects revenue from exchange transactions of an amount of Kshs.692,793 which includes amounts of Kshs.619,953 and Kshs.72,840 in respect of interest income and other income and as disclosed in Note 9 and Note 10 respectively to the financial statements. However, the supporting documents including ledger schedules were not provided for audit review.

In the circumstances, the accuracy and completeness of the revenue from exchange transactions of an amount of Kshs.692,793 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total revenue budget of an amount of Kshs.25,750,000 and actual on comparable basis of an amount Kshs.692,793 amount resulting to an underfunding of an amount of Kshs.25,057,207 or 97%. Further, the Management incurred actual expenditure of Kshs.683,095 against actual receipts of Kshs.692,733 resulting to an under-utilization of Kshs.9,698 of the actual receipts.

Further, there was no explanation for variances between budgeted and actual amounts contrary to Section 164 (2) (ii) and (iv) of the Public Finance Management Act, 2012 which requires a County Government entity to present appropriation accounts showing the status of each vote compared with the appropriation for the vote and a statement explaining any variations between actual expenditure and the sums voted.

The under-funding and under-absorption affected the planned activities and may have impacted negatively on service delivery to the public and Management was in breach of the law.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, 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

Failure to Appointment Fund Manager

The Fund Committee did not appoint a substantive Fund Manager in place contrary to Section 14 (1) (a) of the Nakuru County Co-operative Revolving Development Fund Act, 2020 which states that the unit shall consist of a Fund Manager who ought to be appointed by the fund committee and gazetted to serve for a term of five years.

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 December, 2025

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

Other income includes interest income from Nakuru County Enterprise fund erroneously credited in Nakuru County Co-op Revolving Development Fund admin account.

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Public Contributions and Donations	6	0	0
Transfers From the County Government	7	0	0
Fines, Penalties and Other Levies	8	0	0
		0	0
Revenue From Exchange Transactions			
Interest Income	9	619,953.00	0
Other Income	10	72,840.00	0
		0	0
Total Revenue		692,793.00	0
Expenses			
Employee Costs	11	0	0
Use of goods and services	12	683,095.00	0
Depreciation and Amortization Expense	13	0	0
Finance Costs	14	0	0
Total Expenses		683,095.00	0
Other Gains/Losses			
Gain/Loss on Disposal of Assets	15	0	0
Gain /Loss on fair value of investments	16	0	0
Surplus/(Deficit) for the Period		9,698.00	0

(The notes set out on pages 8 to 33 form an integral part of these Financial Statements)

For

 Name: George Odhiambo Ogaloh
 Administrator of the Fund

.....
 Name: Josephat Asande
 Fund Accountant
 ICPAK Member Number: 30484

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15. Statement of Financial Position As at 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	17	25,009,798.00	0
Current Portion of Long- Term Receivables from Exchange Transactions	18	0	0
Prepayments	19	0	0
Inventories	20	0	0
Investments in financial assets	21	0	0
Total current assets		25,009,798.00	0
Non-Current Assets			
Property, Plant and Equipment	22	0	0
Intangible Assets	23	0	0
Long Term Receivables from Exchange Transactions	18	0	0
Investment Property	24	0	0
Total non- current assets		0	0
Total Assets (A)		25,009,798.00	0
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	25	0	0
Current Provisions	26	0	0
Current Portion of Borrowings	27	0	0
Employee Benefit Obligations	28	0	0
Social benefit liabilities	29	0	0
Total current liabilities		0	0
Non-Current Liabilities			
Non-Current Provisions	26	0	0
Long Term Portion of Borrowings	27	0	0
Non-Current Employee Benefit Obligation	28	0	0
Social benefit liabilities	29	0	0

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Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Total Liabilities (B)		0	0
Net Assets (A-B)		25,009,798.00	0
Represented By:			
Revolving Fund		25,000,100.00	0
Reserves		0	0
Accumulated Surplus		9,698.00	0
Net Assets		25,009,798.00	0

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The funds financial statements were approved on 30 June 2025 and signed by:

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For Name: George Odhiambo Ogaloh
 Administrator of the Fund

.....


Name: Josephat Asande
 Fund Accountant
 ICPAK Member Number: 30484

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

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total	Kshs					
					Balance As At 1 July (2023)	Surplus/(Deficit) For the Period	Funds Received During the Year	Transfers	Revaluation Gain	Balance As At 30 June (2024)
	0	0	0	0	0	0	0	0	0	0
Balance As At 1 July (2023)	0	0	0	0	0	0	0	0	0	0
Surplus/(Deficit) For the Period	0	0	0	0	0	0	0	0	0	0
Funds Received During the Year	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	0
Revaluation Gain	0	0	0	0	0	0	0	0	0	0
Balance As At 30 June (2024)	0	0	0	0	0	0	0	0	0	0
Balance As At 1 July (2024)	25,000,100.00	0	0	0	25,000,100.00	0	0	0	0	25,000,100.00
Surplus/(Deficit) For the Period	9,698.00	0	0	0	9,698.00	0	0	0	0	9,698.00
Funds Received During the Year	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	0
Revaluation Gain	0	0	0	0	0	0	0	0	0	0
Balance As At 30 June (2025)	25,009,798.00	0	0	0	25,009,798.00	0	0	0	0	25,009,798.00

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17. Statement of Cash Flows for the Year Ended 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Public contributions and donations	6	0	0
Transfers from the county government	7	0	0
Interest received	9	619,953.00	0
Receipts from other operating activities	10	72,840.00	0
Total receipts		692,793.00	0
Payments			
Fund administration expenses	12	683,095.00	0
General expenses		0	0
Finance cost	14	0	0
Other payments		0	0
		0	0
Net cash flows from operating activities	30	9,698.00	0
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets		0	0
Proceeds from sale of property, plant & equipment		0	0
Proceeds from loan principal repayments		0	0
Loan disbursements paid out		0	0
Net cash flows used in investing activities		0	0
Cash flows from financing activities			
Proceeds from revolving fund receipts		0	0
Additional borrowings		0	0
Repayment of borrowings		0	0
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash & cash Equivalents		9,698.00	0
Cash and cash equivalents at 1 July 2024	17	25,000,100.00	0
Cash and cash equivalents at 30 June	17	25,009,798.00	0

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18. Statement Of Comparison Of Budget And Actual Amounts For The Period 2025

Description	Original budget	Adjustment s	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	0	0	0	0	0	0%
Receipts						
Public Contributions and Donations	0	0	0	0	0	0%
Transfers From County Govt.	25,000,000	(0)	25,000,000	0	25,000,000	0%
Interest Income	750,000	0	750,000	619,953.00	130,047.00	83%
Other Income	0	0	0	72,840.00	(72,840.00)	0%
Total Income	25,750,000	(0)	25,750,000	692,793.00	25,057,207	3%
Expenses						
Fund Administration Expenses	750,000	0	750,000	683,095.00	66,905.00	91%
General Expenses	0	0	0	0	0	0
Loan Disbursement	25,000,000.00	0	25,000,000.00	0	25,000,000.00	0
Total Expenditure	25,750,000.00	0	25,750,000.00	683,095.00	25,066,905.00	3%
Capital expenditure	0	0	0	0	0	0
Surplus For the Period	0	0	0	9,698.00	(9,698)	0%

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Budget notes

1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	25,000,000
1	Account activation fee	100
2	Surplus for the Financial year	9,698
3	Reason for differences	0
4	Reason for differences	0
	Closing Cash and Cash Equivalent as per the statement of Cash flows	25,009,798

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19. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

Nakuru County Cooperative Revolving Development Fund is established by and derives its authority and accountability from Nakuru County Cooperative Revolving Development Fund Act 2020. The Fund is wholly owned by the Nakuru County Government and is domiciled in Kenya. The Fund's principal activity is to provide funds to be used for granting low interest loans to cooperative institutions with a view to scaling up their lending activities, value addition, promote entrepreneurship and enhance productivity.

2. Statement of compliance and basis of preparation

The Nakuru County Cooperative Revolving Development Funds financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

3. Adoption of new and revised standards

(i) New and amended standards and interpretations in issue but not yet 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: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the

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Discontinued Operations	depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized 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.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <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. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> 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

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	transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> 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.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <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.

(i) Early adoption of standards

The Nakuru County Cooperative Revolving Development Fund did not early – adopt any new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

ii. Revenue from exchange transactions

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Nakuru County Cooperative Revolving Development Fund's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on 30th June 2024. No subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

The Nakuru County Cooperative Revolving Development Fund budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

Summary of Significant Accounting Policies (Continued)

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented.

c) 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 entity 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.

a) 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.

b) 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 one-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit* 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.

Summary of Significant Accounting Policies (Continued)

c) 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. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Summary of Significant Accounting Policies (Continued)

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Impairment

The Nakuru County Cooperative Revolving Development Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Nakuru County Cooperative Revolving Development Fund recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 23*.

Summary of Significant Accounting Policies (Continued)

Financial liabilities

Classification

The Nakuru County Cooperative Revolving Development Fund classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

d) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Nakuru County Cooperative Revolving Development Fund .

e) Provisions

Provisions are recognized when the Nakuru County Cooperative Revolving Development Fund 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 Nakuru County Cooperative Revolving Development Fund expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

f) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The Nakuru County Cooperative Revolving Development Fund recognizes a social benefit as an expense for the social benefit scheme at the same time that it

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recognizes a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

Summary of Significant Accounting Policies (Continued)

g) Contingent liabilities

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

Contingent assets

The Nakuru County Cooperative Revolving Development Fund does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Nakuru County Cooperative Revolving Development Fund in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

h) Nature and purpose of reserves

The Nakuru County Cooperative Revolving Development Fund does not create and maintains reserves in terms of specific requirements. Changes in accounting policies and estimates

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

i) Employee benefits – Retirement benefit plans

The Nakuru County Cooperative Revolving Development Fund provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity 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 proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

Summary of Significant Accounting Policies (Continued)

j) Foreign currency transactions

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

k) Borrowing costs

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

l) Related parties

The Nakuru County Cooperative Revolving Development Fund 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 Nakuru County Cooperative Revolving Development Fund, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

m) Cash and cash equivalents

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

n) Comparative figures

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

Summary of Significant Accounting Policies (Continued)

5. Significant judgments and sources of estimation uncertainty

The preparation of the Nakuru County Cooperative Revolving Development Fund's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

State all judgments, estimates and assumptions made e.g.

a) Estimates and assumptions –

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Nakuru County Cooperative Revolving Development Fund 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 Nakuru County Cooperative Revolving Development Fund. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

b) Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the Nakuru County Cooperative Revolving Development Fund
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

c) Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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Notes To the Financial Statements Continued

6. Public contributions and donations

Description	2024/2025	2023/2024
	Kshs	Kshs
Donation From Development Partners	0	0
Contributions From the Public	0	0
Total	0	0

7. Transfers from County Government

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers From County Govt. –Operations	0	0
Payments By County On Behalf Of The Entity	0	0
Unconditional Development grants	0	0
Total	0	0

8. Fines, penalties and other levies

Description	2024/2025	2023/2024
	Kshs	Kshs
Late Payment Penalties	0	0
Fines	0	0
Total	0	0

9. Interest income

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest Income from Loans Disbursed	619,953.00	0
Interest Income From Car Loans	0	0
Interest Income From Investments in financial assets	0	0
Interest Income On Bank Deposits	0	0
Total Interest Income	619,953.00	0

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10. Other income

Description	2024/2025	2023/2024
	Kshs	Kshs
Insurance Recoveries	0	0
Income from Sale of Tender Documents	0	0
Bad debts recovered	0	0
Miscellaneous Income	72,840.00	0
Total Other Income	72,840.00	0

11. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries And Wages	0	0
Staff Gratuity	0	0
Staff Training Expenses	0	0
Social Security Contribution	0	0
Other (<i>Specify</i>)	0	0
Total	0	0

12. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs.	Kshs.
General Office Expenses	0	0
Loan Processing Costs	0	0
Professional Services Costs	0	0
Administration Fees	0	0
Committee Allowances	679,600.00	0
Bank Charges	3,495.00	0
Electricity And Water Expenses	0	0
Fuel And Oil Costs	0	0
Insurance Costs	0	0
Postage And Courier	0	0
Printing And Stationery	0	0
Rental Costs	0	0
Security Costs	0	0
Telephone And Communication Expenses	0	0
Bank Charges	0	0

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Description	2024/2025	2023/2024
	Kshs.	Kshs.
Audit Fees	0	0
Provision For Doubtful Debts	0	0
Other	0	0
Social benefit expenses	0	0
Total	683,095.00	0

13. Depreciation and Amortization Expenses

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Property Plant and Equipment	0	0
Intangible Assets	0	0
Total	0	0

14. Finance costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest On Bank Overdrafts	0	0
Interest On Loans From Banks	0	0
Total	0	0

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15. Gain/(loss) on disposal of assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Total	0	0

16. Gain/ (loss) on Fair Value Investments

Description	2024/2025	2023/2024
	Kshs	Kshs
Investments at Fair Value- Equity investments	0	0
Fair value – Investment property	0	0
Fair value- other financial assets (specify)	0	0
Total Gain	0	0

17. Cash and cash equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Car Loan Account	0	0
County Mortgage Account	0	0
Fixed Deposits Account	0	0
On – Call Deposits	0	0
KCB-Holding Account	24,254,795.00	0
KCB-Admin Account	755,003.00	0
Total Cash and Cash Equivalents	25,009,798.00	0

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

Current account operated by the fund are as shown in the table below, movement in the holding account of the fund remains fairly static, this is because all disbursement of loans are done from partner financial institution Loan account, the balance in holding account can only be transferred to partner's loan account in case of Re-payment default. During the current financial year, no re-payment default realized.

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Equity Bank,		0	0
Sub- Total		0	0
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank		0	0
Sub- Total		0	0
c) Current Account			
Kenya Commercial Bank-Holding Account	1330516540	24,254,795.00	0
Kenya Commercial Bank-Admin Account	1330516613	755,003.00	0
Sub- Total		0	0
d) Others(Specify)			
Cash In Transit		0	0
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		25,009,798.00	0

18. Receivables from exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Interest Receivable		0
Current Loan Repayments Due		0
Due From County Government	0	0
Less: Impairment Allowance		(0)
Total Current Receivables	0	

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Non-Current Receivables		
Long Term Loan Repayments Due	0	0
Total Non- Current Receivables	0	0
Total Receivables From Exchange Transactions	0	0

Additional disclosure on interest receivable

Current portion of long-term loans issued in the current year is ksh 19,075,500, the amount was disbursed from the partner financial institution loan account and upfront 3.25% interest deducted and credited in the fund admin account to aid in daily operation of the fund

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest Receivable		
Interest receivable from current portion of long-term loans of previous years	0	0
Accrued interest receivable from of long-term loans of previous years	0	0
Interest receivable from current portion of long-term loans issued in the current year	619,953.00	0
Current loan repayments due		
Current portion of long-term loans from previous years	0	0
Accrued principal from long-terms loans from previous periods	0	0
Current portion of long-term loans issued in the current year	19,075,500.00	0

19. Prepayments

Description	2024/2025	2023/2024
	Kshs	Kshs
Prepaid Rent	0	0
Prepaid Insurance	0	0
Prepaid Electricity Costs	0	0
Other Prepayments (<i>Specify</i>)	0	0
Total	0	0

20. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Consumable Stores	0	0
Spare Parts And Meters	0	0

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Catering	0	0
Other Inventories (Specify)	0	0
Total Inventories	0	0

Detailed disclosure on inventories

	2024/2025	2023/2024
Opening balance	0	0
Additional Inventory in the year	0	0
Inventory expensed in the year	0	0
Write-downs in the year	0	0
Others specify	0	0
Closing balance	0	0

21. Investments in financial assets

Description	2024/2025	2023/2024
	Kshs	Kshs
a. Investment in Treasury bills and bonds		
Financial institution		
CBK	0	0
CBK	0	0
Sub- total	0	0
b. Investment with Financial Institutions/ Banks		
Bank x	0	0
Bank y	0	0
Sub- total	0	0
c. Equity investments (specify)		
Equity/ shares in Entity xxx	0	0
Sub- total	0	0
Grand total	0	0

Movement of Equity Investments

Impairment allowance/ provision	2024/2025	2023/2024
	Kshs	Kshs
At the beginning of the year	0	0
Purchase of investments in the year	0	0
Sale of investments during the year	(0)	(0)
Gain/(loss) in fair value of investments through surplus or	0	0

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deficit		
At the end of the year	0	0

e) Shareholding in other entities

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		2025	2024
	%	%	%	Kshs	Kshs	Kshs
Entity A	0	0	0	0	0	0
Entity B	0	0	0	0	0	0
Entity C	0	0	0	0	0	0
	0	0	0	0	0	0

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22. Property, plant, and equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Rate	X%	X%	X%	X%	X%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1st July (2024)	0	0	0	0	0	0
Additions	0	0	0	-	0	0
Disposals	(0)	0	-	-	(0)	(0)
Transfers/Adjustments	0	(0)	0	(0)	(0)	0
Revaluation Adjustments	0	0	0	0	0	0
At 30th June (2024)						
At 1st July (2025)	0	0	0	-	0	0
Additions	(0)	-	-	-	(0)	(0)
Disposals	(0)	0	0	(0)	(0)	(0)
Transfer/Adjustments	0	0	0	0	0	0
Revaluation Adjustments						
At 30th June (2025)	(0)	(0)	(0)	(0)	(0)	(0)
Depreciation And Impairment	(0)	(0)	(0)	(0)	(0)	(0)
At 1 st July (2024)	(0)	-	-	-	(0)	(0)
Depreciation	0	0	0	0	0	0
Impairment						
At 30th June (2024)	(0)	(0)	(0)	-	(0)	(0)
At 1st July (2025)	0	-	-	-	0	0
Depreciation	(0)	(0)	-	-	(0)	(0)
Disposals	0	(0)	(0)	0	0	0
Impairment	0	0	0	0	0	0
Transfer/Adjustment						
At 30th June (2024)	0	0	0	0	0	0
Net Book Values	0	0	0	0	0	0
At 30th June (2024)	0	0	0	0	0	0
At 30th June (2025)	0	0	0	-	0	0

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23. Intangible assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cost		
At Beginning of The Year	0	0
Additions	0	0
At End of The Year	0	0
Amortization And Impairment		
At Beginning of The Year	0	0
Amortization	0	0
At End of The Year	0	0
Impairment Loss	0	0
At End of The Year	0	0
NBV	0	0

24. Investment Property

Description	2024/2025	2023/2024
	Kshs	Kshs
At beginning of the year	0	0
Additions	0	0
Disposal during the year	(0)	(0)
Depreciation	(0)	(0)
Impairment	(0)	(0)
Gain/(loss) in fair value (if fair value is elected)	0	0
At end of the year	0	0

25. Trade and other payables from exchange transactions

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade Payables	0		0	
Refundable Deposits	0		0	
Accrued Expenses	0		0	
Other Payables	0		0	
Total Trade and Other Payables	0		0	
Ageing analysis (Trade and other payables)				
	Current FY	% of the Total	Current FY	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (tie to above total)	0		0	

26. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f	0	0	0	0
Additional provisions	0	0	0	0
Provision utilised	(0)	(0)	(0)	(0)
Change due to discount and time value for money	(0)	(0)	(0)	(0)
Total provisions year end	0	0	0	0
Current Provisions	0	0	0	0
Non-Current Provisions	0	0	0	0

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27. Borrowings

Description	2024/2025	2023/2024
	Kshs	Kshs
Balance At Beginning of The Period	0	0
External Borrowings During the Year	0	0
Domestic Borrowings During the Year	0	0
Repayments of External Borrowings During the Period	(0)	(0)
Repayments of Domestic Borrowings During the Period	(0)	(0)
Balance At End of The Period	0	0

The table below shows the classification of borrowings into external and domestic borrowings:

Description	2024/2025	2023/2024
	Kshs	Kshs
External Borrowings		
Dollar Denominated Loan From 'X Organization'	0	0
Sterling Pound Denominated Loan From 'Y Organization'	0	0
Euro Denominated Loan from Z Organization'	0	0
Domestic Borrowings	0	0
Kenya Shilling Loan From KCB	0	0
Kenya Shilling Loan from Barclays Bank	0	0
Kenya Shilling Loan from Consolidated Bank	0	0
Borrowings From Other Government Institutions	0	0
Total Balance at End of The Year	0	0

The table below shows the classification of borrowings long-term and current borrowings:

Description	2024/2025	2023/2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	0	0
Long Term Borrowings	0	0
Total	0	0

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28. Employee benefit obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
Total	00	00	00	00	00

29. Social Benefit Liabilities

Description	2024/2025	2023/2024
	Kshs	Kshs
Health social benefit scheme	0	0
Revolving Fund	0	0
Orphaned and vulnerable benefit scheme	0	0
Elderly social benefit scheme	0	0
Bursary social benefits	0	0
Total	0	0
Current social benefits	0	0
Non-current social benefits	0	0
Total (tie to totals above)	0	0

30. Cash generated from operations.

Description	2024/2025	2023/2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year Before Tax	9,698.00	0
Adjusted For:		
Depreciation	0	0
Amortization	0	0
Gains/ Losses On Disposal Of Assets	(0)	(0)
Interest Income	(0)	(0)
Finance Cost	0	0
Working Capital Adjustments	9,698.00	
Increase In Inventory	(0)	(0)
Increase In Receivables	(0)	(0)
Increase In Payables	0	0
Net Cash Flow From Operating Activities	9,698.00	00

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31. Related party balances

a) Nature of related party relationships

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

- a) The County Government;
- b) The Parent County Government Ministry;
- c) Key management;
- d) Board of Trustees; etc.

b) Related party transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers From Related Parties'	0	0
Transfers To Related Parties	0	0

c) Key management remuneration

Description	2024/2025	2023/2024
	Kshs	Kshs
Board Of Trustees	0	0
Key Management Compensation	0	0
Total	0	0

d) Due from related parties

Description	2024/2025	2023/2024
	Kshs	Kshs
Due From Parent Ministry	0	0
Due From County Government	25,000,000.00	0
Total	25,000,000.00	00

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Other Disclosures Continued

e) Due to related parties

Description	2024/2025	2023/2024
	Kshs	Kshs
Due To Parent Ministry	0	0
Due To County Government	0	0
Due To Key Management Personnel	0	0
Total	0	0

32. Contingent assets and contingent liabilities

Contingent Liabilities	2024/2025	2023/2024
	Kshs	Kshs
Court Case Against the Fund	0	0
Bank Guarantees	0	0
Total	0	0

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33. Financial risk management

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Fund's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Fund does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Fund's financial risk management objectives and policies are detailed below:

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Fund's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2025				
Receivables From Exchange Transactions	0	0	0	0
Receivables From Non-Exchange Transactions	0	0	0	0
Bank Balances	0	0	0	0
Total	00	00	00	00
At 30 June 2024				
Receivables From Exchange Transactions	0	0	0	0
Receivables From Non-Exchange Transactions	0	0	0	0
Bank Balances	0	0	0	0
Total	00	00	00	00

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The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The entity has no significant concentration of credit risk on amounts due from

The board sets the Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June (2025)				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	00	00	00	00
At 30 June (2024)				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	00	00	00	00

c) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

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Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the Funds' exposure to market risks or the manner in which it manages and measures the risk.

i. Foreign currency risk

The Fund has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The carrying amount of the Fund's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description		Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June (Current FY)			
Financial Assets	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors/ Receivables	0	0	0
Liabilities			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund’s statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
(Current FY)			
Euro	10%	0	0
USD	10%	0	0
(Comparative FY)			
Euro	10%	0	0
USD	10%	0	0

ii. Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs 0 (2025: Kshs 0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 0 (2025 – Kshs 0).

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d) Capital risk management.

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

Description	FY 2024/25	FY 2023/24
	Kshs	Kshs
Revaluation reserve	0	0
Revolving fund	25,000,100.00	0
Accumulated surplus	9,698.00	0
Total funds	25,009,798.00	0
Total borrowings	0	0
Less: cash and bank balances	25,009,798.00	(0)
Net debt/(excess cash and cash equivalents)	0	0
Gearing	00%	00%

34. Events after the reporting period

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

35. Ultimate and Holding Entity

The Nakuru County Co-op Revolving Development Fund Is a County Public Fund established by The Nakuru County Cooperative Revolving Development Fund Act, 2020 under the Ministry of Trade, cooperatives and Tourism? Its ultimate parent is the County Government of Nakuru.

36. Currency

The financial statements are presented in Kenya Shillings (Kshs)

20. Annexes

Annex I: Progress on Follow Up Of Prior Year Auditor’s Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
N/A	N/A	N/A	N/A	N/A
Non	Non	Non	Non	Non
Non	Non	Non	Non	Non
Non	Non	Non	Non	Non

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Fund responsible for implementation of each issue.
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

Fund Manager

Date....30/6/2025.....

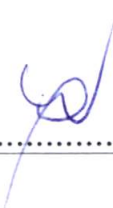
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Annex II: Inter-Fund Confirmation Letter

Confirmation of amounts received by [Insert name of beneficiary Fund] as at 30 th June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by [CC/SAGA/Fund] (Kshs) as at 30 th June 2025				Amount Received by [beneficiary Fund] (KShs) as at 30 th June 2025 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
Total							

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

Head of Accountants department of beneficiary Fund:

Name ...ERIC NDIRANGU..... Sign .....Date ...30/6/2025

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 Annex III: Reporting of Climate Relevant Expenditures

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

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Annex IV: Reporting on Disaster Management Expenditure

Column I Programme	Column II Sub-programme	Column III Disaster Type	Column IV Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Column V Expenditure item	Column VI Amount (Kshs.)	Column VII Comments
N/A	N/A	N/A	N/A	N/A	N/A	N/A
NIL	NIL	NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL	NIL	NIL