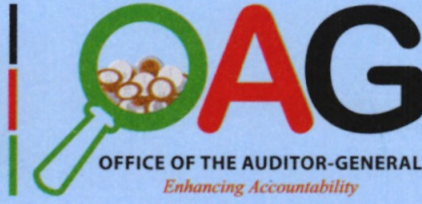


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

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ON

**KENYA LIVESTOCK COMMERCIALIZATION
PROJECT (KELCOP) NO. 2000002339 (LOAN
NO.200000356500 AND 200000356600)**

**FOR THE YEAR ENDED
30 JUNE, 2025**

**STATE DEPARTMENT FOR LIVESTOCK
DEVELOPMENT**



Revised 30th June 2025



**PROJECT NAME: KENYA LIVESTOCK COMMERCIALIZATION PROJECT
(KeLCoP)**

**IMPLEMENTING ENTITY: MINISTRY OF AGRICULTURE AND LIVESTOCK
DEVELOPMENT, STATE DEPARTMENT FOR LIVESTOCK DEVELOPMENT**

**PROJECT GRANT/CREDIT NUMBER: IFAD PROJECT NO: 2000002339;
PROJECT LOAN NO.200000356500;
PROJECT LOAN NO.200000356600;**

*(For Application by National and County Governments' Self-Reporting Development Projects as
per the financing agreements)*

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

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

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

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1. Acronyms and Definition of Terms

GoK	Government of Kenya
IFAD	International Fund for Agricultural Development
MoA&LD	Ministry of Agriculture and Livestock Development
SDLD	State Department of Livestock Development
KeLCoP	Kenya Livestock Commercialization Project
CBK	Central Bank of Kenya
EU	European Union
EUR	Euro
Kshs	Kenya Shillings
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is Kenya Livestock Commercialization Project (KeLCoP).

Objective

The key objective of the project is the key objective of the project is to increase incomes of 110,000 poor livestock and pastoralist households, especially youth and women, in an environmentally friendly manner, in selected project areas of the 10 participating counties.

Address

The project headquarters offices are in Nakuru City, Nakuru County, Kenya. The address of its registered office is: P. O. Box 12261-20100, Nakuru

The project also has offices/branches as follows:

- i.** Baringo County
- ii.** Bungoma County
- iii.** Busia County
- iv.** Elgeyo Marakwet County
- v.** Kakamega County
- vi.** Marsabit County
- vii.** Nakuru County
- viii.** Samburu County
- ix.** Siaya County
- x.** Trans Nzoia County

Contacts: The following are the project contacts

P. O. Box 12261-20100, Nakuru

Telephone: (254) 51-2210851

E-mail: pmcu@kelcop.or.ke

Website: www.kelcop.or.ke

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	5th March 2021
Project End Date:	Project Completion Date: 31st March 2027
Project Closing Date:	Project Closing Date: 30th September 2027
Project Coordinator:	Dr. Moses Kembe, PhD

2.3 Project Overview

Line Ministry and State/ County Department	Ministry of Agriculture and Livestock Development – State Department for Livestock Development
Project number	Project No .2000002339; Report No. 5382-KE; Project Loan No.200000356500; Project Loan No.200000356600;
Strategic goals of the project	Project Goal: i) To contribute to the Government's agriculture transformation Agenda of increasing rural small-scale farmers' incomes, food and nutrition security Project Development Objective: To increase incomes of 110,000 poor livestock and pastoralist HHs, especially youth and women, in an environmentally friendly manner, in selected project areas of the 10 participating counties.
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: The project has distributed the target outreach over the 6 years by ensuring that the period when activities are expected to peak is factored in. Thus, the project will be expected to reach households during the respective years in the following ratios: Small Ruminants (Shoats) 60% (66,000 HH), Indigenous Poultry (IP) 36% (39,600 HH) and Beekeeping 4% (4,400 HH).

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	<p>The project management aims to achieve the goals through the following means:</p> <ul style="list-style-type: none"> i) Component 1: Climate-Smart Production Enhancement for Small Livestock <ul style="list-style-type: none"> • This Targets the production level ii) Component 2: Support to Livestock Market Development <ul style="list-style-type: none"> • Supports participation of smallholders in the value chains promoted by the project iii) Component 3: Project Management and Coordination <p>Supports the improvement of institutional and policy environment; fiduciary management; monitoring and evaluation aspects of the project.</p>
<p>Other important background information of the project</p>	<p>The project beneficiaries: The primary target group will comprise:</p> <ul style="list-style-type: none"> a) Very vulnerable, ultra-poor, mostly women headed households, pastoralist and agro-pastoralist households; b) Commercially orientated pastoralist and agro-pastoralist households; c) Young women and men involved in production and entrepreneurial activity at critical points in the value chain. <p>The project will also engage with value chain drivers such as farmers who have the resources to function as;</p> <ul style="list-style-type: none"> • Breeders of livestock • Traders • Retailers • Wholesalers • Private sector companies • Transporters, • Private agro-input suppliers <p>KeLCoP will have a strong focus on the inclusion of women and youth, marginalized tribes and persons with disabilities.</p> <p>To directly benefit 110,000 households with a total number of 495,000 people.</p> <ul style="list-style-type: none"> • 54% - 267,300 direct women beneficiaries • 30% - 148,500 will be youth beneficiaries • 5% -24,750 of beneficiaries will be from vulnerable groups (marginalized tribes, persons with disabilities and persons with HIV).

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Areas that the project was formed to intervene	The project was formed to intervene in the following problems/gaps: i) Production gaps in the small stock, poultry and apiculture value chains ii) Marketing gaps small stock, poultry and apiculture value chains
Project duration	6 Years

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

- (i) Kenya Commercial Bank Ltd,**
 - (1)** Project Management and Coordination Unit, IFAD Loan Operational Fund Account - A/C No. 1287724450
 - (2)** Project Management and Coordination Unit, GoK Operational Account - A/C No. 1287724035
 - (3)** Baringo County - A/c No 1297046358
 - (4)** Bungoma County - A/c No 1317989708
 - (5)** Busia County - A/c No 1314028499
 - (6)** Kakamega County - A/c No 1302249932
 - (7)** Marsabit County - A/c No 1312242647
 - (8)** Nakuru County - A/c No 1303367890
 - (9)** Siaya County - A/c No 1311851240
 - (10)** Trans Nzoia County - A/c No 1311830391
- (ii) Cooperative Bank of Kenya,**
 - (11)** Elgeyo Marakwet County - A/c No 01141951500100
 - (12)** Samburu County - A/c No 01141999839000

2.5 Independent Auditor

The project is audited by the Office of The Auditor General, P.O Box 30084-00100, Nairobi

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2.6 Roles and Responsibilities

List the different people who are working on the project. This list would include the project coordinator and all the key officers involved.

No	Name	Title designation	Key qualification	Responsibilities
1.	Moses Kembe	Project Coordinator	Post Graduate degree	Overall Project Management and Coordination
2.	Christopher Kingi	Financial Controller	Post Graduate degree, CPA(K)	Management & administration of Project finances
3.	Board Omondi	Procurement Specialist	Post Graduate degree	Procurement of works, goods and services
4.	Kiema Mwandia	Monitoring & Evaluation Specialist	Post Graduate degree	Monitoring and Evaluation of the Project activities
5.	Bildad Mghendi	Project Accountant	Post Graduate degree, CPA(K)	Deputise the Financial Controller and assist in the Management & administration of the Project finances
6.	Augustus Kiema	Livestock Production Specialist	Post Graduate degree	Technical coordination and oversight of KeLCoP activities for animal production.
7.	Winfred Olubai	Social Inclusion Specialist	Post Graduate degree	Targeting and Gender and Nutrition mainstreaming
8.	Titus Mutisya	Environment Climate and Safeguards Specialist	Post Graduate degree	Environmental, climate and safeguards oversight.
9.	Michael Kibiego	Livestock Marketing Specialist	Post Graduate degree	Marketing infrastructure and capacity development;
10.	Geoffrey Ochieng	Knowledge Management	Under graduate degree	Coordinate and facilitate the collection, sharing, and dissemination of various Project-related information.
11.	Felista Njeri	Procurement Assistant	Post Graduate degree	Supporting the procurement activities needed for Project implementation.
12.	Lui Kirui	Monitoring & Evaluation Assistant	Under graduate degree	To assist with the Monitoring and Evaluation of the Project activities
13.	Abel Sawanga	Financial Assistant	Under graduate degree	To assist the Project Accountant on operations of the financial management & administration of the Project.
14.	Enock Akanga	ICT Assistant	Under graduate degree	Management of Project ICT systems and requirements.
15.	Catherine Musembi	Administrative Assistant	Post Graduate degree	Management of human resource and administrative activities.

2.7 Funding summary

The Project is for duration of 6 years from 2021 to 2027 with an approved budget of EUR 62.22 million equivalent to Kshs 7.46 billion as highlighted in the table below:

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Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Development Partner Commitment		Amount received to date – (30 th June 2025)		Undrawn balance to date	
	Development Partner currency	Kshs	Development Partner currency	Kshs	Development Partner currency	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A') - (B')
(i) Loan						
IFAD	46,210,000	5,539,654,800	22,074,648	3,212,724,644	24,135,352	2,326,930,156
(ii) Counterpart funds						
Government of Kenya – Cash	1,240,000	148,651,200	2,590,225	350,000,000	-1,350,225	-201,348,800
Government of Kenya – Taxes and Duties	10,620,000	1,273,125,600	416322.7751	59774745	10,203,677	1,213,350,855
Government of Kenya – In-Kind	4,150,000	497,502,000	-	-	4,150,000	497,502,000
Sub-total	16,010,000	1,919,278,800	3,006,548	409,774,745	13,003,452	1,509,504,055
Total	62,220,000	7,458,933,600	25,081,196	3,622,499,389	37,138,804	3,836,434,211

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Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2025)		Cumulative amount paid to date – (30 th June 2025)		Unutilised balance to date (30th June 2025)	
	EUR	Kshs	EUR	Kshs	EUR	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan						
IFAD Loan	22,074,648	3,212,724,644	17,399,105	2,662,985,322	4,675,543	549,739,322
(ii) Counterpart funds						
Government of Kenya - Cash	2,590,225	350,000,000	2,330,732	322,128,094	259,493	27,871,906
Government of Kenya – Taxes and Duties	416,323	59,774,745	416,323	59,774,745	-	-
Government of Kenya – In-Kind	-	-	-	-	-	-
Sub-total	3,006,548	409,774,745	2,747,055	381,902,839	259,493	27,871,906
Total	25,081,196	3,622,499,389	20,146,160	3,044,888,162	4,935,037	577,611,228

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Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

- i) **Budget performance against actual amounts for the current year and for cumulative to-date,**

Budget performance against actual amounts for FY2021/22				
Item	Final Budget	Actual	Budget Utilization Difference	Absorption Rate
	a	b	c=a-b	d=b/a %
Receipts	184,974,800	100,985,320	83,989,480	55%
Payments	184,974,800	100,406,706	84,568,095	54%

Budget performance against actual amounts for financial year 2022/23				
Item	Final Budget	Actual	Budget Utilization Difference	Absorption Rate
Receipts	953,030,000	752,006,082	201,023,919	79%
Payments	953,030,000	544,742,070	408,287,930	57%

Budget performance against actual amounts for financial year 2023/24				
Item	Final Budget	Actual	Budget Utilization Difference	Absorption Rate
Receipts	1,541,000,000	1,194,613,867	346,386,133	78%
Payments	1,541,000,000	941,424,600	599,575,400	61%

Budget performance against actual amounts for current year 2024/25				
Item	Final Budget	Actual	Budget Utilization Difference	Absorption Rate
Receipts	1,683,000,000	1,515,119,375	167,880,625	90%
Payments	1,683,000,000	1,398,027,542	284,972,458	83%

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Budget performance against actual amounts cumulative to-date.				
Item	Final Budget	Actual	Budget Utilization Difference	Absorption Rate
Receipts	4,362,004,800	3,562,724,644	799,280,156	82%
Payments	4,362,004,800	2,984,600,918	1,377,403,882	68%

ii) Physical progress based on outputs and outcomes since project commencement

a) Project Outreach

- Project initiatives have made a significant impact on a vast number of beneficiaries.
 - *The Project has onboarded the entire 110,000 beneficiary Households (HHs) in the ten project counties as at the end of June 2025.*
 - *Out of the 110,000 HHs, the project has reached 76% of beneficiary households representing 83,963 households out of the target of 110,000 households. Women 52.77%, (44,307) Male 47.23 (39,656)*
 - *This translates to 76% of individual household members representing 377,834 individual household members out of a target of 495,000 household members benefiting from the Project.*

b) Capacity Building

- For both staff and project beneficiaries in order to improve on their knowledge and skills for increased food security.
 - *This is contributing to increased Knowledge and skills in livestock production leading to increased incomes, food security and nutrition.*

c) Provision of Improved Breeds

- **Sheep and Goats (1,884)**
- **Indigenous Chicken (66,000)**
- **20 portable small livestock electronic weighing scale**
- **44 animal health kits**
- **100 smart devices for tracking and monitoring livestock diseases**
 - *Status: Delivered to project beneficiaries.*

- *This is contributing to increased production of quality animal breeds for increased livestock production that will lead to increased incomes, food security and nutrition.*

d) Provision of Fertilizers

- 2,400 bags of planting and top-dressing organic fertilizers
 - *Status: Delivered to project beneficiaries.*
 - *This is contributing to improved feed production leading to increased livestock production for increased incomes, food security and nutrition.*

e) Youth Training in Animal Health

- 201 young men and women selected and placed in animal health and management training institutes (20 each from the in the 10 Project Counties). 135 Males representing 67% and 66 Females representing 33%
 - *Status: Will complete their studies in August 2025 at Government Animal Health Training Institutes.*
 - *This will contribute to building capacities for beneficiary communities to be able to manage animal health and contribute to increased livestock production and access to markets thereby leading to increased incomes, food security and nutrition.*

f) Provision of Pasture and Fodder Seeds

- 10,030 Kgs of assorted pasture and fodder seeds
 - *Status: Delivered to project beneficiaries.*
 - *This is contributing to increased pasture production as food for livestock hence increased livestock production leading to increased food security and nutrition.*

Hay Stores

- Construction of 3 Feeds Storage Infrastructure/Hay store In Elgeyo Marakwet, Marsabit and Baringo County – Completion rate at 90%

g) Boreholes with Solar Power

- Drilling 7 boreholes with solar power in Marsabit (Kubi Dibayo and Kargi), Samburu (Lengusaka), Baringo (Kungin and Nuregoi), Siaya and Elgeyo Marakwet (Kapseret).
 - *Status: Works Completed*

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- *This is leading to increased water production for animals as well as project beneficiaries hence increased access to water and increased livestock production leading to increased incomes, food security and nutrition.*
- Drilling 2 boreholes with solar power in **Kimose** and **Naivasha** Sheep and Goat Stations.
 - *Status: Works Completed.*
 - *This is leading to increased water production for animals as well as project beneficiaries hence increased access to water and increased livestock production leading to increased incomes, food security and nutrition.*

Additional Boreholes (5) - Ongoing

- i) Drilling and equipping of Murindu community solar powered borehole in **Nakuru County** is at 40% completion
- ii) Drilling and equipping of Nkutoto solar powered borehole at Suguta Marmar in **Samburu County** is at 40% completion
- iii) Drilling and equipping of Ragel solar powered borehole in **Marsabit County** is at 40% completion
- iv) Drilling and equipping of Elugulu solar powered borehole in **Busia County** is at 40% completion
- v) Drilling and equipping of solar powered borehole at Kaptama in **Bungoma County** is at 40% completion

h) Water Pans with Solar Power

- Constructing Water Pans with solar panels in **Siaya** (Arongo) and **Samburu** (Nomotio).
 - *Status: Works completed.*
 - *This is leading to increased water production for animals as well as project beneficiaries hence increased access to water and increased livestock production leading to increased incomes, food security and nutrition.*

Additional Water Pans - Ongoing

- Construction of 3 Solar Powered Water Pans in the three selected counties – Nakuru, Samburu and Siaya Counties – Works ongoing at 40% completion rate

i) Livestock Markets Rehabilitation

- Upgrading 13 Livestock market infrastructure in **Marsabit** (Maikona), **Samburu** (Ngorika and Lengusaka), **Nakuru** (Banita), Kakamega (Nambacha and Lubao), **Siaya** (Ng'iya), **Busia** (Nambale), **Trans Nzoia** (Sibanga), **Baringo** (Nginyang and Kaptara), **Elgeyo Marakwet** (Kipcheptem) and **Bungoma** (Musikoma).
 - *Status: Works Completed*
 - *This is contributing to increased market access and livestock off take that will lead to increased incomes, food security, nutrition and incomes.*

j) Upgrading Slaughterhouses

- Upgrading 2 slaughterhouses in **Siaya** (Bondo) and **Elgeyo Marakwet** (Iten).
 - *Status: Works completed*
 - *This is contributing to increased market access and livestock off take that will lead to increased incomes, food security, nutrition and incomes.*

k) Construction of Night Bomas

- Construction of 4 Night bomas at Top farm – Naivasha LIC, Ol'Magogo farm sheep and goats' station, Mogotio LIC and Kimose LIC.
 - *Status: Works completed.*
 - *This is contributing to increased livestock production (sheep and goat meat production) for increased food security, nutrition and incomes.*

Additional Night Bomas - Ongoing

- Construction of 4 additional night bomas in Nomotio, Marindas, Naivasha and Kimose sheep and goat stations

l) Construction of Paddocks

- **Construction of 5-acre Paddocks, 2 paddocks for Top farm- Naivasha, 1 Paddock for Marindas, 1 for Mogotio LIC and 1 for Kimose LIC, Haystore for Mogotio.**
 - *Status: Works completed*
 - *This is contributing to increased pasture production hence increased livestock production leading to increased incomes, food security, nutrition and incomes.*

m) Apiary Set-Up

- 1 Apiary set-up in Kimose.

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- *Status: Works completed.*
- *This is leading to increased honey production for increased incomes, food security and nutrition.*

n) Provision of Beehives and Equipment

- Provision of Beehives and Equipment.
 - *Status: Delivered to project beneficiaries.*
 - *This is leading to increased honey production for increased incomes, food security and nutrition.*
- Provision of Testing Equipment for Honey and Related by- products (1,170 beehives, 95 harvesting kits, 90 catcher boxes, 14 smokers, 340 hive stands and 160 suppers, 10 Automatic honey extractors, 4 honey testing equipment, 20 Small honey extractors, 10 Wax and honey processing separators) for improved honey production and food security.
 - *Status: Delivered to project beneficiaries.*
 - *This is leading to increased honey production for increased incomes, food security and nutrition.*

o) Backup Generator for KALRO Kakamega

- Supply of 1 Backup Generator for KALRO Kakamega.
 - *Status: Delivered to Kalro Kakamega.*
 - *This is contributing to increased egg and poultry meat production hence increased incomes, food security and nutrition.*

p) E-extension & E-Marketing System

- Development, configuration and commissioning of E-extension and Marketing System.
 - *Status: Developed.*
 - *These advisory services are leading to increased knowledge and skills for increased incomes, food security and nutrition.*

q) E-voucher System

- E-voucher System Service Provider.
 - *Status: Procurement process ongoing.*
 - *This is leading to increased access to livestock production inputs for increased livestock production hence increased incomes, food security and nutrition.*

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r) Social Mobilization Service Provider and Gender Action Learning System (GALS)

- Consultancy services for Social Mobilization Service Provider and Gender Action Learning System (GALS) training **for a three year contract.**

- **Status: Contract Awarded and assignment on-going.**
- *This is leading to empowered beneficiaries with knowledge and skills hence increased incomes, food security and nutrition.*
- *Recruitment of a Social Mobilization & GALS Service Provider and 143 SPs (3 Regional Managers, 20 Senior Supervisors, 20 Group Mentors and 100 Graduation Champions) spread in the 10 counties and 40 SLCAs.*

s) Statutory compliance with the relevant laws and guidelines

- *All the investments were implemented in full compliance with the procurement and disposal act, EMCA, Water Act and SECAP.*

t) Climate and ecological conservation

- *Tree growing has been mainstreamed in all beneficiaries' farm activities and infrastructure investments.*
- *To date, a total of 117,218 trees have been planted and being nurtured as part of resilience to the effects of climate change mainly through tree growing of fruits, fodder, agroforestry, medicinal and indigenous tree species.*
- *The project targets to grow a minimum of 2,700,000 trees within the project period.*

iii) Indicate the absorption rate for each year since the commencement of the project.

Financial Year	Absorption Rate
<i>FY2021/22</i>	<i>54%</i>
<i>FY2022/23</i>	<i>57%</i>
<i>FY2023/24</i>	<i>61%</i>
<i>FY2024/25</i>	<i>83%</i>
Overall	68%

iv) List the implementation challenges and recommend the next steps.

Challenges

a) The project initially experienced major delays in access to project funds from both the donor and GoK;

- This delayed project start-up which delayed project implementation activities by 18 months.

- Delay in disbursement of funds to project counties.

b) Delay in recruitment of key project staff

- This led to a delay in receipt of funds and commencement of key project activities like Participatory Rural Appraisal, beneficiary identification and assessment of infrastructure which were key preliminary activities to enable all other project activities to be done.

c) Lapse in implementation after the launch of the project – first disbursement was received three months after start of financial year which affected the overall achievement of activities.

d) Delay in disbursement of funds to project counties.

- The county allocation for FY 2024/2025 was disbursed in June 2025 due to delays in passage of the County Government Additional Allocation Act (CGAA Act) which was signed in May 2025.

- There were also delays in transfer of funds from the County Revenue Fund to Project Operational Accounts which resulted in delays in implementation of project activities.

e) Engagement with Heifer International

- Implementation modalities have not been agreed upon by The Borrower, Heifer International and IFAD

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2.9 Summary of Project Compliance:

Table 2.9 :Summary on compliance with legal covenants: Status of implementation				
Section	Covenant	Target/Action	Compliance Status/Date	Remarks
		Due Date		
Section 4.01	<i>Designated Accounts:</i> The Borrower shall open and thereafter maintain in CBK, two Designated Account denominated in EUR for the purpose of receiving proceeds.	Before commencement	Complied	Bank Accounts for both National and County levels denominated in EUR opened and maintained with the Central Bank of Kenya.
Section 4.02(b)	<i>Withdrawal to meet start-up costs</i> of the project to be from the date of entry into force of the agreement	Once	Complied	The project submitted its Withdrawal Application for the release of start-up funds.
Section 4.02(a)	<i>Use of proceeds:</i> The Borrower and each Project party shall use the proceeds of the Loan exclusively to finance Eligible Expenditures.	Continuous	Complied	Withdrawal Applications are submitted based on the agreed activities defined by categories and AWPB. No ineligible expenditure was incurred by the Project.
Section 7.01(b)	<i>Annual Work Plans & Budgets (AWPB):</i> The PMCU shall prepare a draft AWPB for each Project year.	Continuous	Complied	The AWPB is prepared and approved by the National Steering Committee each financial year.
Section 7.02(b)	<i>Project Accounts:</i> The Lead Project Agency shall open and thereafter maintain in a commercial bank, 2 current accounts denominated in Kenya Shillings for receiving Loan and GOK proceeds.	30 days after the effective date	Complied	Bank accounts for loans and GOK proceed opened and maintained with the Kenya Commercial Bank of Kenya.
Section 7.03	<i>Availability of Additional Resources:</i> In addition to the proceeds of the Financing, The Borrower/Recipient shall make available to the Project Parties such funds, facilities, services, and other resources as may be required to carry out the Project in accordance with 7.01.	Continuous	Complied	The Borrower has provided to the Project both physical and financial resources.
Section 7.04	<i>Coordination of Activities:</i> To ensure that the Project is carried out in accordance with Section 7.01, the Borrower/Recipient shall ensure that the relevant activities of its ministries, departments, and agencies, and those of each Project Party, are conducted and coordinated in accordance with sound administrative policies and procedures.	Continuous	Complied	All activities are conducted as per the relevant laws and regulations.
Section 7.05(a)	<i>Procurement:</i> Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower/Recipient's procurement regulations, to the extent such	Continuous	Complied	All procurement activities are conducted as per the relevant laws and regulations.

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	is consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures that must be implemented by the Borrower/Recipient in order to ensure consistency with the IFAD Procurement Guidelines.			
Section 7.06	<i>Fraud and Corruption:</i> The Borrower/Recipient and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations, as may be amended from time to time.	Continuous	Complied	All Project activities are carried out in a manner that does not allow fraud and corruption practices.
Section 7.08	<i>Use of Goods and Services:</i> All goods, services, and buildings financed by the Financing shall be used exclusively for the purposes of the Project.	Continuous	Complied	All the Project assets are exclusively used for Project purposes
Section 7.09	<i>Maintenance:</i> The Borrower/Recipient shall ensure that all facilities and civil works used in connection with the Project shall at all times be properly operated and maintained and that all necessary repairs of such facilities shall be made promptly as needed.	Continuous	Complied	All Project assets are continually maintained and kept in serviceable condition.
Section 7.18	<i>Project Completion:</i> The Borrower/Recipient shall ensure that the Project Parties complete the implementation of the Project by the Project Completion Date. The Fund and the Borrower/Recipient shall agree on the disposition of the assets of the Project upon its completion.	Towards Project Completion	To be complied	The borrower will ensure that the implementation of the Project is done before the completion date.
Section 8.03	<i>Progress Reports:</i> The Lead Project Agency shall submit to the Fund six-month and consolidated annual progress reports on Project implementation.	3 months after the end of the period	Complied	Submitted.
Section 9.01	<i>Financial Records:</i> The Project Parties shall maintain separate accounts and records per consistently maintained appropriate accounting practices adequate to reflect the operations, resources, and expenditures related to the Project until the Financing Closing Date, and shall retain such accounts and records for at least ten (10) years thereafter.	Continuous	Complied	Being continuously undertaken
Section 9.02	<i>Financial Statements:</i> The Borrower/Recipient shall deliver to the Fund detailed financial statements of the operations, resources, and expenditures related to the Project for each Fiscal Year prepared per standards and procedures acceptable to the Fund and deliver such financial statements to the Fund within four (4) months of the end of each Fiscal Year.	4 months after the financial year	Complied	Project Financial statements prepared in conformity with the Government of Kenya statutory requirements and IPSAS Cash basis of accounting.

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Section 9.03(a)	<i>Audit of Accounts:</i> The Borrower/Recipient shall each Fiscal Year, have the accounts relating to the Project audited by independent auditors acceptable to the Fund per auditing standards acceptable to the Fund and the Conceptual Framework for Financial Reporting and Auditing of IFAD-financed Projects and Related Handbook Fiscal Year.	Within 6 months after the end of the financial year	Complied	Audit of the Project Accounts carried out in conformity with the Government of Kenya's statutory requirements.
Section 9.03(b)	<i>Audit of Accounts:</i> The Borrower/Recipient shall within six (6) months of the end of each Fiscal Year, furnish to the Fund a certified copy of the audit report. The Borrower/Recipient shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof.	Within 6 months after the end of the financial year	Complied	Audited report submitted within six months after the financial year

3. Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government entity's performance against predetermined objectives at the end of each financial year.

The key development objectives of the *project's agreement/* plan are to:

To increase incomes of 110,000 poor livestock and pastoralist HHs, especially youth and women, in an environmentally friendly manner, in selected project areas of the 10 participating counties.

This objective will be achieved through:

- a. Empowered smallholder farmers and pastoralists
- b. Increased resilience and ability to cope with climate risks and enhanced productivity
- c. Increased use of ICT by scaling up e-extension models, e-finance approaches and market information
- d. Increased commercialization and profitability
- e. Increased capacity of county governments to deal with the regulatory and policy environment for livestock and rangeland development
- f. Proactive policy to attract the private sector.

Progress on the attainment of strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement.

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Below, we provide the progress on attaining the stated objectives: (the entity to provide this information as per the table below or in a more applicable format to its operations)

Project	Objective	Outcome	Indicator	Performance
Kenya Livestock Commercialization Project (KeLCoP)	<ul style="list-style-type: none"> To increase incomes of 110,000 poor livestock and pastoralist HHs, especially youth and women, in an environmentally friendly manner, in selected project areas of the 10 participating counties 	<ul style="list-style-type: none"> Outcome 1: Enhanced poor rural people's production capacities Outcome 2: Strengthened environmental sustainability and climate resilience of poor rural people's economic activities. Outcome 3: Enhanced poor rural people's benefit from market participation 	<ul style="list-style-type: none"> Households reporting an increase in production Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices Households reporting improved physical access to markets, processing and storage facilities 	<ul style="list-style-type: none"> The Project has on boarded the entire 110,000 beneficiary Households (HHs) in the ten project counties as at the end of June 2025. Out of the 110,000 HHs, the project has reached 76% of beneficiary households representing 83,963 households out of the target of 110,000 households. Women 52.77%, (44,307) Male 47.23 (39,656) This translates to 76% of individual household members representing 377,834 individual household members out of a target of 495,000 household members benefiting from the Project.

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Project	Objective	Outcome	Indicator	Performance
Project Key Achievements	<ul style="list-style-type: none"> Increased incomes, food security and nutrition 	<ul style="list-style-type: none"> Increased production of quality animal breeds 	<ul style="list-style-type: none"> Improved Breeds provided to project beneficiaries 	<ul style="list-style-type: none"> B. Sheep and Goats (1,884) C. Indigenous Chicken (66,000) D. 20 portable small livestock electronic weighing scale E. 44 animal health kits F. 100 smart devices for tracking and monitoring livestock diseases
	<ul style="list-style-type: none"> Increased incomes, food security and nutrition 	<ul style="list-style-type: none"> Improved feed production and livestock production 	<ul style="list-style-type: none"> Number of Fertilizer bags provided to project beneficiaries 	<ul style="list-style-type: none"> 2,400 bags of planting and top-dressing organic fertilizers provided to project beneficiaries
	<ul style="list-style-type: none"> Increased incomes, food security and nutrition 	<ul style="list-style-type: none"> Building capacities for beneficiary communities, Improved animal health Increased livestock production 	<ul style="list-style-type: none"> Number of Youth Trained in Animal Health 	<ul style="list-style-type: none"> 201 young men and women selected and placed in animal health and management training institutes (20 each from the in the 10 Project Counties). 135 Males representing 67% and 66 Females representing 33%
<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Increased incomes, food security and nutrition 	<ul style="list-style-type: none"> Increased production of pasture Increased livestock production 	<ul style="list-style-type: none"> Kilograms of Pasture and Fodder Seeds provided to farmers 	<ul style="list-style-type: none"> 10,030 Kgs of assorted pasture and fodder seeds provided to farmers

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Project	Objective	Outcome	Indicator	Performance
	<ul style="list-style-type: none"> Increased incomes, food security and nutrition 	<ul style="list-style-type: none"> Increased access to water by livestock and households Increased livestock production 	<ul style="list-style-type: none"> Number of Boreholes with Solar Power constructed in project areas 	<ul style="list-style-type: none"> Completed Drilling of 9 boreholes with solar power in Marsabit (Kubi Dibay and Kagri), Samburu (Lengusa), Baringo (Kungin and Noregoi), Siaya and Elgeyo Marakwet (Kapseret), Kimose and Naivasha Sheep and Goat Stations Five Boreholes (5) are Ongoing at 40% Completion Drilling and equipping of solar powered boreholes Murindu community solar powered borehole in Nakuru County Nkutoto solar powered borehole at Suguta Marmar in Samburu County Ragel solar powered borehole in Marsabit County Elugulu solar powered borehole in Busia County Kaptama in Bungoma County
		<ul style="list-style-type: none"> Increased access to water by livestock and households Increased livestock production 	<ul style="list-style-type: none"> Number of Water Pans with Solar Power constructed in project areas 	<ul style="list-style-type: none"> Completed Construction of two Solar Powered Water Pans in Siaya (Arongo) and Samburu (Nomotio). On-going Construction of 3 Solar Powered Water Pans in the three selected counties – Nakuru, Samburu and

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Project	Objective	Outcome	Indicator	Performance
				Siaya Counties – Works ongoing at 40% completion rate
	<i>Increased incomes, food security and nutrition</i>	<ul style="list-style-type: none"> • <i>Increased access to market and livestock off-take</i> 	<ul style="list-style-type: none"> • Number of Livestock Markets Rehabilitated in project areas 	<ul style="list-style-type: none"> • Completed construction and upgrading of 13 Livestock market infrastructure in Marsabit (Maikona), Samburu (Ngorika and Lengusaka), Nakuru (Banita), Kakamega (Nambacha and Lubao), Siaya (Ngiya), Busia (Nambale), Trans Nzoia (Sibanga), Baringo (Nginyang and Kaptara), Elgeyo Marakwet (Kipcheptem) and Bungoma (Musikoma).
		<ul style="list-style-type: none"> • <i>Increased access to markets and livestock off-take</i> 	<ul style="list-style-type: none"> • Number of Slaughterhouses Upgraded in project areas 	<ul style="list-style-type: none"> • Completed Upgrading of 2 slaughterhouses in Siaya (Bondo) and Elgeyo Marakwet (Iten).
		<ul style="list-style-type: none"> • <i>Increased livestock production (sheep and goat meat production)</i> 	<ul style="list-style-type: none"> • Number of Night Bomas constructed 	<ul style="list-style-type: none"> • Completed Construction of 4 Night bomas at Top farm – Naivasha LIC, Ol'Magogo farm sheep and goats' station, Mogotio LIC and Kimose LIC, complete • Ongoing Construction of 4-night bomas in Nomotio, Marindas, Naivasha and Kimose sheep and goat stations

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Project	Objective	Outcome	Indicator	Performance
		<ul style="list-style-type: none"> Increased production of pasture Increased livestock production 	<ul style="list-style-type: none"> Number of Paddocks constructed 	<ul style="list-style-type: none"> Completed Construction of four, 5-acre Paddocks, One at Top farm-Naivasha, One Paddock at Marindas, One Paddock at Mogotio LIC and One Paddock at Kimose LIC, and One Haystore at Mogotio.
		<ul style="list-style-type: none"> Increased honey production 	<ul style="list-style-type: none"> Number of Beehives and Honey Harvesting Equipment provided 	<ul style="list-style-type: none"> Provided Beehives and Honey Harvesting Equipment by-products (1,170 beehives, 95 harvesting kits, 90 catcher boxes, 14 smokers, 340 hive stands and 160 suppers, 10 Automatic honey extractors, 4 honey testing equipment, 20 Small honey extractors, 10 Wax and honey processing separators)
		<ul style="list-style-type: none"> Empowered beneficiaries with knowledge and skills 	<ul style="list-style-type: none"> Social Mobilization Service Provider on-boarded Gender Action Learning System (GALS) model rolled-out 	<ul style="list-style-type: none"> Recruited Social Mobilization & GALS Service Provider Recruited 143 SPs (3 Regional Managers, 20 Senior Supervisors, 20 Group Mentors and 100 Graduation Champions) spread in the 10 counties and 40 SLCAs.
		<ul style="list-style-type: none"> Climate and ecological conservation 	<ul style="list-style-type: none"> Mainstreamed of Tree growing in project infrastructure investments and households' farms 	<ul style="list-style-type: none"> a total of 117,218 trees have been planted and being nurtured as part of resilience to the effects of climate change mainly through tree growing of fruits, fodder, agroforestry, medicinal and indigenous tree species.

4. Environmental and Sustainability Reporting

KeLCoP was screened during the design stage and classified as category B for environmental and social risks while it was classified as a high risk project on climate risks. Consequently, the appropriate instruments for environmental and social safeguards (mainly the ESMF and PMP), plus an in-depth climate risk analysis and the corresponding mitigation and adaption measures were developed. The project is therefore implemented in compliance with the IFAD Social, Environmental and Climate Assessment Procedure of 2017 (SECAP 2017), and the National Environment Management and Coordination Act of 1999 (EMCA 1999) and revised in 2015. The project activities are envisaged to trigger 7 out of the 14 guidance statements. Consequently, Environmental and Social Management Plans (ESMPs) are developed for each group venture and infrastructure development supported under KeLCoP.

The project activities that are envisaged to promote the prioritized value chains involve mobilization of communities, utilization of natural resources and use of agrochemicals. It is therefore necessary for the beneficiaries to participate in project activities aimed at improving their economic status without causing negative impacts to the environment. The project has developed a strategy aimed at ensuring that the project implementers and beneficiaries are made aware of the requirements for environmental and social safeguards compliance in order to make informed decisions.

The environmental and social safeguards issues have been mainstreamed in the three project component activities and will be achieved through; development of the mainstreaming tools and templates, capacity building of all project structures and beneficiaries, and regular field follow ups.

1. Sustainability strategy and profile

The project has taken steps to ensure sustainability in the project activities that include improving the resilience to climate change by climate proofing all the physical investments by use of renewable solar energy for water storage infrastructure, tree growing and Sustainable land management activities especially tree growing, soil and water conservation,

and manure management. Project beneficiaries have also made their contribution both in kind and financial to increase the ownership of the investments.

2. Environmental performance

The project has developed the compliance instruments, notably; in-depth climate risk analysis report, an Environment and Social Management Framework (ESMF), an Integrated Pesticides Management Plan (IPMP) and an Indigenous Peoples Planning Framework and Plan (IPPF&P). Additionally, the project has implemented 27 physical investments in compliance with the National regulators especially National Environment Management Authority (NEMA), Water Resources Authority (WRA), Kenya Forestry Service (KFS) and the National Land Commission (NLC). Additionally, 5 bore holes 3 water pans and 1 sand dam, all solar powered have been constructed in order to provide a steady supply of clean water for livestock and domestic use in 3 counties.

The beneficiary identification has been done with major focus on the market oriented farmer groups and the vulnerable members of the society in the 4 wards in each of the 10 project counties. Women and youth constitute 54 and 30 percent of all the project beneficiaries that have been on boarded. In order to increase the women participation in livestock marketing, poultry sections with appropriate poultry cages have been incorporated in the livestock sale yards that have been constructed/rehabilitated under KeLCoP. The sale yards have eateries that are solely set aside for women to prepare and sell meals to market players. Additionally, the sale yards have nursing rooms to enable lactating mothers to conveniently participate in the marketing activities while still nursing their young ones. The identified and mobilised small holder farmers beneficiaries have been sensitized to mainstream Sustainable Land Management (SLM) activities in their farms, mainly soil and water conservation measures, agroforestry and manure management. Each beneficiary has committed to grow a minimum of 10 trees (agroforestry/ fruit. Indigenous) in their farms. To boost the farmers efforts, the project has distributed 1,800 bags of organic fertilizers for environmentally friendly soil fertility improvement. It has also distributed 6,180 Kg of assorted pasture and fodder seeds to the beneficiaries. This will increase the vegetation cover in the project area and contribute to carbo sequestration hence mitigating against greenhouse gas effects. The project has

contributed to the National target of tree growing by participating in the National tree planting day, and also the annual tree planting drive at Kaptagat forest. To date, a total of 120,850 trees have been planted and are growing.

3. Employee welfare

All the staff both technical and administrative are hired on merit and in compliance with IFAD and National Government procedures. The Terms of Reference (TORs) for any positions are developed. The vacancies are widely publicised using all the available channels, long listing and short listing follows, then interviews that are carried out in transparent manner. The staff are appraised annually according to the Public service guidelines and with consideration of gender balance. The 30% gender has been achieved in hiring of all the cadres of staff except the drivers.

The project has procured an insurance cover for all the staff and the administration has purchased new sets of fire extinguisher and first aid kits for all the vehicles. The vehicles and motor cycles are also insured to ensure safety of the beneficiaries who will use the vehicles.

4. Marketplace practices-

a) Responsible Supply chain and supplier relations-

All procurement activities are undertaken in strict compliance to the Public Procurement and Asset disposal act, 2015 as well as the Bank guidelines to ensure transparency, fairness and accountability.

b) Responsible ethical practices

The bidding documents have sections that the bidders commit to adhere to IFAD regulation and also sign a code conduct on behalf of all their staff.

During contract signing, the bidders are briefed on all the environmental and social safeguards issues that they abide by. These include commitment to zero tolerance on corruption and Sexual Exploitation, Abuse and Harassment (SEAH). All the construction sites have signboards for visibility and also for disclosure of the cost of the project, plus disclaimers stating that the sites are drugs and corruption free zones. The contractors have been planting trees as part of their corporate social responsibility. All the investments are subjected to Environmental and Social screening, public

participation and Environmental and Social Impact Assessment (ESIA) to ensure that they do not cause any negative impacts to the physical and social environment.

c) Regulatory impact assessment

The project operates within the legal framework by both the government of Kenya and IFAD's regulations, requirements and policies. The project has met all the legal covenants with the donor.

5. Community Engagements

The Project has in all its activities engaged the community members in its operation area through community groups, community-based organizations, cooperatives and County staff. The project began with carrying out participatory rural appraisal (PRA), community needs assessment, etc. to ensure full participation of the community.

5. Statement of Project Management Responsibilities

The ***Principal Secretary*** for the ***Ministry of Agriculture and Livestock Development*** department of ***Livestock Development*** and the ***Project Coordinator*** are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the financial period ended on 30th June, 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 project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

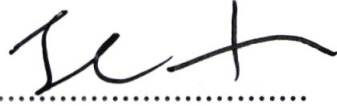
The ***Principal Secretary*** for the ***Ministry of Agriculture and Livestock Development*** Department of ***Livestock Development*** and the ***Project Coordinator*** accept responsibility for the Project's financial statements, which have been prepared on the accrual basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The ***Principal Secretary*** for the ***Ministry of Agriculture and Livestock Development*** Department of ***Livestock Development*** and the ***Project Coordinator*** are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the period ended 30th June, 2025, and of the Project's financial position as at that date. The ***Principal Secretary*** for ***Livestock Development*** and the ***Project Coordinator*** further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control. The ***Principal Secretary*** for the ***Ministry of Agriculture and Livestock Development Department of Livestock Development*** and the ***Project Coordinator*** confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Approval of the Project Financial Statements

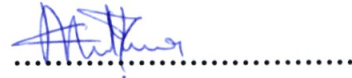
The Project financial statements were approved by the *Principal Secretary* for the *Ministry of Agriculture and Livestock Development, State Department of Livestock Development* and the *Project Coordinator* on 26/9/ 2025 and signed by:



Name: Hon. Jonathan Mueke, CBS
Principal Secretary



Name: Moses Kembe, PhD
Project Coordinator



Name: Christopher Kingi
Financial Controller
ICPAK Member No:9467

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REPORT OF THE AUDITOR-GENERAL ON KENYA LIVESTOCK COMMERCIALIZATION PROJECT (KELCOP) NO. 2000002339 (LOAN NO.200000356500 AND 200000356600) FOR THE YEAR ENDED 30 JUNE, 2025 - STATE DEPARTMENT FOR LIVESTOCK DEVELOPMENT

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.

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Livestock Commercialization Project No. 2000002339 (Loan No. 200000356500 and

Report of the Auditor-General on Kenya Livestock Commercialization Project (KELCOP) No. 2000002339 (Loan No.200000356500 and 200000356600) for the year ended 30 June, 2025 - State Department for Livestock Development

200000356600) set out on pages 1 to 35, which comprise of the statement 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 statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kenya Livestock Commercialization Project NO. 2000002339(Loan No. 200000356500 and 200000356600) 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 projects Financing Agreement No. 7139 dated 29 June, 2022 and the Public Finance Management Act, 2012.

In addition, the special accounts statements present fairly, transactions for the year, and the closing balance have been reconciled with the books of account.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Kenya Livestock Commercialization Project NO. 2000002339 (Loan No. 200000356500 and 200000356600) Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects a final revenue budget of Kshs.1,683,000,000 and actual receipts of Kshs.1,515,119,375 resulting in an under funding of Kshs.167,880,625 or 10% of the budget. Similarly, the entity had a final expenditure budget of Kshs.1,683,000,000 but utilized Kshs.1,398,027,543 resulting in an underutilization of Kshs.284,972,457 or 17% of the final budget.

The under- funding affects planned activities and may have impacted negatively on delivery of services to the public.

2.Undisclosed Special Deposit Account Balance.

The projects special deposit account maintained at the Central Bank of Kenya reflects a closing balance of Kshs.13,015,445 (EUR 86,195). However, the Project did not disclose this balance in the financial statements as at 30 June, 2025, contrary to the requirement of International Public Sector Accounting Standards (IPSAS) No.23-

revenue from non-exchange transactions. In addition, amount withdrawn and expenditure not claimed totaled USD 7,044,861(Kshs.1,063,774,011) at Designated Account No.1000542578 held with the Central Bank of Kenya as at 30 June, 2025.

Delays in the submission of expenditure returns distorts the reported Projects expenditures for the year.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

Unresolved Prior year audit Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, management has indicated that the issues had been resolved. However, no evidence was provided on how they were resolved as detailed below;

1. Purchase of certified seeds, breeding stock and live animals
2. Renewal of insurance cover
3. Gender composition
4. Lack of risk Management policy and Disaster Recovery plan
5. Non maintenance of Retention Register

Other Information

The Management is responsible for the Other Information set out on page i to xxxiv which comprise of Project information and overall performance, statement of performance against project's predetermined objectives, Environmental and Sustainability Reporting, Statement of Project management Responsibilities, The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Project's 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 THE LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

2.0 Project Implementation Status

The statement of financial performance reflects other transfers/subsidies/grants balance of Kshs.304,721,025 as disclosed in Note 12 to the financial performance. However, audit of this expenditure revealed the following unsatisfactory as follows:

2.1 Construction of Livestock Saleyard Project at Kipcheptem in Elgeyo Marakwet County

The balance of Kshs.304,721,025 includes Kshs.132,645,806 in respect of Livestock feed production improvement which further, includes Kshs.5,329,685 paid to a contractor for the payment of construction of livestock saleyard project at Kipcheptem-Elgeyo Marakwet county at a contract sum of Kshs.13,324,213. However, physical verification revealed that the main sale yard structure was missing, gutters, downpipes and works in the eatery section had not been finalized as well as incomplete paintwork. Poultry cages valued at Kshs.500,000 were not constructed, and supporting infrastructure such as plumbing, solarization valued at Kshs.1,200,000, and electricity connection at a cost of Kshs.300,000 had not been done.

In the circumstances, the value for money of Kshs.5,329,685 could not be confirmed.

2.2 Rehabilitation and Upgrading of Banita Livestock Market – Nakuru County

The balance of Kshs.304,721,025 includes Kshs.132,645,806 in respect of Livestock feed production improvement which further, includes Kshs.5,941,970 paid to a contractor for the rehabilitation and upgrading of Banita Livestock Market – Nakuru County. The rehabilitation of Banita Livestock Market was awarded to a contractor for contract sum of Kshs.14,845,925. As at 30 June, 2025, only one certificate of Kshs.5,941,970 representing 50% of the works had been issued, although the extended completion period of 7 May, 2025 had already lapsed. Field verification on 6 July, 2025 revealed that some structural elements remained incomplete, such as

market steel frames, water systems (four water tanks and solarized borehole connection), and fencing for small livestock.

The Contract Implementation Team had not certified the issued payment, and the performance guarantee had expired by the time of audit.

In the circumstances, the value for money of Kshs.5,941,970 could not be confirmed.

2.3 Rehabilitation and Upgrading of Nambacha Livestock Market – Kakamega County

The balance of Kshs.304,721,025 includes Kshs.132,645,806 in respect of Livestock feed production improvement which further, includes Kshs.3,703,954 paid to a contractor for rehabilitation of Nambacha livestock Markets at a sum of Kshs.9,259,886. As of 30 May, 2025 the physical progress stood at 50%. Field verification on 5 July, 2025 established that the market office, eatery, and toilet at market had not been completed and the contractor was not on site.

In the circumstances, the value for money of Kshs.3,703,954 could not be confirmed.

2.4 Rehabilitation and Upgrading of Lubao Livestock Market – Kakamega County

The balance of Kshs.304,721,025 includes Kshs.132,645,806 in respect of Livestock feed production improvement which further, includes Kshs.6,508,055 paid to a contractor for rehabilitation of Lubao Markets at a sum of Kshs.16,270,137. As of 30 May, 2025, the physical progress stood at 50%. Field verification on 5 July, 2025 established that the market office, eatery, and toilet at Lubao had not been completed and the contractor was not on site.

In the circumstances, the value for money of Kshs.6,508,055 could not be confirmed.

2.5 Upgrading of Kaptara Livestock Saleyard – Baringo County

The balance of Kshs.304,721,025 includes Kshs.132,645,806 in respect of Livestock feed production improvement which further, includes Kshs.5,564,711 paid to a contractor for the upgrading of Kaptara Livestock Saleyard at a contract sum of Kshs.13,911,776. Review of the procurement process revealed that the contract was awarded to a bidder previously assessed as technically non-responsive. Field verification revealed that some elements of the works had defects including early cracking of market stall structures, poultry cages, lack of proper water drainage, and a water trough, placed outside the designated yard area.

In the circumstances, the value for money of Kshs.5,564,711 could not be confirmed.

2.6 Rehabilitation and Upgrading of Musikoma Livestock Market-Bungoma County

The balance of Kshs.304,721,025 includes Kshs.132,645,806 in respect of Livestock feed production improvement which further, includes Kshs.8,924,144 paid to a contractor for the rehabilitation and upgrading of Musikoma Livestock Market at a contract sum of Kshs.22,310,360. However, a weighbridge included in the project scope had not been installed. The site remained unfenced, and the market stalls showed early signs of cracking on floors and walls.

In the circumstances, the value for money of Kshs.8,924,144 could not be confirmed.

2.7 Construction of Ng'iya Livestock Market-Siaya County

The balance of Kshs.304,721,025 includes Kshs.132,645,806 in respect of Livestock feed production improvement which further, includes Kshs.6,663,944 paid to a contractor for the construction of Ng'iya Livestock Market-Siaya County at a contract sum of Kshs.16,659,861. Physical inspection of Ng'iya Livestock Market project on 29 April, 2025 revealed that, the project had remained incomplete despite the extended contractual completion date of 11 February, 2025. The delay was due to unauthorized changes in project scope, including the addition of a poultry house and the renovation of a pit latrine items not included in the original Bill of quantities

In the circumstances, the value for money of Kshs.6,663,944 could not be confirmed.

3. Failure to Insure Project Assets

The statement of financial performance reflects use of goods and services balance of Kshs.756,657,180. Included in this amount was Kshs.16,879,625 spent on insurance by the project. However, examination of asset records kept and managed by the project revealed that the project is yet to insure all its goods and buildings against risks except for motor vehicles, four (4) years since inception of the project. This is contrary to Section 7.10 of the Financing Agreement which states that the Borrower/Recipient or the Lead Project Agency shall insure all goods and buildings used in the Project against such risks and in such amounts as shall be consistent with sound commercial practice.

In the circumstances, Management is in breach of Financing Agreement.

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

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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.

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

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

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

Those charged with governance are responsible for overseeing the Project's, 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 requires 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

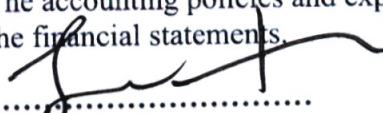
17 November, 2025

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

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

	Notes	FY2024/25
		Kshs
Revenue		
Revenue Transfers	6	1,515,119,375
Miscellaneous Revenue	7	
Total revenue		1,515,119,375
Expenses		
Employee costs	8	88,796,708
Use of goods and services	9	756,657,180
Depreciation and amortization expense	10	34,303,553
Transfer to other Government Entities	11	204,357,977
Other Transfers/Subsidies/Grants	12	304,721,025
Certified Works	13	-
Social Security Benefits – Gratuity	23	18,186,687
Total expenses		1,407,023,130
Other gains/(losses)		
Gain/Loss on sale of assets	14	-
Gain/Loss on foreign exchange transactions	15	-
Impairment loss	16	-
Surplus/ (deficit)		108,096,245

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


 Name: : Hon. Jonathan Mueke, CBS
 Principal Secretary/
 Chief Officer


 Name: Moses Kembe, PhD
 Project Coordinator


 Name: Christopher Kingi
 Financial Controller
 ICPAK Member No:9467

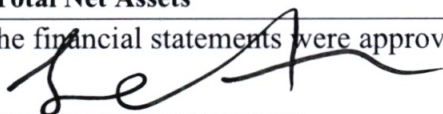
(Paragraph 79 of IPSAS 33 allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position, and an opening statement of financial position at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made, therefore, there are no comparatives in the first year of transition.)

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

8. Statement of Financial Position as at 30th June 2025

	Note	FY2024/25	1 st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	17	577,611,226	460,519,393
Receivables	18	-	-
Inventories	19	-	-
Prepayment	20	12,174,157	9,805,061
Third Party Deposits	24	26,524,898	2,471,237
Total Current Assets		616,310,281	472,795,691
Non-Current Assets			
Property, Plant and Equipment	21	112,334,370	122,073,268
Intangible Assets	22	2,353,021	3,361,458
Biological Assets		-	-
Total Non- Current Assets		114,687,391	125,434,726
Total Assets (a)		730,997,672	598,230,417
Liabilities			
Current Liabilities			
Trade and Other Payables	23	18,186,687	17,569,338
Third Party Deposits	24	26,524,898	2,471,237
Deferred Income	25	-	-
Total Current Liabilities		44,711,585	20,040,575
Total Liabilities (b)		44,711,585	20,040,575
Net Assets (a-b)		686,286,087	578,189,842
Represented By:			
Accumulated Surplus		686,286,087	578,189,842
Total Net Assets		686,286,087	578,189,842

The financial statements were approved on 26/9/2025 and signed by:



Name: : Hon. Jonathan Mueke,
 CBS
 Principal Secretary/Chief
 Officer



Name: Moses Kembe, PhD
 Project Coordinator



Name: Christopher Kingi
 Financial Controller
 ICPAK Member No:9467

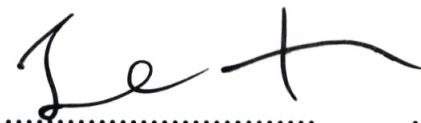
Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

9. Statement of Changes in Net Assets

Description	Accumulated Surplus
	Kshs
As at 30 th June 2024 (Cash Basis)	578,189,842
Adjustments:	
Asset Recognition	598,230,417
Liabilities recognition	(20,040,575)
As at 1st July 2024	578,189,842
Surplus/(Deficit) for the year	108,096,245
As at 30th June 2025	686,286,087

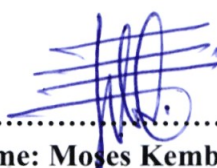
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The financial statements were approved on 26/9/ 2025 and signed by:



.....
Name: Hon. Jonathan Mueke, CBS

Principal Secretary/Chief Officer



.....
Name: Moses Kembe, PhD

Project Coordinator



.....
Name: Christopher Kingi

**Financial Controller
ICPAK Member No:9467**

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

10. Statement of Cashflow for the year ended 30th June 2025

Description	Note	FY2024/25
		Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers	6	1,515,119,375
Miscellaneous Revenue	7	-
Total receipts		1,515,119,375
Payments		
Employee costs	8	88,796,708
Use of goods and services	9	759,026,276
Transfer to other Government Entities	11	204,357,977
Other Transfers/Subsidies/Grants	12	304,721,025
Social Security Benefits – Gratuity	23	17,569,338
Certified Works	13	-
Total payments		1,374,471,324
Net cash flow from operating activities	26	140,648,051
Cashflow from investing activities		
Acquisition of non-financial assets	21	(23,556,218)
Proceeds from sale of Assets	14	-
Acquisition of Intangible assets	22	-
Net cash flows from investing activities		(23,556,218)
Cash flow from financing activities		
<i>Specify the activity</i>		-
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		117,091,833
Cash and cash equivalent at 1st July 2024	17	460,519,393
Cash and cash equivalent at end June 2025	17	577,611,226

11. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget Carry Overs from previous periods						
Receipts						
Revenue Transfers	1,491,000,000	192,000,000	1,683,000,000	1,515,119,375	167,880,625	90%
Miscellaneous Revenue						
Total Revenue	1,491,000,000	192,000,000	1,683,000,000	1,515,119,375	167,880,625	90%
Payments						
Employee costs	88,881,672	-	88,881,672	88,796,708	84,964	100%
Use of goods and services	708,772,008	95,000,000	803,772,008	759,026,276	44,745,732	94%
Transfer to other Government Entities	378,730,000	-	378,730,000	204,357,977	174,372,023	54%
Social Security Benefits	18,150,100	-	18,150,100	17,569,338	580,762	97%
Acquisition of Assets	46,466,220	-	46,466,220	23,556,218	22,910,002	51%
Other Transfers/Subsidies/Grants	250,000,000	97,000,000	347,000,000	304,721,025	42,278,975	88%
Certified Works	-	-	-	-	-	
Total Payments	1,491,000,000	192,000,000	1,683,000,000	1,398,027,542	284,972,458	83%
Surplus	-	-	-	117,091,833	-117,091,833	-

(Budget carryovers This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted to the Exchequer/CRF. Budget carryovers should not include third-party funds such as contractors' retention.)*

(Entities can present the Statement of Comparison of Budget & Actual amounts in a different format/categorization as approved by the governing body.)

Budget notes

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

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	117,091,833
1	Reason for differences - Cash and cash equivalent at BEGINNING of the year 2024/25 – These were unspent cash balances as at 30th June 2024 which were not transferred back to the State Department for Livestock Development	460,519,393
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	577,611,226

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

12. Notes to the Financial Statements

1. General Information

Kenya Livestock Commercialization Project is established by and derives its authority and accountability from the Financing Agreement between The Republic of Kenya and The International Fund for Agriculture signed in Nairobi, Kenya and Rome, Italy, which came into force on 5th March 2021. The KeLCoP is wholly owned by the Government of Kenya and is domiciled in Kenya. The KeLCoP's principal activity is livestock commercialization.

2. Statement of Compliance and Basis of Preparation

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

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the entity has taken advantage of the transitional provisions under IPSAS 33, and therefore these 1st/ 2nd/ 3rd/year financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the entity has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

These financial statements were authorized for issue by the accounting officer on **26th August 2025**

3. Adoption of New and Revised Standards

- i) *New and amended standards and interpretations in issue effective in the year ended 30th June 2025.*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 44: Non- Current Assets Held for	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p>

• **Kenya Livestock Commercialization Project (KeLCoP)**
Annual Report and Financial Statements for the financial year ended June 30, 2025

Standard	Effective date and impact:
Sale and Discontinued Operations	<p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. 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.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 46 Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

Kenya Livestock Commercialization Project (KeLCoP)

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

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 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

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

ii) Revenue from exchange transactions

a) 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.

b) Budget information

The original budget for FY 2024/2025 was approved by the National Assembly of Kenya. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of **Kshs. 192,000,000** on the **FY 2024/2025** budget following the National Assembly. The entity's 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 cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 under section 11; **Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025** of these financial statements.

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 or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. 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.

d) Leases

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

e) Intangible assets

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

Notes to the financial statements

f) Research and development costs

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

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

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

g) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* 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

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

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.

Notes to the financial statements

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

Financial liabilities

Classification

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

h) 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 labor 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.

Inventories (Continued)

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 *Entity*.

Notes to the financial statements

i) Provisions

Provisions are recognized when the *Entity* 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 *Entity* 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.

Contingent liabilities

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

Contingent assets

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

j) Nature and purpose of reserves

The *Entity* creates and maintains reserves in terms of specific requirements. (*Entity to state the reserves maintained and appropriate policies adopted*).

k) Changes in accounting policies and estimates

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

Notes to the financial statements

l) Employee benefits

Retirement benefit plans

The *Entity* 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. *(the entity to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies)*

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

n) 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.

Notes to the financial statements

o) Related parties

The *Entity* 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 *Entity*, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

p) Service concession arrangements

The *Entity* analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

q) 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.

r) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity'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.

Notes to the financial statements

Estimates and assumptions.

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

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 *Entity*.
- 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

Provisions

There were no special provisions

Notes to the financial statements

6. Revenue Transfers

Description	FY2024/25
	KShs
Unconditional Transfers	
GoK Counter Part funding – State Department of Livestock Development	50,000,000
Transfers from Development partners - (IFAD Loan Revenue)	1,465,119,375
<i>Other unconditional transfers (Specify)</i>	-
Total Unconditional Transfers (a)	1,515,119,375
Conditional Transfers	
Transfers from Development partners 1	-
<i>Other conditional transfers (specify)</i>	-
Total Conditional Transfers (b)	-
Total Transfers for the Year (a + b)	1,515,119,375

(Explain the purpose of funding)

a) Details to Revenue Transfers

Name of The Entity Transferring	Amount recognized to Statement of Financial performance	Amount deferred under deferred income.	Amount moved to Capital fund	Total transfers (FY2024/25)
	Kshs	Kshs	Kshs	Kshs
GOK Counterparty Funding	50,000,000	-	-	50,000,000
Development Partner (IFAD Loan Revenue PMCU)	1,087,817,284	-	-	1,087,817,284
Development Partner (IFAD Loan Revenue Funds Transferred to Counties)				
Baringo	39,998,624	-	-	39,998,624
Bungoma	37,806,919	-	-	37,806,919
Busia	33,423,508	-	-	33,423,508
Elgeyo Marakwet	39,998,624	-	-	39,998,624
Kakamega	33,423,508	-	-	33,423,508
Marsabit	41,094,477	-	-	41,094,477
Nakuru	38,135,675	-	-	38,135,675
Samburu	41,094,477	-	-	41,094,477
Siaya	33,423,508	-	-	33,423,508
Trans Nzoia	38,902,772	-	-	38,902,772
Subtotal	1,515,119,375	-	-	1,515,119,375
Deferred Income realized	-	-	-	-
Transfers in Kind	-	-	-	-
Total	1,515,119,375	-	-	1,515,119,375

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Notes to the financial statements

7. Miscellaneous revenue

Description	FY 2024/25
	Kshs
Interest Income	-
<i>Others (specify)</i>	-
Total	-

8. Employees Costs

Description	FY 2024/25
	Kshs
Basic salaries of permanent employees	-
Basic wages of temporary employees	88,796,708
Personal allowances paid as part of salary	-
Personal allowances paid as reimbursements	-
Personal allowances provided in kind	-
Pension and other social security contributions	-
Compulsory national social security schemes	-
Compulsory national health insurance schemes	-
Other specify*	-
Total	88,796,708

9. Use of Goods and Services

De scription	FY 2024/25	FY 2024/25
	Cash basis (Kshs)	Accrual basis (Kshs)
Utilities, supplies and services	375,000	375,000
Communication, supplies and services	3,145,354	3,145,354
Domestic travel and subsistence	208,240,241	208,240,241
Foreign travel and subsistence	1,875,864	1,875,864
Printing, advertising and information supplies & services	5,143,290	5,143,290
Rentals of produced assets	-	-
Training expenses	283,806,369	283,806,369
Hospitality supplies and services	53,844,771	53,844,771
Insurance costs	16,879,625	14,510,529
Specialised materials and services	32,902,711	32,902,711
Office and general supplies and services	10,187,183	10,187,183
Other operating expenses	115,731,604	115,731,604
Routine maintenance – vehicles and other transport equipment	6,815,827	6,815,827
Routine maintenance – other assets	4,237,384	4,237,384
Fuel Oil and Lubricants	15,841,053	15,841,053
Exchange Rate Losses	-	-
Total	759,026,276	756,657,180

Notes to the financial statements

10. Depreciation and Amortization expense

Description	FY 2024/25
	Kshs
Property, Plant and Equipment	33,295,116
Intangible Assets	1,008,437
Total	<u>34,303,553</u>

11. Transfer to Other Government Entities

Description	FY 2024/25
	Kshs
Project Counties	
Baringo	24,711,845
Bungoma	21,897,004
Busia	20,115,060
Elgeyo Marakwet	20,400,292
Kakamega	22,361,709
Marsabit	22,928,362
Nakuru	31,731,254
Samburu	17,580,408
Siaya	18,080,101
Trans Nzoia	4,551,944
Total	204,357,979

12. Other Transfers/Subsidies/Grants

Description	FY 2024/25
	Kshs
Transfers to Non-Government Organizations	-
Subsidies	-
Others Specify- Other Grants and Subsidies	
Community Breed Improvement Programme	28,287,620
Upgrading Market Infrastructure	143,787,599
Livestock Feed Production Improvement	132,645,806
Total	304,721,025

13. Certified Works

Description	FY 2024/25
	Kshs
Road Works	-
Water Works	-
Energy Infrastructure	-
<i>Others Specify</i>	-
Total	-

Notes to the financial statements

14. Gain/Loss on Sale of Assets

Description	FY 2024/25
	Kshs
Property, plant and equipment	-
Intangible assets	-
Other assets not capitalised	-
Total gain/loss on sale of assets	-

Provide brief explanation on gains on sale of fixed assets)

15. Gain/Loss on foreign exchange transactions

Description	FY 2024/25
	Kshs
Gain on foreign exchange transactions	-
Loss on foreign exchange transactions	-
Total Gain/Loss	-

16. Impairment Loss

Description	FY 2024/25
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
<i>Others specify</i>	-
Total Impairment Loss	-

17. Cash and Cash Equivalents

Description	FY 2024/25	1 st July 2024
	Kshs	Kshs
Cash in Bank	577,611,226	460,519,393
Cash on hand	-	-
<i>Others (Specify)</i>	-	-
Total Cash and Cash Equivalents	577,611,226	460,519,393

Notes to the financial statements

Project Bank Accounts

Details	FY 2024/25	1st July 2024
	Kshs	Kshs
Foreign Currency Accounts		
Central Bank of Kenya [A/c No.1000501798]	-	-
Central Bank of Kenya [A/c No. 1000542578]	-	-
Others (specify)	-	-
Total Foreign Currency balances	-	-
Local Currency Accounts		
KELCOP IFAD Loan Operational Fund Account - KCB A/C No. 1287724450	241,624,180	250,913,879
GoK Operational Account - KCB A/C No. 1287724035	27,871,906	74,434,486
Others (specify)		
Baringo County - KCB A/c No 1297046358	40,002,401	24,715,622
Bungoma County - KCB A/c No 1317989708	33,652,157	17,742,242
Busia County - KCB A/c No 1314028499	14,148,419	839,971
Elgeyo-Marakwet County - COOP BANK A/c No 01141951500100	25,435,342	5,837,010
Kakamega County - KCB A/c No 1302249932	22,854,199	11,792,400
Marsabit County - KCB A/c No 1312242647	39,622,716	21,456,601
Nakuru County - KCB A/c No 1303367890	27,141,960	20,737,539
Samburu County - COOP BANK A/c No 01141999839000	39,436,011	15,921,942
Siaya County - KCB A/c No 1311851240	29,168,811	13,825,404
Trans Nzoia County - KCB A/c No 1311830391	36,653,125	2,302,297
Total local currency balances	577,611,226	460,519,393
Total bank account balances	577,611,226	460,519,393

NOTE: AC No 1000542578 County designated account is held at the Central Bank of Kenya had a balance of Euro 86,195 which had not been transferred to the Exchequer by the 30th June 2025. The account is managed by the National Treasury of Kenya.

Notes to the Financial Statements (Continued)

18. Receivables

Description	FY 2024/25	1 st July 2024
	Kshs	Kshs
Counter Part Funding	-	-
Contractor's Advance payments	-	-
<i>Other Receivables (specify)</i>	-	-
Total Receivables	-	-

(Provide brief explanation on current receivables)

Ageing analysis for Receivables

Description	FY 2024/25		1 st July 2024	
	Current FY2024/25	% of the total	Comparative FY2023/24	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

19. Inventories

Description	FY 2024/25	1 st July 2024
	Kshs	Kshs
Consumable stores	-	-
Construction stores	-	-
<i>Others consumables (specify)</i>	-	-
Less: allowance for impairment	-	-
Total inventories	-	-

(Provide brief explanation on inventories)

20. Prepayments

ITEM DESCRIPTION	IFMIS/LEDGERS EXTRACTED AS AT 30TH JUNE 2025 (CASH BASIS) (KSHS). (A)	LESS: PREPAYMENTS IN THE PERIOD (B)	ADD: PREPAYMENT UTILIZED AS AT 30TH JUNE, 2025 (C)	ADJUSTED FIGURES IN THE NOTES TO THE FINANCIAL STATEMENTS (KSHS) (ACCRUAL BASIS). (A-B+C)
Insurance Costs	16,879,625.00	=16,232,209.50/12*9=12,174,157	=13,073,477.20/12*9=9,805,061	14,510,529

Note: The Life Insurance cost to Britam was paid in March 2024 for the period April 2024 to March 2025 and Kes 16,232,209.50 paid in March 2025 for the period April 2025 to March 2026. In both cases, the insurance was prepaid for a period of 9 months respectively.

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Notes to the financial statements

21. Property, Plant and Equipment

Cost	Motor vehicles	Furniture and fittings	ICT Equipment	Other Assets (specify) Buildings and structures	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation rate	30%	12.50%	30%	2.5%		
As At 1 July 2024 (opening balances)	85,267,500	1,573,520	24,135,890	11,096,358	-	122,073,268
Additions	-	4,613,050	9,067,350	9,875,818	-	23,556,218
Disposals	-	-	-	-	-	0
Transfers/Adjustments	-	-	-	-	-	0
As at 30th June 2025	85,267,500	6,186,570	33,203,240	20,972,176	-	145,629,486
Depreciation And Impairment						
As at 1 July 2025	-	-	-	-	-	-
Depreciation charge for the year	25,580,250	196,690	7,240,767	277,409	-	33,295,116
Impairment loss	-	-	-	-	-	-
Transfers/ Adjustments	-	-	-	-	-	-
As At 30th June 2025	25,580,250	196,690	7,240,767	277,409	-	33,295,116
Net Book Values						
As at 1st July 2024	85,267,500	1,573,520	24,135,890	11,096,358	-	122,073,268
As at 30th June 2025	59,687,250	5,989,880	25,962,473	20,694,767	-	112,334,370

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Notes to the financial statements

22. Intangible Assets

Description	1 st July 2024
	Kshs
Cost	
As at 1 st July 2024	3,361,458
Additions	-
As At 30th June 2025	3,361,458
Amortization and impairment	
As at 1 st July 2024	-
Amortization	1,008,437
Impairment loss	-
As At 30th June 2025	1,008,437
NBV as at 1st July 2024	3,361,458
NBV as at 30th June 2025	2,353,021

23. Trade and Other Payables

Description	FY 2024/25		1 st July 2024	
	Kshs		Kshs	
Trade payables	-		-	
Employee payables - Gratuity	18,186,687		17,569,338	
<i>Other payables (specify)</i>	-		-	
Total trade and other payables	18,186,687		17,569,338	
Ageing analysis: (Trade and other payables)	Current FY2024/25	% of the Total	Comparative FY2023/24	% of the Total
Under one year	-	%	-	%
1-2 years	18,186,687	%	17,569,338	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	18,186,687		17,569,338	

(Provide brief explanation)

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Notes to the financial statements

24. Third-Party Deposits

Description	FY 2024/25		1 st July 2024	
	Kshs		Kshs	
Contractor's Retention	26,524,898		2,471,237	
<i>Other deposits (specify)</i>	-		-	
Total deposits	26,524,898		2,471,237	
Ageing analysis: (Refundable deposits)	FY 2024/25	% of the Total	Comparative FY2023/24	% of the Total
Under one year	26,524,898	100%	2,471,237	100%
1-2 years		%		%
2-3 years		%		%
Over 3 years		%		%
Total	26,524,898	100%	2,471,237	100%

(Provide brief explanation)

25. Deferred Income

Description	FY 2024/25	1 st July 2024
	Kshs	Kshs
Development partner 1	-	-
Development partner 2	-	-
<i>Others specify</i>	-	-
Total Deferred Income	-	-

(Provide brief explanation)

Deferred Income Movement Schedule

	Development Partner 1	Development Partner 2	Others specify	Total
	Kshs	Kshs	Kshs	Kshs
Balance as at 1 st July 2024	-	-	-	-
Additions	-	-	-	-
Transfers To Performance Statement as Revenue	-	-	-	-
Balance as at 30 th June 2025	-	-	-	-

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Notes to the financial statements

26. Cash Generated from Operations

Description	FY 2024/25
	Kshs
Surplus/Deficit for the year	108,096,245
Adjusted for:	
Depreciation	34,303,553
Non-cash grants received	-
Impairment	-
Gains and losses on disposal of assets	-
Working capital adjustments	
Increase in inventory	-
Increase in receivables	(2,369,096)
Increase in deferred income	-
Increase in payables	617,349
Increase in payments received in advance	-
Net cash flow from operating activities	140,648,051

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

27. Special Deposit Accounts The balances in the Project's Special Deposit Account(s) as of 30th June 2025 are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule, which shows the flow of funds voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

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Notes to the financial statements

Special Deposit Accounts Movement Schedule

Description	FY 2024/25	1 st July 2024
	Kshs	Kshs
(i) A/c Name IFAD: Kenya Livestock Commercialization [A/c No.....1000501798], CBK		
Opening balance	1,036,072	-
Total amount deposited in the account	6,704,923	5,731,366.68
Total amount withdrawn	(7,740,995)	(4,695,294.68)
Closing balance (as per SDA bank account reconciliation attached)	=	<u>1,036,072</u>
(ii) A/c Name [A/c No.....1000542578]		
Opening balance (as per the SDA reconciliation)	0	0
Total amount deposited in the account	2,645,185	1,919,735.76
Total amount withdrawn	(2,558,990)	(1,919,789.76)
Closing balance (as per SDA bank account reconciliation attached)	<u>86,195</u>	=

(The Special Deposit Account(s) reconciliation statement(s) has (have) been attached as Annex 4; Other supporting documents to support these closing balance.

28.Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the financial statements

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Board of Directors.

Description	FY 2024/25
	Kshs
Transactions with related parties	
a) Sales to related parties	
Sales of electricity to govt agencies	-
Rent income from govt. Agencies	-
Others (specify) e.g. interest and bank charges	-
Total	-
B) purchases from related parties	
Purchases of electricity from KPLC	-
Purchase of water from govt service providers	-
Rent expenses paid to govt agencies	-
Others (specify)	-
Total	-
b) Grants /transfers from the government	
Grants from national govt	-
Grants from county government	-
Donations in kind	-
Total	-
c) Expenses incurred on behalf of related party	
Payments of salaries and wages for State Department of Livestock Development employees	-
Payments for goods and services for State Department of Livestock Development	-
Total	-
d) Key management compensation	
Directors' emoluments	-
Compensation to key management	-
Total	-

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Notes to the financial statements

29.Events after the Reporting Period

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

30.Ultimate And Holding Entity

The KeLCoP is a project under the Ministry of Agriculture. Its ultimate parent is the Government of Kenya.

31.Currency

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

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

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)
A. Report on the financial Statements	<ul style="list-style-type: none"> ➤ The Auditor-General issued An Unmodified Opinion to the Financial Statements. ➤ The Auditor-General concluded that the financial statements presented fairly, in all material respects, the financial position of KeLCoP ➤ The Auditor concluded that the audit evidence obtained was sufficient and appropriate to provide a basis for the Audit opinion issued. 	<ul style="list-style-type: none"> ➤ The Management prepared the financial statements in accordance with International Public Sector Accounting Standards (Cash Basis). ➤ The financial statements comply with the Financing Agreement. 	N/A	N/A
➤ Emphasis of Matter: Budgetary Control and Performance	<ul style="list-style-type: none"> ➤ There was underfunding and underperformance that affected the planned activities 	<ul style="list-style-type: none"> ➤ The underperforming and underperformance was due to the late enactment of CGAA Act 2024. ➤ The Responsibility for the enactment of CGAA falls under the National Assembly 	Resolved	N/A
➤ Key Audit Matters	<ul style="list-style-type: none"> ➤ There were no key audit matters to report in the year under review 	<ul style="list-style-type: none"> ➤ There were no material misstatements in the financial statements. 	N/A	N/A

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

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)
B. Report on Lawfulness and Effectiveness in Use of Public Resources	<ul style="list-style-type: none"> ➤ There was nothing that came to the Auditors attention to cause the auditor to believe that public resources had not been applied lawfully and in an effective way 	<ul style="list-style-type: none"> ➤ The public resources were applied lawfully and in an effective way. 	N/A	N/A
1.0 Purchase of Certified Seeds, Breeding Stock and Live Animals	<ul style="list-style-type: none"> ➤ 1.1 Supply and Delivery of Goat Meat: Balance of One Hundred & Forty One goats not delivered. 	<ul style="list-style-type: none"> ➤ The balance of 141 goats had not been delivered by the supplier because they failed inspection and acceptance. ➤ The supplier was given sufficient time by the project to replace the rejected goats but failed to deliver the goats. 	Resolved	31/12/2024
	<ul style="list-style-type: none"> ➤ 1.2 Supply and Delivery of Breeding Dorper Sheep: Balance of One Hundred & Thirty One sheep not delivered. 	<ul style="list-style-type: none"> ➤ The balance of 131 goats had not been delivered by the supplier because they failed inspection and acceptance. ➤ The supplier was given sufficient time by the project to replace the rejected goats but failed to deliver the goats. 	Resolved	31/12/2024
C. Report on the Effectiveness of Internal Controls	<ul style="list-style-type: none"> ➤ Nothing came to the Auditors attention to cause the auditor to believe that Internal controls, risk management and governance were not effective 	<ul style="list-style-type: none"> ➤ The Internal Controls, Risk Management and Governance were effective. 	N/A	N/A

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

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)
i) Lack of Risk Management Policy and Disaster Recovery Plan	➤ State Department for Livestock Development does not have a risk management policy and disaster recovery plan	➤ The Project is working in conjunction with the State Department of Livestock Development to develop a Risk Management Policy and Disaster Recovery Plan	➤ Not Resolved	➤ Continuous
ii) Non-Maintenance of Retention Monies Register	➤ The absence of retention registers impaired the ability to accurately track the total retention monies deducted	➤ The management has established the retention register for tracking retention monies. ➤ The KENAO has audited the Deposits Register during the FY2024/25 Audit	➤ Resolved	➤ Immediately

Guidance Notes:

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



.....
Name Hon. Jonathan Mueke, CBS
Principal Secretary
State Department of Livestock Development



.....
Name: Moses Kembe, PhD
Project Coordinator
Kenya Livestock Commercialization Project

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Annex 2: Reconciliation of inter-entity transfers

Project Name: Kenya Livestock Commercialization Project				
Break-down of transfers from the State Department of Livestock Development				
A.	Government Counterpart funding			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
	GoK Funding	17/04/2025	50,000,000	FY2024/25
		Total	50,000,000	
B.	Direct payments			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
	IFAD LOAN – PMCU	07/11/2024	144,853,329.90	FY2024/25
	IFAD LOAN -PMCU	10/02/2025	578,015,939.25	FY2024/25
	IFAD LOAN -PMCU	14/07/2025	364,948,014.40	FY2024/25
	IFAD LOAN - COUNTIES	VARIOUS	377,302,091.75	FY2024/25
		Total	1,465,119,375.3	
C.	Others			
		Total (A+B+C)	1,515,119,375.30	

The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department

Project Coordinator
Kenya Livestock Commercialization Project

Sign 

Head of Accounting Unit
State Department of Livestock Development

Sign 

Kenya Livestock Commercialization Project (KeLCoP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Annex 3: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Adjustments/ Transfers (Kshs)	Balance as at 1 st July 2024 (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year (Kshs)	Historical Cost c/f (Kshs) Current Year
Land	-	-	-	-	-	-	-
Buildings and structures	70,838,425	(59,742,067)	11,096,358	9,875,818	-	-	20,694,767
Transport equipment	143,199,613	(57,932,113)	85,267,500	-	-	-	59,687,250
Office equipment, furniture and fittings	36,685,516	(35,111,996)	1,573,520	4,613,050	-	-	5,989,880
ICT Equipment	5,143,289	18,992,601	24,135,890	9,067,350	-	-	25,962,473
Machinery and Equipment	-	-	-	-	-	-	-
Biological assets	18,826,000	(18,826,000)	-	-	-	-	-
Infrastructure Assets- Roads, Rails	-	-	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-	-	-
Intangible assets	3,361,458	-	3,361,458	-	-	-	2,353,021
Work in Progress	-	-	-	-	-	-	-
Total	278,054,301	(152,652,273)	125,434,726	23,556,218	-	-	114,687,391

Annex 4: Other Support Documents

- i. Bank Reconciliations statement as at 30th June 2025
- ii. Board of Survey Report
- iii. Special Deposit Account(s) reconciliation statement(s)
- iv. Fixed Assets Register/Schedule


**REPUBLIC OF KENYA
BANK RECONCILIATION**

F.O 30

DATE: 30.06.2025 STATION: KELCOP - PMCU LOAN FUND OPERATIONAL ACCOUNT NO. 1287724450

	Sh	Sh	Sh
Balance as per Bank Certificate			44,779,652.00
Less 1 Payments in Cash Book not yet recorded in Bank Statement	174,130,807.46		
2 Receipts in Bank Statement not yet recorded in Cash Book.....	89,600.00	174,220,407.46	
Add 3 Payments in Bank Statement not yet recorded in Cash Book.....	21,962.69		
4 Receipts in Cash Book not yet recorded in Bank Statement.....	371,042,972.47	371,064,935.16	
			241,624,179.70

I certify that I have verified the Bank Balance in the Cash Book with the Bank statement and that the above reconciliation is correct.


Signature

PROJECT ACCOUNTANT
Designation

5/7/2025
Date

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

CHEQUE		Payee	Amount	CHEQUE		Payee	Amount
No	Date		Sh	No	Date		Sh
002405	31.03.2025	Kasneb	600.00			Bal. b/f	20,080,371.53
002406	31.03.2025	Dti Naivasha	10,000.00	002551	09.06.2025	10% RETENTION	853,935.00
002407	31.03.2025	RETENTION	526,488.00	002555	09.06.2025	10% RETENTION	751,197.00
002409	31.03.2025	RETENTION	333,909.00	002557	09.06.2025	3% WHT	251,748.00
002412	31.03.2025	10% RETENTION	293,522.00	002558	09.06.2025	10% RETENTION	813,984.00
002413	31.03.2025	PROJECT COORDINAT	31,506.93	002559	09.06.2025	GAFARS CO. LTD	9,719,169.00
002414	31.03.2025	PSPS	106,875.60	002560	09.06.2025	3% WHT	333,993.00
002415	31.03.2025	10% RETENTION	1,216,946.00		09.06.2025	10% RETENTION	1,079,908.00
002418	31.03.2025	10% RETENTION	2,213,206.00	2562	27.06.2025	SHA	201,390.20
002419	31.03.2025	NSSF	4,320.00	2563	27.06.2025	PAYE	1,784,524.75
002420	31.03.2025	NSSF	4,320.00	2564	27.06.2025	APSTAR	800,390.00
002080	05.12.2024	10% RETENTION	229,383.00	2565	27.06.2025	HAZINA	237,835.00
002100	27.12.2024	BILDAD MGHENDI	4,200.00	2566	27.06.2025	HOUSING	6,000.00
002221	27.12.2024	GEOFFREY OCHIENG	98,700.00	2567	27.06.2025	PSSS	82,046.00
001923	27.12.2024	ENOCK AKANGA	16,740.00	2568	27.06.2025	PSPS	109,377.30
002183	15.01.2025	10% RETENTION	557,243.00	2569	27.06.2025	AHL	219,699.18
002186	15.01.2025	10% RETENTION	492,973.00	2570	27.06.2025	NSSF	216,000.00
002197	17.01.2024	10% RETENTION	891,387.00	2571	27.06.2025	MADISON	12,000.00
002263	28.01.2025	KIEMA MWANDIA	46,900.00	2574	27.06.2025	5% WHT	74,161.00
002271	03.02.2025	10% RETENTION	413,325.00	2578	30.06.2025	CHAISAN SUPPLIES	334,913.00
002274	03.02.2025	10% RETENTION	496,872.00	2580	30.06.2025	HATARI SECURITY GU	216,000.00
002277	03.02.2025	10% RETENTION	503,585.00	2582	30.06.2025	KITALE NATIONAL PC	156,300.00
002304	14.02.2025	3% WHT	746,243.00	2583	30.06.2025	KENYA SCHOOL OF G	622,068.00
002308	14.02.2025	10% RETENTION	331,932.00	2584	30.06.2025	MASENO ATC	600,000.00
002311	14.02.2025	10% RETENTION	744,328.00	2585	30.06.2025	KITALE NATIONAL PC	95,800.00
002405	28.02.2025	10% RETENTION	765,880.00	2586	30.06.2025	KAKAMEGA COUNTY	50,700.00
002347	12.03.2025	10% RETENTION	1,063,432.00	2587	30.06.2025	BUKURA ATC	744,000.00
002349	12.03.2025	10% RETENTION	719,938.00	2588	30.06.2025	KEFRI	58,189.00
002370	31.03.02025	10% RETENTION	739,459.00	2589	30.06.2025	BUSIA ATC	97,350.00
002373	31.03.02025	10% RETENTION	835,162.00	2590	30.06.2025	KALRO	196,000.00
002377	31.03.02025	10% RETENTION	686,096.00	2591	30.06.2025	KALRO	1,111,000.00
002406	31.03.02025	10% RETENTION	801,747.00	2592	30.06.2025	KISUMU HOTEL	105,932.00
002410	31.03.02025	FELISTA NJERI	4,720.00	2593	30.06.2025	KISUMU HOTEL	635,593.00
002412	31.03.2025	SAMUEL WANGANGA	12,000.00	2594	30.06.2025	KALRO	1,340,500.00
002382	10.04.2025	GOVERN ADVERT AGE	366,558.00	2595	30.06.2025	BHOGALS TOYOTA NA	23,927.00
002383	10.04.2025	KENYA POWER	52,200.00	2596	30.06.2025	KALRO	172,800.00
002473	08.05.2025	BML GOSHEN	129,310.00	2597	30.06.2025	BHOGALS TOYOTA NA	39,904.00
002478	08.05.2025	GAA	366,558.00	2598	30.06.2025	HATARI SECURITY GU	216,000.00
002508	16.05.2025	10% RETENTION	1,119,365.00	2599	30.06.2025	RENTOKIL INITIAL	8,179.00
002511	16.05.2025	10% RETENTION	1,101,300.00	2600	30.06.2025	KALRO	270,000.00
002472	16.05.2025	RETENTION	445,672.00	2601	30.06.2025	BHOGALS TOYOTA NA	43,017.00
002534	29.05.2025	5% WHT	139,683.00	2602	30.06.2025	BHOGALS TOYOTA NA	27,181.00
002543	29.05.2025	5% WHT	139,683.00	2603	30.06.2025	KISUMU HOTEL	561,440.00
002542	30.05.2025	MADISON LIFE ASSUR	12,000.00	2604	30.06.2025	KISUMU HOTEL	561,440.00
002550	09.06.2025	3% WHT	264,104.00	2605	30.06.2025	KISUMU HOTEL	593,220.00
TOTAL C/F.....			20,080,371.53	TOTAL PAYMENT.....			46,509,181.96

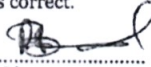
1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT			
CHEQUE		Payee	Amount
No	Date		Sh
2636	30.06.2025	KALRO	1,320,000.00
2637	30.06.2025	BHOGALS TOYOTA NAKURU	85,594.00
2638	30.06.2025	DTI NAIVASHA	913,200.00
QP	30.06.2025	SAMUEL OKATI	63,200.00
QP	30.06.2025	MICHAEL KIBIEGO	4,200.00
QP	30.06.2025	FELISTA NJERI	29,600.00
QP	30.06.2025	KIEMA MWANDIA	13,100.00
2639	30.06.2025	AESA EAST AFRICA	12,613,104.80
2640	30.06.2025	5% WHT	663,848.00
2641	30.06.2025	IRENE CHEMTAI	368,534.00
2642	30.06.2025	5% WHT	19,397.00
2643	30.06.2025	TELKOM K LTD	480,000.00
2645	30.06.2025	IRENE CHEMTAI	368,534.00
2646	30.06.2025	5% WHT	19,397.00
2648	30.06.2025	CAPITAL STRATEGIES	6,724,575.00
2649	30.06.2025	5% WHT	353,925.00
2650	30.06.2025	SUWINA INVESTMENT LTD	12,033,724.90
2651	30.06.2025	10% RETENTION	1,337,081.00
2652	30.06.2025	3% WHVAT	413,531.00
2653	30.06.2025	LENICH GLOBAL LTD	10,339,376.20
2654	30.06.2025	10% RETENTION	1,148,820.00
2655	30.06.2025	3% WHVAT	355,305.00
QP	30.06.2025	CALEB KISIENYA	20,800.00
QP	30.06.2025	FELISTA NJERI	2,800.00
QP	30.06.2025	BERNARD CHEGE	80,000.00
QP	30.06.2025	CALEB KISIENYA	16,800.00
QP	30.06.2025	GEOFFREY OCHIENG	37,000.00
QP	30.06.2025	AESA-RIFT REGION	2,653,360.00
2657	30.06.2025	5% WHT	139,701.00
QP	30.06.2025	AESA-NORTHERN REGION	1,408,580.00
2658	30.06.2025	5% WHT	74,161.00
QP	30.06.2025	AESA-WESTERN REGION	2,653,360.00
2659	30.06.2025	5% WHT	139,701.00
2660	30.06.2025	GREATRIFT GENERAL MERCHANT	4,839,388.00
2661	30.06.2025	10% RETENTION	537,710.00
2662	30.06.2025	3% WHT	166,302.00
2663	30.06.2025	BEE-CARE APIARIES INTERNATIONAL	6,372,300.00
2664	30.06.2025	LOSANGE GROUP LTD	9,926,399.60
2665	30.06.2025	10% RETENTION	1,102,933.00
2666	30.06.2025	3% WHT	341,114.00
2667	30.06.2025	AQUA FLOW CO LTD	4,690,229.00
2669	30.06.2025	10% RETENTION	521,137.00
2670	30.06.2025	3% WHT	161,177.00
QP	30.06.2025	GEOFFREY OCHIENG	142,800.00
QP	30.06.2025	AUGUSTUS KIEMA	6,200.00
QP	30.06.2025	ABEL SAWANGA	7,200.00
QP	30.06.2025	LUI KIRUI	35,400.00
QP	30.06.2025	LUI KIRUI	87,500.00
QP	30.06.2025	AESA-RIFT REG.	2,653,360.00
2575	30.06.2025	5% WHT	139,701.00
QP	30.06.2025	AESA-NORTHERN REG.	1,408,580.00
2576	30.06.2025	5% WHT	74,161.00
QP	30.06.2025	AESA-WESTERN REG.	2,653,360.00
2577	30.06.2025	5% WHT	139,701.00
2675	30.06.2025	GoK	17,935,000.00
TOTAL			110,835,962.50

REPUBLIC OF KENYA **F.O 30**
BANK RECONCILIATION A/C NO. 1287724035, KCB

DATE: 30.06.2025 **STATION: KELCOP - PMCU GOVERNMENT ACTIVITIES ACCOUNT**

	Sh	Sh	Sh
Balance as per Bank Certificate			32,086,725.55
Less 1 Payments in Cash Book not yet recorded in Bank Statement (Unpresented)	22,354,477.75		
2 Receipts in Bank Statement not yet recorded in Cash Book.....	22,500.00	22,376,977.75	
Add 3 Payments in Bank Statement not yet recorded in Cash Book.....	16,671.95		
4 Receipts in Cash Book not yet recorded in Bank Statement.....	18,145,486.00	18,162,157.95	
Balance as per Cash Book.....			27,871,905.75

I certify that I have verified the Bank Balance in the Cash Book with the Bank statement and that the above reconciliation is correct.


 Signature

PROJECT ACCOUNTANT
 Designation

5/7/2025
 Date

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

CHEQUE			Amount	CHEQUE			Amount
No	Date	Payee	Sh	No	Date	Payee	Sh
1404	30.06.2024	PECA SERVICE	3,794.00			Bal. b/f	3,156,203.50
1405	30.06.2024	Rensam Enterprises -Retentic	108,800.00	002154	27.12.2024	PROJECT COORD-PR	109,849.20
1406	30.06.2024	Dizzoh Enterp	285,552.00	001995	30.06.2025	MICHAEL KIBIEGO	8,400.00
1407	30.06.2024	2% WHVAT	40,793.00	001667	28.02.2025	PROJECT COORD-PR	108,000.00
1408	30.06.2024	Dizzoh Enterp	356,939.00	002206	28.02.2025	NSSF	2,880.00
1409	30.06.2024	2% WHVAT	50,992.00	002207	28.02.2025	SHA	1,935.65
408	30.06.2023	NHIF	500.00	001788	28.03.2025	NITA-COMM OF DO	163,850.00
410	30.06.2023	NHIF	500.00	001735	31.03.2025	IBT	52,100.00
00940	25.04.2024	LYDIA KIMACHAS	831,944.50	002208	09.04.2025	SHA	1,705.85
00945	24.06.2024	NHIF	16,200.00	002209	09.04.2025	NSSF	2,880.00
00946	24.06.2024	NSSF	84,240.00	001764	28.04.2025	PROJECT COORD-K	1,705.85
002177	30.06.2025	ABEL SAWANGA	740,000.00	001765	28.04.2025	PROJECT COORD-K	2,880.00
002177	30.06.2025	ABEL SAWANGA	149,840.00	001764	28.04.2025	PROJECT COORD-K	1,705.85
01037	30.06.2024	TELKOM KENYA	56,350.00	001765	28.04.2025	PROJECT COORD-K	2,880.00
001865	30.09.2024	AUGUSTUS KIEMA	6,000.00	001766	28.04.2025	SHIF	1,705.85
002202	30.09.2024	SAMUEL OKATI	10,000.00	001767	28.04.2025	NSSF	1,440.00
002203	30.09.2024	ENOCK AKANGA	67,023.00	001868	30.05.2025	PROJECT COORDIN	5,401,088.00
002204	30.09.2024	LUI KIRUI	4,796.00	001868	18.06.2025	LUCKAY DEALS LTD	386,207.00
001458	08.10.2024	2% WHVAT	23,276.00	001886	18.06.2025	BHOGALS TOYOTA	2,627.00
001531	12.11.2024	2% WHVAT - BHOGALS	1,710.00	001888	18.06.2025	BHOGALS TOYOTA	1,748.00
001533	12.11.2024	2% WHVAT - BHOGALS	860.00	001898	18.06.2025	JUMA KADONGO	18,103.00
001535	12.11.2024	2% WHVAT - BHOGALS	720.00	001900	18.06.2025	MEISSNER ENTERP	41,034.00
001537	12.11.2024	2% WHVAT - BHOGALS	377.00	001901	18.06.2025	MWATAAT ENTERP	49,724.00
001539	12.11.2024	2% WHVAT - BHOGALS	318.00	001905	18.06.2025	PURITEC LOGISTICS	42,265.00
001543	12.11.2024	2% WHVAT - BHOGALS	318.00	001910	18.06.2025	SAFARICOM LTD	14,483.00
001545	12.11.2024	2% WHVAT - BHOGALS	2,774.00	001912	18.06.2025	ASHBURTON ENTERP	30,609.00
001549	12.11.2024	2% WHVAT - BHOGALS	760.00	001916	18.06.2025	LEKOS SERVICE STA	60,354.00
001553	12.11.2024	2% WHVAT - BHOGALS	243.00	001919	18.06.2025	BARGITOCK LTD	33,334.00
001557	26.11.2024	2% WHVAT - BEISA	36,966.00	001921	18.06.2025	KIBO AFRICA LTD	10,890.00
001564	26.11.2024	2% WHVAT - KEFRI	1,695.00	001923	18.06.2025	SWANSTORM INTERP	21,108.00
001583	26.11.2024	AESA	68,551.00	001929	18.06.2025	TOBIL FILLING ST	48,276.00
001584	20.12.2024	AESA	59,311.00	001931	18.06.2025	BARNET FILLING ST	60,345.00
002000	20.12.2024	SAMUEL OKATI	6,861.00	001941	18.06.2025	TOBIL FILLING ST	33,892.00
001990	20.12.2024	ABEL SAWANGA	8,800.00	001943	18.06.2025	SAFARICOM LTD	23,534.00
001991	20.12.2024	ABEL SAWANGA	74,400.00	001945	18.06.2025	MAHLIDI ENTERP	349,874.00
002205	27.12.2024	PROJECT COORD-PR	54,000.00	001950	18.06.2025	BHOGALS TOYOTA	20,706.00
TOTAL C/F.....			3,156,203.50	TOTAL PAYMENT.....			10,270,322.75

1.			
CHEQUE		Payee	
No	Date		Amount Sh
002011	30.06.2025	FRIENDS HOTEL	4,017.00
002012	30.06.2025	2% WHVAT	563.00
002013	30.06.2025	DOUBLE SHASA AGENCIES	40,370.00
002014	30.06.2025	2% WHVAT	5,768.00
002015	30.06.2025	GOLF HOTEL KAKAMEGA	20,339.00
002017	30.06.2025	AMBIRA AUTO GARAGE	4,858.00
002018	30.06.2025	2% WHVAT	694.00
002019	30.06.2025	BHOGALS TOYOTA NAKURU	5,360.00
002020	30.06.2025	2% WHVAT	766.00
002021	30.06.2025	BHOGALS TOYOTA NAKURU	5,915.00
002022	30.06.2025	2% WHVAT	846.00
002023	30.06.2025	CHAISHAN SUPPLIERS	46,888.00
002024	30.06.2025	2% WHVAT	6,699.00
002025	30.06.2025	KENYA FORESTRY RESEARCH INT	8,147.00
002026	30.06.2025	2% WHVAT	1,164.00
002027	30.06.2025	KENYA SCH OF GOVERN	87,090.00
002028	30.06.2025	2% WHVAT	12,442.00
002029	30.06.2025	PLATA WAVE ENTERP	433,000.00
002030	30.06.2025	2% WHVAT	61,859.00
001978	30.06.2025	JABBRIA MOTORS	25,949.00
002032	30.06.2025	2% WHVAT	3,707.00
001979	30.06.2025	JABBRIA MOTORS	3,920.00
002034	30.06.2025	2% WHVAT	560.00
002035	30.06.2025	RASAMA COMPUTER SOLUTION	66,000.00
002036	30.06.2025	2% WHVAT	11,000.00
002037	30.06.2025	RASAMA COMPUTER SOLUTION	6,517.00
002038	30.06.2025	2% WHVAT	932.00
002039	30.06.2025	SAVVY LIMITED	14,966.00
002040	30.06.2025	2% WHVAT	2,138.00
002043	30.06.2025	KALRO	72,954.00
002044	30.06.2025	2% WHVAT	10,422.00
002045	30.06.2025	KALRO	79,758.00
002046	30.06.2025	2% WHVAT	11,394.00
002047	30.06.2025	KALRO	113,204.00
002048	30.06.2025	2% WHVAT	16,172.00
002049	30.06.2025	KALRO	192,500.00
002050	30.06.2025	2% WHVAT	27,500.00
002051	30.06.2025	KALRO	42,518.00
002052	30.06.2025	2% WHVAT	6,074.00
002053	30.06.2025	KALRO	67,746.00
002091	30.06.2025	2% WHVAT	9,678.00
002092	30.06.2025	PROWORKS INVESTMENT	21,723.00
002056	30.06.2025	2% WHVAT	3,104.00
002057	30.06.2025	KALRO	187,670.00
002058	30.06.2025	2% WHVAT	26,810.00
002059	30.06.2025	KALRO	155,540.00
002060	30.06.2025	2% WHVAT	22,220.00
002061	30.06.2025	KALRO	10,052.00
002062	30.06.2025	2% WHVAT	1,436.00
002063	30.06.2025	KALRO	37,800.00
002065	30.06.2025	2% WHVAT	5,400.00
002066	30.06.2025	KALRO	24,192.00
002067	30.06.2025	2% WHVAT	3,456.00
002068	30.06.2025	KALRO	68,040.00
002069	30.06.2025	2% WHVAT	9,720.00
002070	30.06.2025	KALRO	84,476.00
002071	30.06.2025	2% WHVAT	12,068.00
002072	30.06.2025	KALRO	27,440.00
002073	30.06.2025	2% WHVAT	3,920.00
002074	30.06.2025	BHOGALS TOYOTA NAKURU	6,022.00
002075	30.06.2025	2% WHVAT	861.00
002076	30.06.2025	BHOGALS TOYOTA NAKURU	3,350.00
002077	30.06.2025	2% WHVAT	479.00
002078	30.06.2025	BHOGALS TOYOTA NAKURU	3,806.00
002079	30.06.2025	2% WHVAT	544.00

1.			
CHEQUE		Payee	Amount
No	Date		Sh
002080	30.06.2025	BHOGALS TOYOTA NAKURU	5,586.00
002081	30.06.2025	2% WHVAT	799.00
002082	30.06.2025	BHOGALS TOYOTA NAKURU	1,806.00
002083	30.06.2025	2% WHVAT	259.00
002084	30.06.2025	HATARI SECURITY GUARDS	30,240.00
002085	30.06.2025	2% WHVAT	4,320.00
002086	30.06.2025	HATARI SECURITY GUARDS	30,240.00
002087	30.06.2025	2% WHVAT	4,320.00
002088	30.06.2025	BHOGALS TOYOTA NAKURU	11,983.00
002089	30.06.2025	2% WHVAT	1,712.00
002093	30.06.2025	TELKOM K LTD	149,280.00
002094	30.06.2025	2% WHVAT	11,040.00
002096	30.06.2025	LIMON RANCH	19,551.00
002097	30.06.2025	2% WHVAT	2,794.00
002098	30.06.2025	LAKONIA SOLUTIONS	59,615.00
002099	30.06.2025	2% WHVAT	8,518.00
002100	30.06.2025	IRENE CHEMTAI	54,310.00
002101	30.06.2025	2% WHVAT	7,759.00
002102	30.06.2025	IRENE CHEMTAI	54,310.00
002103	30.06.2025	2% WHVAT	7,759.00
002104	30.06.2025	RENTOKIL INITIAL	1,146.00
002105	30.06.2025	2% WHVAT	164.00
002107	30.06.2025	KISUMU HOTEL	142,373.00
002108	30.06.2025	2% WHVAT	17,797.00
002109	30.06.2025	KISUMU HOTEL	101,695.00
002110	30.06.2025	2% WHVAT	12,712.00
002111	30.06.2025	KISUMU HOTEL	94,915.00
002112	30.06.2025	2% WHVAT	11,865.00
002113	30.06.2025	KISUMU HOTEL	89,831.00
002114	30.06.2025	2% WHVAT	11,229.00
002115	30.06.2025	KISUMU HOTEL	89,831.00
002116	30.06.2025	2% WHVAT	11,229.00
002117	30.06.2025	KISUMU HOTEL	84,745.00
002118	30.06.2025	2% WHVAT	10,594.00
002119	30.06.2025	KISUMU HOTEL	16,949.00
002120	30.06.2025	2% WHVAT	2,119.00
002121	30.06.2025	CAPITAL STRATEGIES	990,990.00
002122	30.06.2025	2% WHVAT	141,570.00
002123	30.06.2025	TEXAS SOLUTECH CO. LTD	1,174,822.00
002124	30.06.2025	2% WHVAT	167,832.00
002126	30.06.2025	R, H. DEVANI LTD	120,690.00
002127	30.06.2025	2% WHVAT	17,242.00
002128	30.06.2025	R, H. DEVANI LTD	60,345.00
002129	30.06.2025	2% WHVAT	8,621.00
002212	30.06.2025	AESA-RIFT REG	391,050.00
002138	30.06.2025	2% WHVAT	55,889.00
002130	30.06.2025	COMMITTED MOVERS	120,690.00
002131	30.06.2025	2% WHVAT	17,242.00
002132	30.06.2025	BE-CARE APIARIES	892,122.00
002133	30.06.2025	2% WHVAT	127,446.00
QP	30.06.2025	AESA-WESTERN REG	381,394.00
002176	30.06.2025	2% WHVAT	54,509.00
002139	30.06.2025	AUTOIMPLEX CAR CARE	3,716.00
002140	30.06.2025	2% WHVAT	532.00
002141	30.06.2025	AUTOIMPLEX CAR CARE	5,702.00
002142	30.06.2025	2% WHVAT	815.00
002143	30.06.2025	AUTOIMPLEX CAR CARE	5,261.00
002144	30.06.2025	2% WHVAT	752.00
002145	30.06.2025	AUTOIMPLEX CAR CARE	5,358.00
002146	30.06.2025	2% WHVAT	766.00
002147	30.06.2025	AUTOIMPLEX CAR CARE	5,804.00
002148	30.06.2025	2% WHVAT	830.00
002149	30.06.2025	KAHIGA GARAGE	5,914.00
002150	30.06.2025	2% WHVAT	845.00
002151	30.06.2025	SAINIA HOLDINGS	4,224.00

1.			
CHEQUE		Payee	Amount
No	Date		Sh
002152	30.06.2025	2% WHVAT	604.00
002153	30.06.2025	ORTIZ AUTO GARAGE	5,539.00
002154	30.06.2025	2% WHVAT	792.00
002155	30.06.2025	ECOGEN AUTOMOBILE	9,366.00
002156	30.06.2025	2% WHVAT	1,338.00
002166	30.06.2025	MAGILANI INVESTMENT	21,606.00
002159	30.06.2025	2% WHVAT	3,087.00
002160	30.06.2025	THE AUDREY PREMIER	2,353.00
002161	30.06.2025	2% WHVAT	337.00
002162	30.06.2025	MARAAI CO. LTD	106,158.00
002163	30.06.2025	2% WHVAT	15,166.00
002167	30.06.2025	TORRIKO ENTERP	45,818.00
002165	30.06.2025	2% WHVAT	6,546.00
001998	30.06.2025	KIEMA MWANDIA	3,760.00
001996	30.06.2025	GEOFFREY OCHIENG	15,256.00
001997	30.06.2025	GEOFFREY OCHIENG	37,367.00
001999	30.06.2025	ABEL SAWANGA	13,600.00
001982	30.06.2025	SAMBURU GUEST HOUSE	61,397.00
002169	30.06.2025	2% WHVAT	8,772.00
002170	30.06.2025	INTERGRATED SERV DELIVERY	144,737.00
002156	30.06.2025	2% WHVAT	20,677.00
001983	30.06.2025	KAFAMI INVESTMENT	87,801.00
001984	30.06.2025	2% WHVAT	12,544.00
001980	30.06.2025	KIBO AFRICA	10,669.00
001981	30.06.2025	2% WHVAT	1,527.00
001976	30.06.2025	WINFRED OLUBAI	7,000.00
002178	30.06.2025	KIEMA MWANDIA	39,000.00
002179	30.06.2025	FELISTA NJERI	10,000.00
002180	30.06.2025	FELISTA NJERI	5,000.00
002181	30.06.2025	LUI KIRUI	45,000.00
002182	30.06.2025	FELISTA NJERI	12,837.00
002178	30.06.2025	FRACAS SARVCOM ENTERP	36,207.00
002204	30.06.2025	2% WHVAT	5,173.00
002184	30.06.2025	WATER DEFENDERS	30,172.00
002205	30.06.2025	2% WHVAT	4,311.00
002185	30.06.2025	BELIO FILLING STATION	24,138.00
002206	30.06.2025	2% WHVAT	3,449.00
002186	30.06.2025	VIBRATECH SOLUTIONS	18,097.00
002207	30.06.2025	2% WHVAT	2,586.00
002187	30.06.2025	LOREGI GENERAL COMPANY	24,041.00
002208	30.06.2025	2% WHVAT	3,435.00
002188	30.06.2025	BELIO FILLING STATION	36,207.00
002209	30.06.2025	2% WHVAT	5,173.00
002189	30.06.2025	SKYLAND PRINTERS	41,759.00
002210	30.06.2025	2% WHVAT	5,966.00
002190	30.06.2025	MAMODAH LTD	49,101.00
002211	30.06.2025	2% WHVAT	7,015.00
002191	30.06.2025	JOBrites COMPANY	36,207.00
002212	30.06.2025	2% WHVAT	5,173.00
002192	30.06.2025	ESTAM ESERVICES LTD	22,328.00
002213	30.06.2025	2% WHVAT	3,190.00
002193	30.06.2025	BHOGALS TOYOTA NAKURU	23,066.00
002194	30.06.2025	BENARD BETT	21,000.00
002195	30.06.2025	TITUS MUTISYA	28,570.00
002214	30.06.2025	KIEMA MWANDIA	37,500.00
002215	30.06.2025	GEOFFREY OCHIENG	58,800.00
002216	30.06.2025	LAWRENCE MUTAI	45,084.00
002217	30.06.2025	FELISTA NJERI	40,000.00
002218	30.06.2025	SAMUEL OKATI	124,040.00
002219	30.06.2025	ELIZABETH ZILLA	14,721.35
002220	30.06.2025	2% WHVAT - BHOGALS	401.00
002221	30.06.2025	2% WHVAT -KISUMU HOTEL	31,526.00
002222	30.06.2025	2% WHVAT -KISUMU HOTEL	29,661.00

1.			
CHEQUE		Payee	Amount
No	Date		Sh
002201	30.06.2025	2% WHVAT - HATARI	6,480.00
			9,761,122.35

REPUBLIC OF KENYA

Date: 2nd July 2025

Report of the Board of Survey on the Cash and Bank Balances of Kenya Livestock Commercialization Project (KeLCoP), Project Management and Coordination Unit (PMCU) Account number **1287724450** as at close of Business on 30th June 2025

The Board consisting of - (*Names and official Titles*)

- | | | |
|----|------------------|---------------|
| 1. | Mark Mjambili | - Chairperson |
| 2. | Rachel Ndung'u | - Member |
| 3. | Francis Thiong'o | - Member |

Assembled at the Office of KeLCoP - PMCU at 9:00AM (Time) on 2nd July 2025 and the following cash was produced;-

Notes	Sh NIL
Silver	Sh..... NIL
Copper	Sh..... NIL
Cheques (As per details on reverse)	Sh..... NIL

It was observed that cheques amounting Sh... **33,884,305** ...Cts...**53**...had been on hand for more than 14 days prior to the date of the Survey.

The Cash consist of East African currency and does not contain any demonetized coin or notes.

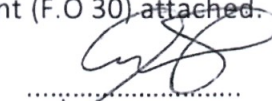
The Cash Book reflected the following balances as at the close of business on the 30th June 2025.

Cash in hand	Sh..... NIL
Bank Balance	Shs..... 241,624,179cts.. 70

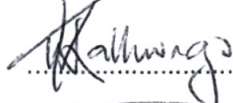
The Bank Certificate of Balance showed a sum of sh **44,779,652** cts **Nil** standing to the credit of the account on 30th June 2025.

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O 30) attached.

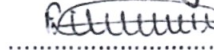
Chairperson

.....


Member

.....


Member

.....


REPUBLIC OF KENYA

Date: 2nd July 2025

Report of the Board of Survey on the Cash and Bank Balances of Kenya Livestock Commercialization Project (KeLCoP), Project Management and Coordination Unit (PMCU) Account number **1287724035** as at close of Business on 30th June 2025

The Board consisting of - (**Names and official Titles**)

- | | |
|---------------------|---------------|
| 1. Mark Mjambili | - Chairperson |
| 2. Rachel Ndung'u | - Member |
| 3. Francis Thiong'o | - Member |

Assembled at the Office of KeLCoP - PMCU at 9:00AM (Time) on 2nd July 2025 and the following cash was produced; -

Notes	Sh NIL
Silver	Sh..... NIL
Copper	Sh..... NIL
Cheques (As per details on reverse)	Sh..... NIL

It was observed that cheques amounting Sh... **9,012,809**....Cts...**75**...had been on hand for more than 14 days prior to the date of the Survey.

The Cash consist of East African currency and does not contain any demonetized coin or notes.

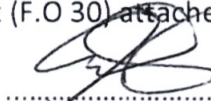
The Cash Book reflected the following balances as at the close of business on the 30th June 2025.

Cash in hand	Sh..... NIL
Bank Balance	Shs..... 27,871,905cts.. 75

The Bank Certificate of Balance showed a sum of sh **32,086,725** cts **55** standing to the credit of the account on 30th June 2024.

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O 30) attached.

Chairperson



Member



Member



IFAD: KENYA LIVESTOCK COMMERCIALIZATION
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30TH JUNE 2025
PART B: ACCOUNT RECONCILIATION STATEMENT

IFAD LOAN NO. 200000356500 and 200000356600
Bank Account No.1000542578 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT Euro	AMOUNT Euro	AMOUNT Euro
1	Amount advanced by IFAD to Account No.1000501798		15,676,078.76	
2	Amount advanced by IFAD to Account no 1000542578		4,564,974.76	
				20,241,053.52
	Less:			
2	Total amount Justified loan 2000003565		6,725,178.79	
	Total amount Justified loan 2000003566		6,384,818.54	
				13,109,997.33
3	Outstanding amount advanced to be documented			7,131,056.19
	Represented by:			
4	Ending Designated Account Balance at 30.06.2025 -ac no. 1000501798		-	
	Ending Designated Account Balance at 30.06.2025 -ac no. 1000542578		86,195.00	
				86,195.00
5	Amount claimed but not credited at 30.06.2025		-	
6	Amount withdrawn and not claimed as at 30.06.2025		-	7,044,861.19
7	Service charges (if not included in 5 & 6 above)		-	
	Less:			
8	Interest earning (if included in Designated Account)		-	
	Total advance to Designated Account year ended 30.06.2025 -1000501798		-	
	Total advance to Designated Account year ended 30.06.2025 - 1000542578			
9	Total advance to Designated Account year ended 30.06.2025			7,131,056.19

Discrepancy between total appearing on lines 3 and 9

_____ -

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover
- 2 Indicate if amount appearing on line 6 is eligible for financing by IFAD and provide reasons for not claiming the
- 3 Disbursements under IFAD LOAN NO. 200000356500 and 200000356600 are done on a 50:50 basis, and justification are justifiend on a 50:50 basis.

AUTHORIZED REPRESENTATIVE
RESOURCES MOBILISATION DEPARTMENT
THE NATIONAL TREASURY

DATE:

(7)

SPECIAL ACCOUNT STATEMENT

For period ending **30th JUNE, 2025**
Account No. **1000542578**
Depository Bank **CENTRAL BANK OF KENYA.**
Address **CENTRAL BANK OF KENYA.**
Related Loan **IFAD KELCOP COUNTIES**
Credit Agreement
Currency **EUR**

Part A - Account Activity

Beginning balance of 1st July, 2024
as per C.B.K. Ledger Account **0.00**

Add:

Total Amount deposited by ^{IFAB} World Bank **2,645,185.00**

Total Interest earnings if deposited in account

Total amount refunded to cover ineligible
expenditure

Deduct:

Total amount withdrawn **2,558,990.00**

Total service charges if not included above in
amount withdrawn

Ending balance on 30th June, 2025 **86,195.00**

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

[Signature]

DATE

14/07/2025

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

[Signature]

DATE

05-08-2025

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 5 of 5

Run Date: 04/07/2025
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI

Run Time: 10:47:52

STATEMENT OF ACCOUNT

PAGE NO : 1

STATEMENT PERIOD: From 01/07/2024 To

ACCOUNT NUMBER : 1000542578

ACCOUNT TITLE : IFAD KELCOP COUNTIES
 30/06/2025

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE
OPENING BAL :					
				0.00	
NO.	Value Date	Reference.No	Details	Debit	Credit
1	22/10/2024	FT24296RQHM;1	PROJECT FUNDING	0.00	571,375.00
2	22/10/2024	FT24296SDR87;1	PROJECT FUNDING	0.00	571,375.00
3	20/11/2024	FT24325N3SRD;1	PROJECT FUNDING	0.00	751,217.50
4	20/11/2024	FT24325Y0ZC8;1	PROJECT FUNDING	0.00	751,217.50
5	26/05/2025	FT251469VSC1;1	PA138403	-2,558,990.00	0.00

CLOSING BALANCE : 86195

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM

[View options](#)
[Clear Selection](#)

Account 1000542578

Statement From 20240701

Statement To 20250630

TAM.E.STMT.OF.ACCT.EPRM

HISTORIC TRANSACTION REPORT

As at date

OBJECT NAME		FINANCING		STATUS			
		200000356500		DSBL	Disbursable		
Source of Financing: IFAD IFAD REGULAR							
Loan Denomination EUR							
NG-17	001RFDB232650005	EUR	200003	5,421.29	5,421.29	5,749.26	JUST
			200008	12,382.32	12,382.32	13,131.40	JUST
			200013	15,341.51	15,341.51	16,269.61	JUST
			200016	6,706.31	6,706.31	7,112.01	JUST
			200018	2,715.74	2,715.74	2,890.03	JUST
			270001	-42,567.17	-42,567.17	-45,142.31	JUST
WA Currency/DEN Exchange rate: 1.00000		DEN/USD exchange rate: 1.06050		682,758.62	682,758.62	724,062.75	Debit Advice
CG-2	CG-2	001RFDB233190009	EUR	270002	442,653.50	17 Nov 2023	442,653.50
	CG-08	001RFDB233190009	EUR	200003	1,271.03		1,361.66
			200008	64,573.39	64,573.39	70,204.22	JUST
			200013	60,098.08	60,098.08	65,338.67	JUST
			200016	16,560.28	16,560.28	18,004.35	JUST
			270002	-142,502.78	-142,502.78	-154,929.10	JUST
CG-5	CG-5	001RFDB233190009	EUR	200003	1,281.07		1,392.78
			200008	49,286.53	49,286.53	53,584.34	JUST
			200013	12,053.46	12,053.46	13,104.53	JUST
			200016	11,445.36	11,445.36	12,443.40	JUST
			270002	-74,066.42	-74,066.42	-80,525.05	JUST
CG-7	CG-7	001RFDB233190009	EUR	200003	1,242.51		1,350.86
			200008	158,301.85	158,301.85	172,105.86	JUST
			200013	521.42	521.42	566.89	JUST
			200016	26,150.48	26,150.48	28,430.81	JUST
			270002	-186,216.26	-186,216.26	-202,454.42	JUST
WA Currency/DEN Exchange rate: 1.00000		DEN/USD exchange rate: 1.08720		442,653.50	442,653.50	481,253.12	Debit Advice
NG-12	NG-12	001RFDB233310010	EUR	270001	1,057,346.50	28 Nov 2023	1,057,346.50
	NG-17	001RFDB233310010	EUR	200003	106,390.76		116,487.27
			200008	242,998.36	242,998.36	266,058.97	JUST
			200013	301,071.31	301,071.31	329,643.06	JUST
			200016	131,608.87	131,608.87	144,098.59	JUST
			200018	53,295.36	53,295.36	58,353.11	JUST
			270001	-835,364.66	-835,364.66	-914,641.00	JUST
NG-18	NG-18	001RFDB233310010	EUR	200003	102,750.64		112,501.71
			200008	63,087.35	63,087.35	69,074.36	JUST
			200016	8,018.10	8,018.10	8,779.02	JUST
			200018	48,125.75	48,125.75	52,692.89	JUST
			270001	-221,981.84	-221,981.84	-243,047.98	JUST
WA Currency/DEN Exchange rate: 1.00000		DEN/USD exchange rate: 1.09490		1,057,346.50	1,057,346.50	1,157,688.98	Debit Advice
NG-14	NG-14	001RFDB240670009	EUR	270001	607,542.22	11 Mar 2024	607,542.22
	NG-18	001RFDB240670009	EUR	200003	22,441.91		24,520.17
			200008	13,779.00	13,779.00	15,055.02	JUST
			200016	1,751.25	1,751.25	1,913.43	JUST
			200018	10,511.20	10,511.20	11,484.59	JUST
			270001	-48,483.36	-48,483.36	-52,973.21	JUST
NG-20	NG-20	001RFDB240670009	EUR	200003	53,449.74		58,399.51

				200008	268,154.08		268,154.08	292,986.78	JUST	
				200016	179,638.96		179,638.96	196,274.62	JUST	
				200018	57,816.08		57,816.08	63,170.20	JUST	
				270001	-559,058.86		-559,058.86	-610,831.11	JUST	-559,058.86
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.09261	607,542.22		607,542.22	663,804.32	Debit Advice	
NG-16	NG-16	001RFDB241430006	EUR	270001	518,036.00	24 May 2024	518,036.00	561,551.86	DSBR	
	NG-20	001RFDB241430006	EUR	200003	18,201.64		18,201.64	19,730.61	JUST	
				200008	91,316.54		91,316.54	98,987.28	JUST	
				200016	61,173.81		61,173.81	66,312.51	JUST	
				200018	19,688.55		19,688.55	21,342.41	JUST	
				270001	-190,380.54		-190,380.54	-206,372.81	JUST	-190,380.54
	NG-21	001RFDB241430006	EUR	200003	140,708.78		140,708.78	152,528.55	JUST	
				200008	136,195.86		136,195.86	147,636.53	JUST	
				200013	14,310.06		14,310.06	15,512.13	JUST	
				200016	12,481.11		12,481.11	13,529.54	JUST	
				200018	23,959.65		23,959.65	25,972.30	JUST	
				270001	-327,655.46		-327,655.46	-355,179.05	JUST	-327,655.46
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.08400	518,036.00		518,036.00	561,551.86	Debit Advice	
CG-4	CG-4	001RFDB242880004	EUR	270002	571,375.00	16 Oct 2024	571,375.00	622,626.11	DSBR	
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.08970	571,375.00		571,375.00	622,626.11	Debit Advice	
CG-6	CG-6	001RFDB243170010	EUR	270002	751,217.50	14 Nov 2024	751,217.50	791,256.22	DSBR	
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.05330	751,217.50		751,217.50	791,256.22	Debit Advice	
NG-19	NG-19	001RFDB243200006	EUR	270001	2,144,326.00	19 Nov 2024	2,144,326.00	2,268,279.07	DSBR	
	NG-21	001RFDB243200006	EUR	200003	332,199.29		332,199.29	351,402.12	JUST	
				200008	321,544.75		321,544.75	340,131.69	JUST	
				200013	33,784.61		33,784.61	35,737.53	JUST	
				200016	29,466.65		29,466.65	31,169.97	JUST	
				200018	56,566.31		56,566.31	59,836.14	JUST	
				270001	-773,561.61		-773,561.61	-818,277.45	JUST	-773,561.61
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.05781	2,144,326.00		2,144,326.00	2,268,279.07	Debit Advice	
NG-22	NG-22	001RFDB251550002	EUR	270001	1,208,135.50	09 Jun 2025	1,208,135.50	1,378,482.16	DSBR	
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.14100	1,208,135.50		1,208,135.50	1,378,482.16	Debit Advice	
ACCOUNT GRAND TOTAL								11,080,421.64	11,966,197.49	(6,725,178.79)

HISTORIC TRANSACTION REPORT

PROJECT NAME

As at date

FINANCING
200000356600

STATUS
DSBL Disbursable

Source of Financing: IFAD IFAD REGULAR
Loan Denomination EUR

Please note that the link to the debit advice is only available in the on-screen report.

REFERENCED BY YOUR REQUEST

CHARGED TO YOUR ACCOUNT

PROJECT NAME	CURRENCY	ACCOUNT	DATE	AMOUNT	STATUS	AMOUNT	AMOUNT	AMOUNT	STATUS	AMOUNT
NG-17	EUR	001RFDB232650007		5,421.29		5,421.29	5,749.26		JUST	
				12,382.32		12,382.32	13,131.40		JUST	
				15,341.51		15,341.51	16,269.61		JUST	
				6,706.31		6,706.31	7,112.01		JUST	
				2,715.74		2,715.74	2,880.03		JUST	
				-42,567.17		-42,567.17	-45,142.31		JUST	
				682,758.62		682,758.62	724,062.75		JUST	-42,567.17
CG-2	EUR	001RFDB233190010	17 Nov 2023	442,653.50		442,653.50	481,253.12		DSBR	
CG-08	EUR	001RFDB233190010		1,271.03		1,271.03	1,381.86		JUST	
				64,573.39		64,573.39	70,204.22		JUST	
				60,098.08		60,098.08	65,338.67		JUST	
				16,560.28		16,560.28	18,004.35		JUST	
				-142,502.78		-142,502.78	-154,929.10		JUST	
CG-5	EUR	001RFDB233190010		1,281.07		1,281.07	1,392.78		JUST	
				49,286.53		49,286.53	53,584.34		JUST	
				12,053.46		12,053.46	13,104.53		JUST	
				11,445.36		11,445.36	12,443.40		JUST	
				-74,066.42		-74,066.42	-80,525.05		JUST	
CG-7	EUR	001RFDB233190010		1,242.51		1,242.51	1,350.86		JUST	
				158,301.85		158,301.85	172,105.86		JUST	
				521.42		521.42	566.89		JUST	
				26,150.48		26,150.48	28,430.81		JUST	
				-186,216.26		-186,216.26	-202,454.42		JUST	
NG-12	EUR	001RFDB233310011	28 Nov 2023	1,057,346.50		1,057,346.50	1,157,688.98		DSBR	
NG-17	EUR	001RFDB233310011		106,390.76		106,390.76	116,487.27		JUST	
				242,998.36		242,998.36	266,058.97		JUST	
				301,071.31		301,071.31	329,643.06		JUST	
				131,608.87		131,608.87	144,098.59		JUST	
				53,295.36		53,295.36	58,353.11		JUST	
				-835,364.66		-835,364.66	-914,641.00		JUST	
NG-18	EUR	001RFDB233310011		102,750.64		102,750.64	112,501.71		JUST	
				63,087.35		63,087.35	69,074.36		JUST	
				8,018.10		8,018.10	8,779.02		JUST	
				48,125.75		48,125.75	52,692.89		JUST	
				-221,981.84		-221,981.84	-243,047.98		JUST	
NG-14	EUR	001RFDB240670008	11 Mar 2024	607,542.22		607,542.22	663,804.32		DSBR	
NG-18	EUR	001RFDB240670008		22,441.91		22,441.91	24,520.17		JUST	
				13,779.00		13,779.00	15,055.02		JUST	
				1,751.25		1,751.25	1,913.43		JUST	

				200018	10,511.20		10,511.20	11,484.59	JUST	
				270001	-48,483.36		-48,483.36	-52,973.21	JUST	
	NG-20	001RFDB240670 008	EUR	200003	53,449.74		53,449.74	58,399.51	JUST	
				200008	268,154.08		268,154.08	292,986.78	JUST	
				200016	179,638.96		179,638.96	196,274.62	JUST	
				200018	57,816.08		57,816.08	63,170.20	JUST	
				270001	-559,058.86		-559,058.86	-610,831.11	JUST	-559,058.86
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.09261	607,542.22		607,542.22	663,804.32	Debit Advice	
NG-16	NG-16	001RFDB241430 005	EUR	270001	518,036.00	24 May 2024	518,036.00	561,551.86	DSBR	
	NG-20	001RFDB241430 005	EUR	200003	18,201.64		18,201.64	19,730.61	JUST	
				200008	91,316.54		91,316.54	98,987.28	JUST	
				200016	61,173.81		61,173.81	66,312.51	JUST	
				200018	19,688.55		19,688.55	21,342.41	JUST	
				270001	-190,380.54		-190,380.54	-206,372.81	JUST	-190,380.54
	NG-21	001RFDB241430 005	EUR	200003	140,708.78		140,708.78	152,528.55	JUST	
				200008	136,195.86		136,195.86	147,636.53	JUST	
				200013	14,310.06		14,310.06	15,512.13	JUST	
				200016	12,481.11		12,481.11	13,529.54	JUST	
				200018	23,959.65		23,959.65	25,972.30	JUST	
				270001	-327,655.46		-327,655.46	-355,179.05	JUST	-327,655.46
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.08400	518,036.00		518,036.00	561,551.86	Debit Advice	
CG-4	CG-4	001RFDB242880 005	EUR	270002	571,375.00	16 Oct 2024	571,375.00	622,626.11	DSBR	
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.08970	571,375.00		571,375.00	622,626.11	Debit Advice	
CG-6	CG-6	001RFDB243170 011	EUR	270002	751,217.50	14 Nov 2024	751,217.50	791,256.22	DSBR	
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.05330	751,217.50		751,217.50	791,256.22	Debit Advice	
NG-19	NG-19	001RFDB243200 005	EUR	270001	2,144,326.00	19 Nov 2024	2,144,326.00	2,268,279.07	DSBR	
	NG-21	001RFDB243200 005	EUR	200003	332,199.29		332,199.29	351,402.12	JUST	
				200008	321,544.75		321,544.75	340,131.69	JUST	
				200013	33,784.61		33,784.61	35,737.53	JUST	
				200016	29,466.65		29,466.65	31,169.97	JUST	
				200018	56,566.31		56,566.31	59,836.14	JUST	
				270001	-773,561.61		-773,561.61	-818,277.45	JUST	-773,561.61
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.05781	2,144,326.00		2,144,326.00	2,268,279.07	Debit Advice	
NG-22	NG-22	001RFDB251550 003	EUR	270001	1,208,135.50	09 Jun 2025	1,208,135.50	1,378,482.16	DSBR	
	WA Currency/DEN Exchange rate:	1.00000	DEN/USD exchange rate:	1.14100	1,208,135.50		1,208,135.50	1,378,482.16	Debit Advice	
ACCOUNT GRAND TOTAL							11,080,421.64	11,906,598.95		(6,384,818.54)