

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 10 MAR 2026

DAY.

TUESDAY

OF

TABLED  
BY:

HON. DWEN BAYA, MP

CLERK-AT  
THE-TABLE:

CHRISTINE NDIRITU

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL LIVESTOCK DEVELOPMENT  
AND PROMOTION SERVICE**

**FOR THE SIX (6) MONTHS' PERIOD  
ENDED 30 JUNE, 2025**



---

**THE NATIONAL LIVESTOCK DEVELOPMENT AND PROMOTION SERVICE.**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE SIX (6) MONTHS PERIOD ENDED 30<sup>TH</sup> JUNE 2025**

---

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

<b>Table of Contents.....</b>	<b>Page</b>
1. Acronyms and Definition of Key Terms .....	iii
2. Key National livestock development and promotion service Information and Management... iv	iv
3. The Board of Directors .....	ix
4. Key Management Team.....	xv
5. Chairman's Statement.....	xvi
6. Report of the Chief Executive Officer .....	xvi
7. Statement of Performance against Predetermined Objectives for FY 2024/2025.....	xvii
8. Corporate Governance Statement .....	xviii
9. Management Discussion and Analysis.....	xxi
10. Environmental and Sustainability Reporting .....	xxii
11. Report of the Directors .....	xxv
12. Statement of Directors Responsibilities.....	xxvi
13. Report of the Independent Auditor on the Financial Statements of National livestock development and promotion service for the six (6) months' period ended 30 June, 2025.....	xxviii
14. Statement of Financial Performance for the six (6) months' period ended 30 June, 2025. ....	1
15 Statement of Financial Position for the six (6) months' period ended 30 June, 2025. ....	3
16. Statement of Changes in Net Assets for the six (6) months' period ended 30 June, 2025. ....	5
17. Statement of Cash Flows for the six (6) months' period ended 30 June, 2025.....	7
18. Statement of Comparison of Budget and Actual amounts for the six (6) months' period ended 30 June, 2025.....	8
20. Appendices.....	37

## **1. Acronyms and Definition of Key Terms**

### **A: Acronyms**

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor

### **B: Definition of Key Terms**

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

**Comparative Year-** Means the prior period.

## **2. Key National livestock development and promotion service Information and Management**

### **(a) Background information**

The National Livestock Development and Promotion Service was established under the Legal Notice 87 of 2016 of the State Corporation Act (CAP.446). The Government of Kenya, through gazette Notice No.388 and No. 403, appointed the NLD&PS Board of management on 17<sup>th</sup> of January, 2025.

### **Principal Activities**

The mandate of the Service is to coordinate and facilitate the development, promotion and marketing of livestock and livestock products, it will undertake the following functions;

- a) be responsible for coordinating matters relating to the development, promotion and marketing of livestock and livestock products within and outside Kenya
- b) advise the national government generally and the Ministry in particular on matters relating to the development, promotion and marketing of livestock and livestock products in the country including apportionment of resources;
- c) maintain a liaison between the national government, the private sector and other interested agencies in matters relating to the development, promotion and marketing of livestock and livestock products in order to limit duplication of effort and to ensure optimal use of the available resources;
- d) prepare and maintain an up to date national livestock development and promotion plan for the country and coordinate implementation of the activities identified from the plan;
- e) coordinate national donor funded projects relating to the development, promotion and marketing of livestock and livestock products in the country;
- f) coordinate and facilitate related national livestock production, development and marketing schemes including disease free zones in the country;
- g) facilitate the marketing and distribution of livestock and livestock products through the monitoring and dissemination of market information, including the identification of the local supply-demand status, domestic market, matching and overseas market intelligence and promotion activities on livestock;

- h) undertake programmes for the monitoring and evaluation the performance of national livestock projects in order to improve the performance, establish responsibilities thereof and improve future planning;
- i) establish linkages with various research institutions for the conduct of studies and researches designed to promote livestock and livestock products production, marketing and processing;
- j) promote and advise on strategies for value addition before the export of livestock products from Kenya;
- k) develop and promote national good practices in livestock production and livestock products processing, marketing, grading, storage, collection, and transportation;
- l) collect and maintain a database on livestock and livestock products, document and monitor market trends for purposes of national livestock products development, promotion and marketing;
- m) advise the Cabinet Secretary and the county governments on matters relating to; national and county livestock policies, policy development and policy implementation in perpetuation of food security;
- n) coordinate the promotion and improvement of livestock management systems in the country for sustainable development of the livestock industry; and perform any other functions as may be necessary to achieve the objectives of the Service under this Order.

**(b) Key Management**

The Service day-to-day management is under the following key organs:

No.	Designation	Name
1.	Board Chair	<b>Hon. Mohamed Ibrahim Elmi</b>
2	Board Member	<b>Ubah Abdi Ibrahim</b>
3	Board Member	<b>Dr. Hassan Guyo Roba</b>
4	Board Member	<b>Hon. Alois Musa Lentoimaga</b>
5	Board Member	<b>Chris Ekutan Erukudi</b>
6	Board Member	<b>Andrew Njogu Kithugu</b>
7	Board Member	<b>Bishar Fille Elmi</b>
8	Board Member	<b>Justine Simayiai Rakita</b>

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

No.	Designation	Name
9	Accounting officer/ Ag. CEO	<b>Dr. Richard Kavila Kyuma</b>

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Ag. CEO	<b>Dr. Richard Kavila Kyuma</b>
2.	Head of Finance	<b>CPA. Peter Kitanga Musila</b>
3.	Head of Procurement	<b>Betsy Chebet Mutai</b>
4.	Head of Human Resource Management	<b>Dennis Lentayon Parsalaach</b>
5.	Technical Officers	<b>John Chege Ndungu</b> <b>Stephen Mutuku</b> <b>Tereza Okecha</b>

**Key National livestock development and promotion service Information and Management**

**(d) Fiduciary Oversight Arrangements**

**i. Governance and strategy committee**

The objective of the Governance and strategy committee is to assist the Board of Directors in fulfilling its oversight responsibilities related to corporate governance. This includes, ensuring that the Board functions effectively, adheres to best practices, and maintains the highest standards of accountability, transparency, and decision making.

The Committee shall consist of three (3) members of the Board of Directors and a quorum of at least two (2) members to transact business. Members shall be appointed by the Board, and shall serve at

the discretion of the Board and for such term or terms as the Board may determine. The Committee members may be replaced, and the Chair may be changed, as the Board may decide.

**ii. Technical committee**

The objective of the Technical Committee is to provide strategic guidance, technical oversight, and policy support in the planning, implementation, evaluation, and continual improvement of national livestock development and promotional initiatives. It plays a key advisory and coordination role in all technical functions undertaken by the Service.

The Committee shall consist of a minimum of three (3) Board members, with a quorum of two for official business. Members shall be appointed by the Board and serve at its discretion. One member shall be designated Chairperson by the Board. The Committee may co-opt technical experts, stakeholders, or advisors as needed to support its functions.

**iii. Audit and Risk Committee**

The objective of the audit and risk committee is to ensure proper accountability, risk management and internal controls of the operations of the NLD&PS in compliance of with the laws of Kenya and best practice.

The Committee consist of three (3) members of the Board of Directors. A majority of the members of the Committee shall constitute a quorum. The members of the Committee and the Chairman of the Committee shall be appointed by the Board and may be removed by the Board and for such term or terms as the Board may determine.

**iv. Human resource and finance committee**

The objective of the Human Resource and Finance Committee is to exercise its business judgement in the carrying out of the oversight responsibilities of the human resource and finance, in the best interest of the National Livestock Development and Promotion Service Board and its stakeholders.

The Committee shall consist of three (3) members of the Board of Directors and a quorum of at least two (2) members to transact business. Members shall be appointed by the Board, and shall serve at the discretion of the Board and for such term or terms as the Board may determine. The Committee members may be replaced, and the Chair may be changed, as the Board may decide.

**(e) National livestock development and promotion service Headquarters**

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

P.O. Box 34188-00100  
Hill Plaza  
Bishop Road  
Nairobi, KENYA

**(f) National livestock development and promotion service Contacts**

Telephone: 2718870/2732093  
E-mail: [info@nldps.kilimo.go.ke](mailto:info@nldps.kilimo.go.ke)  
Website: [www.kilimo.go.ke](http://www.kilimo.go.ke)

**(g) National livestock development and promotion service Bankers**

KCB Bank Kenya Limited  
High Court  
P.O. Box 30316  
GPO 00100  
NAIROBI, KENYA

**Key National livestock development and promotion service Information and Management  
(continued)**

**(h) Independent Auditor**

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


**(i) Principal Legal Adviser**

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


*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**




**3. The Board of Directors**


Ref	Directors	Details
1.	<p><b>Hon. Mohamed Ibrahim Elmi</b></p> 	<p>Chairman – NLD&amp;PS</p> <p><b>Date of Birth:</b> 25<sup>th</sup> May,1958</p> <p><b>Key Qualifications:</b></p> <ul style="list-style-type: none"> <li>-Masters of Community Health (The University of Liverpool) 2001</li> <li>-Diploma in Public Health education (KMTC Nairobi)-1988-1989</li> <li>-Diploma in Psychiatric Nursing -1985-1986</li> <li>-Registered nurse Diploma (Medical Training Nairobi)-1978-1982</li> </ul> <p><b>Work Experience:</b></p> <ul style="list-style-type: none"> <li>-Non-Executive Chairperson National Livestock Development and Promotional Service January,2025 to date</li> <li>-Member of Parliament Tarbaj Constituency-2013</li> <li>-Minister Ministry of State for the Development of Northern Kenya and Other Arid Lands. -2008 to 2013</li> <li>-Member of parliament for Wajir East Constituency-2007-2013</li> <li>-Board member –New partnership for Africa Development (NEPAD)-2006-2008</li> <li>-Regional Programme Manager Oxfam-east and CentralAfrica-2003-2007.</li> <li>-Country Representative- Kenya Country Programme-1999-2003</li> </ul>

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**


		<p>-Deputy Country Representative, Oxfam GB-1997-1999</p> <p>-Oxfam project Coordinator – Wajir Pastoral Development Programme-1992-1997</p> <p>-District Public Health Officer Wajir-1989-1992</p> <p>-Coordinator of Normal Primary Health care (NPHC) programme. -1990</p> <p>-Nursing officer mathare mental hospital-1987-1988.</p> <p>-Nursing Officer-Wajir District Hospital.</p> <p><b>Position:</b> Non-Executive Chairperson</p>
2.	<p><b>Hon. Alois Musa Lentoimaga</b></p> 	<p><b>Date of Birth:</b>1960</p> <p><b>Key Qualifications:</b> Executive Master of Business Administration (JKUAT), Master's degree in Business Administration (Birmingham University-UK), Bachelors of Business Administration (American Intercontinental University), Post graduate Diploma in Development Administration (Birmingham University- UK).</p> <p><b>Work Experience:</b></p> <p>-Council Member- Multimedia University of Kenya 2023-to date.</p> <p>-Elected Member of Parliament 2013-2022</p> <p>-Regional Coordinator (South Rift)-Ministry of Special Programmes 2008-2022</p> <p>-Deputy Provincial Commissioner Rift Valley - 2005</p> <p>-District Commissioner 2001-2007</p> <p>District Officer-1988-2000</p>

		<p><b>Position:</b> Independent Director Chairing Audit and Risk Committee and member of Governance and Strategy Committee.</p>
<p>3.</p>	<p><b>Chris Ekutan Erukudi</b></p> 	<p><b>Date of Birth:</b> 1963</p> <p><b>Key Qualifications:</b></p> <ul style="list-style-type: none"> <li>-Master of Science in Land and Water Management (Dry Land Farming)-Cranfield University (UK).1989-1991</li> <li>-Bachelors of Science, Agribusiness Management and Trade-Kenyatta University-2014-2019</li> <li>-Diploma in Agricultural Engineering (Soil and Water option)-Egerton University. 1983-1986</li> <li>-Diploma in Management of Non-Governmental Organization (KIM)-2004-2006</li> <li>-Diploma in Public Relation, (international Correspondence schools London)</li> </ul> <p><b>Work Experience:</b></p> <ul style="list-style-type: none"> <li>-Part time Lecturer Turkana University College-2023 to date.</li> <li>-Freelance Consultant and capacity building of community groups-2017 to date</li> <li>-County Programme coordinator GIZ-2015-2016</li> <li>-Social Investment Coordinator-Tullow Oil Kenya-2014-2015</li> <li>-Area Coordinator World Vision International – South Darfur Sudan-2009-2012.</li> </ul>

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

		<p>-Instructor Trans Africa Institute of Advanced studies-2008-2009</p> <p>-World Vision Kenya-1997-2007</p> <p>-Agricultural Officer-Ministry of Agriculture-1986-1993</p> <p><b>Position:</b> Independent Director Chairing Governance &amp; Strategy Committee and member of technical committee.</p>
4.	<p><b>Ubah Abdi Ibrahim</b></p> 	<p><b>Date of Birth:</b> 1968</p> <p><b>Key Qualifications:</b></p> <p>-Bachelors of arts in gender women and Development studies-Egerton University-2019</p> <p>-Diploma in social work and community Development-2006</p> <p><b>Work Experience:</b></p> <p>-Board Trustee at Water Sector Trust Fund-2019</p> <p>-Chairperson Maendeleo ya Wanawake Mandera County-2014</p> <p>-Executive Director Centre for Advocacy and Development of Muslim Women 2011-2012</p> <p>-National Museum Council of Kenya -2002-2008</p> <p>-Work as Supervisor with United Nations High Commission for Refugees (UNHCR)-2000-2001</p> <p>-Clerk with Care International- 1999-2000</p> <p>-Worked as supervisor MDM-Spain (International NGO in Elwak)</p> <p>-Worked as a Clerk and Supervisor of UNICEF Feeding Programme in Elwak.</p>

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

		<p><b>Position:</b> Independent Director Chairing Finance &amp; Human Resource and member of Governance and strategy Committee.</p>
5.	<p><b>Dr. Hassan Guyo Roba</b></p> 	<p><b>Date of Birth:</b> 1976</p> <p><b>Key Qualifications:</b></p> <ul style="list-style-type: none"> <li>-PhD development studies (Norwegian University of life science)-2004-2008</li> <li>-Master of science-dryland biodiversity (Addis Ababa University)</li> <li>-Bachelor of Science-JKUAT-1998</li> </ul> <p><b>Work Experience:</b></p> <ul style="list-style-type: none"> <li>-Director of Kenya Strategy (Christensen Fund)-2022 to date.</li> <li>-Programme officer African Rift Valley-2014-2021</li> <li>-Post doctoral Fellow-German Institute for Tropical Agriculture (DITSL)2011 to 2013</li> <li>-Researcher at University of Bergen Norway 2009</li> <li>-Senior Research Scientist at National Museums of Kenya 2008 to 2014</li> <li>-Research Scientist-Centre for biodervisty-2003-2007</li> </ul> <p><b>Position:</b> Independent Director Chairing Technical Committee and member of Finance &amp; Human Resource Committee.</p>

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**


6.	<p><b>Justine Simayiai Rakita</b></p> 	<p><b>Date of Birth:</b> 11<sup>th</sup>April,1990</p> <p><b>Key Qualifications:</b></p> <ul style="list-style-type: none"> <li>-Bachelors of Law-University of Nairobi-2019-2023</li> <li>-Bachelors of Arts and Communication at Day star University-2014-2017</li> <li>-Diploma in Public relations University of Naiobi-2009-2011</li> </ul> <p><b>Work Experience:</b></p> <ul style="list-style-type: none"> <li>-Board Director National Livestock Development and Promotion Service.</li> </ul> <p><b>Position:</b> Independent Director and member of finance &amp; Human Resource and Audit and Risk committee.</p>
7.	<p><b>Dr. Richard Kavila Kyuma</b></p> 	<p>Ag CEO</p> <p>Date of Birth:1967</p> <p><b>Key Qualifications:</b></p> <ul style="list-style-type: none"> <li>-PhD Dryland Resource Management-University of Nairobi,2012-2016</li> <li>-MSc. GIS and remote sensing for Natural Resource Management-ITC –Faculty of Twente University in Netherlands,2006-2008</li> <li>-BSc. Range Managemnt-1988-1991</li> </ul> <p><b>Work Experience:</b></p> <ul style="list-style-type: none"> <li>-Acting Chief Executive Officer-National Livestock Development and Promotion Service-March,2025 to date.</li> <li>-Deputy Director of Livestock Production 2023-2025</li> </ul>

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

		<ul style="list-style-type: none"> <li>-Acting Project Coordinator of DRIVE project-2022-2023</li> <li>-Chairman of the Multi-Institutional team for the design of the world bank supported DRIVE Project. -2021-2022</li> <li>-Project Coordinator for the Kenya Livestock Insurance Programme.2016-2023.</li> <li>-Developed a programmed document for IFAD on strengthening small holders' farmers resilience to climate shock and natural Disaster through development of the climate risk insurance market in west and central Africa-2018</li> <li>-Carried out a biophysical landscape study USAID funded by ADESO-REGAL IR programme in 5 Arid counties 2016-2017</li> <li>-Assistant Director of Livestock Production and component head in ALLPRO project-2005-2012.</li> <li>-Carried out feasibility study to assess the opportunities to invest in prosopis biomass-based power generation project in Garissa and Tana River. -2012</li> <li>-Worked in the Range Management Division in the Department of Livestock production of the Ministry of Livestock Development in Kenya. - 1994-2004.</li> <li>-Attached to the International Livestock Research Institute (ILRI) GIS lab working on collaborative research support programme. - 1998-1999</li> </ul>
--	--	--

		<p>-Assistant Project Coordinator and GIS analyst for GTZ/range management handbook project-1995-1998.</p> <p>-Range Officer Ministry of Agriculture and Livestock development and Marketing-1994</p> <p><b>Position:</b> Secretary to the board.</p>
--	--	---

#### 4. Key Management Team

Management	Details
	<p>Dr. Richard Kavila Kyuma Ag CEO</p>
<p><b>Note:</b> The CEO and the National livestock development and promotion service Secretary will feature both under the 'Board' and 'Management'.</p>	

#### 5. Chairman's Statement

As part of its operationalization, the Service has undertaken key activities including the 2024/2025 supplementary budgetary allocation, preparation and approval of the annual itemized budget, development of the workplan and procurement plan, and opening of an account with KCB where funds were deposited in May 2025. Other milestones include induction of Board Members, appointment of an Acting CEO seconded by the PSC, establishment of the Board's secretariat, rental and renovation of office space, procurement of office furniture, equipment, stationery, and an official vehicle with requisite insurance. Additionally, human resource instruments development has commenced, and a draft concept paper outlining the Board's program pipeline has been prepared.

At its formative stage, the Service faces several challenges, notably inadequate staffing and low funding, which hinder effective execution of its mandate. Other constraints include limited office

space and logistical support, weak internal systems and policies still under development, low visibility and stakeholder awareness, and delays in the recruitment and deployment of specialized personnel.

The long-term success of the Service will depend on a structured, well-coordinated, and strategic approach, enabling it to evolve into a high-performing institution that drives sectoral growth, enhances market access, and promotes value addition for sustainable benefits across the livestock value chain

## **6. Report of the Chief Executive Officer**

As part of its operationalization, the Service has undertaken several key activities. These include the 2024/2025 NLD&PS supplementary budgetary allocation, preparation of the 2024/2025 annual itemized budget, development of the workplan and procurement plan, and subsequent approval of the annual budget by the NLD&PS Board. An account was opened with KCB, into which NLD&PS funds were deposited in May 2025. An induction course for the Board Members was conducted, an Acting CEO appointed and seconded by the Public Service Commission (PSC), and the Board's secretariat established through staff deployments. Office space was rented, renovated, and partitioned, with office furniture, equipment, and stationery procured to support operations. In addition, an official car was procured alongside insurance cover for both the vehicle and Board management. Human resource instruments development has been initiated, and a draft concept paper outlining the NLD&PS Board's program pipeline has been developed.

The NLD&PS, being at its formative stage, has encountered several challenges in its operations. Key among these are inadequate staffing, which limits its ability to effectively implement its mandate, and low levels of funding, which constrain the execution of planned activities and programs. The Service also faces limited office space, infrastructure and logistical support; weak internal systems, structures, and policies that are still under development; inadequate visibility and stakeholder awareness about its role; delays in the recruitment and deployment of specialized personnel.

The Service long-term success hinges on structured, well-coordinated and strategic approach. NLD&PS will evolve into a high-performing institution that drives sectoral growth, enhances market access, and promotes value addition, creating sustainable benefits for all stakeholders across the livestock value chain.

## **7. Statement of Performance against Predetermined Objectives for FY 2024/2025**

NLDPS has 3 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2024/2025-1. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1: Animal Feed development

Pillar/theme/issue 2: Streamlining livestock market systems

Pillar/theme /issue: Integration of farmers into functional cooperatives

NLDPS develops its annual work plans based on the above 3 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The NLDPS achieved its performance targets set for the FY 2024/2025 period for its 3 strategic pillars, as indicated in the table below:

<b>Strategic Pillar/Theme/Issues</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Pillar/ theme/ issue 1:	Enhance animal feed availability and access	Quantity of feeds produced and stored (metric tonnes) No. of feed canters No. of feed reserves		
Pillar/ theme/ issue 1:	Streamline livestock market systems	No. of holding grounds No. of feedlots No. of livestock sale yards		
Pillar/ theme/ issue 1:	Integrate livestock farmers into functional cooperatives	No. of cooperatives formed No. of cooperative capacity built		

## **8. Corporate Governance Statement**

Provide the corporate governance statement as guided below:

- i. Appointment of Board members, Process of appointment and removal of directors, The size, diversity, and demographics of the Board, Existence of the board charter

The NLD&PS Board of Management was appointed on 17th of January, 2025, through the Gazette Notices No. 388 and No. 403, to serve for a period of three years. There are six (6) gazetted board members are drawn from counties of Wajir, Marsabit, Kajiado, Samburu, Mandera and Turkana and two (2) members representing the National Treasury and Principal Secretary State Department for Livestock Development.

- ii. Roles and functions of the board
  - a) be responsible for coordinating matters relating to the development, promotion and marketing of livestock and livestock products within and outside Kenya
  - b) advise the national government generally and the Ministry in particular on matters relating to the development, promotion and marketing of livestock and livestock products in the country including apportionment of resources;
  - c) maintain a liaison between the national government, the private sector and other interested agencies in matters relating to the development, promotion and marketing of livestock and livestock products in order to limit duplication of effort and to ensure optimal use of the available resources;
  - d) prepare and maintain an up to date national livestock development and promotion plan for the country and coordinate implementation of the activities identified from the plan;
  - e) coordinate national donor funded projects relating to the development, promotion and marketing of livestock and livestock products in the country;
  - f) coordinate and facilitate related national livestock production, development and marketing schemes including disease free zones in the country;
  - g) facilitate the marketing and distribution of livestock and livestock products through the monitoring and dissemination of market information, including the identification of the local supply-demand status, domestic market, matching and overseas market intelligence and promotion activities on livestock;
  - h) undertake programmes for the monitoring and evaluation the performance of national livestock projects in order to improve the performance, establish responsibilities thereof and improve future planning;
  - i) establish linkages with various research institutions for the conduct of studies and researches designed to promote livestock and livestock products production, marketing and processing;
  - j) promote and advise on strategies for value addition before the export of livestock products from Kenya;

- k) develop and promote national good practices in livestock production and livestock products processing, marketing, grading, storage, collection, and transportation;
- l) collect and maintain a database on livestock and livestock products, document and monitor market trends for purposes of national livestock products development, promotion and marketing;
- m) advise the Cabinet Secretary and the county governments on matters relating to; national and county livestock policies, policy development and policy implementation in perpetuation of food security;
- n) coordinate the promotion and improvement of livestock management systems in the country for sustainable development of the livestock industry; and perform any other functions as may be necessary to achieve the objectives of the Service under this Order.

iii. Induction, training, and development

Board members were inducted on two occasions by State Corporations Advisory Committee and Institute of Certified Secretaries

iv. Board and members' performance

v. Number of Board meetings held and the attendance to those meetings by members

Three (3) full board meeting attended by all members

vi. Succession plan

vii. Policy to manage conflicts of interest

As stipulated in the code of conduct

viii. Board remuneration-

The Chairman's is entitled to a honoraria mileage and sitting allowances while other members are entitled to Siting and Mileages allowance

ix. Ethics and Conduct

By exemplifying the ethical behaviour's and corporate values described in the Code, the organization will continue to uphold Article 10 of the Constitution of Kenya on National Values and Principles of Governance and Chapter 6 on Leadership and Integrity.

x. Governance audit-

xi. Communication policy

xii. Terms of Reference of Committees

**i. Governance and strategy committee**

The objective of the Governance and strategy committee is to assist the Board of Directors in fulfilling its oversight responsibilities related to corporate governance. This includes, ensuring that the Board

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

functions effectively, adheres to best practices, and maintains the highest standards of accountability, transparency, and decision making.

**ii. Technical committee**

The objective of the Technical Committee is to provide strategic guidance, technical oversight, and policy support in the planning, implementation, evaluation, and continual improvement of national livestock development and promotional initiatives. It plays a key advisory and coordination role in all technical functions undertaken by the Service.

**iii. Audit and Risk Committee**

The objective of the audit and risk committee is to ensure proper accountability, risk management and internal controls of the operations of the NLD&PS in compliance of with the laws of Kenya and best practice.

**iv. Human resource and finance committee**

The objective of the Human Resource and Finance Committee is to exercise its business judgement in the carrying out of the oversight responsibilities of the human resource and finance, in the best interest of the National Livestock Development and Promotion Service Board and its stakeholders.

xiii. Policy on related party transactions

## **9. Management Discussion and Analysis**

The Service newly inaugurated and more occupied operationalization activities, which includes the following:

### **Operational performance of the organization**

#### **Completed activities**

The completed activities have primarily focused on the operationalization of the Service, and include the following:

- 2024/2025 NLD&PS supplementary budgetary allocation
- Preparation of the 2024/2025 annual itemized budget
- Development of the annual workplan and procurement plan
- Approval of the 2024/2025 annual budget by the NLD&PS Board
- Opening of an account with KCB and deposit of NLD&PS funds in May 2025
- Induction course for NLD&PS Board Members
- Appointment of an Acting CEO seconded by the Public Service Commission (PSC)
- Establishment of the NLD&PS Board Secretariat through staff deployments
- Rental, renovation, and partitioning of office space (renovations completed)
- Procurement of office furniture, equipment, and stationery
- Procurement of an official vehicle and insurance for both the vehicle and Board management
- Development of a draft concept paper outlining the NLD&PS Board's program pipeline

#### **Ongoing Activities**

- Development of human resource instruments development
- Development of NLDPS Strategic Plan
- Development of pipeline of programs

#### **Workshops Conducted**

Five workshops and retreats were successfully carried out to strengthen institutional collaboration and stakeholder engagement:

- Retreat with FCDC, Gatsby Africa, Dryland Learning and Capacity Building Initiative (DCLI), Pastoral Parliamentary Group (PPG), and pastoral opinion leaders' representatives
- Retreat with FCDC County Pastoral Associations officials
- Retreat with CECs from FCDC Counties
- Retreat with DLP officers and projects (DRIVE, TWENDE, KELCOP, Dairy Value Chain)
- Retreat with the Public Service Commission (PSC) on the development of draft human resource instruments
- Engagement with the State Department for Livestock Development

## **10. Environmental and Sustainability Reporting**

**(Two-to-three pages)**

### **i) Sustainability strategy and profile**

### **ii) Environmental performance**

Outline clearly the environmental policy guiding the organization and provide evidence of implementation of the policy. Outline successes, shortcomings, and mitigation measures, efforts to manage biodiversity, effective waste management (reduce, reuse, recycle, disposal methods) and efforts to reduce the environmental impact of the organization's products (e.g. automation of systems-paperless offices, reduced use of plastic bottles, provision of bins for segregation of waste in the compound, packaging that is biodegradable, maintaining vehicles to reduce Co2 emissions). Discuss initiatives around climate change (e.g. climate smart technologies- drought resistant crop varieties, eco-toilets, eco jikos, green buildings- designed with automated lightings, open areas with natural lights, solar lighting and heating system)

### **iii) Employee welfare**

Give an account of the policies guiding the hiring process and whether they take in to account the gender ratio (male, female, youth) and PWD, whether they take in stakeholder engagements, and how often the policies are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA. Include a review of work-related injuries and evidence of efforts to minimise this.

**iv) Market place practices-**

The organisation should outline its efforts to:

**a) Responsible competition practice.**

Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition-open tendering and respect for competitors or outline how the National livestock development and promotion service ensures improved service delivery practices (e.g. Service charter information, Service automation-self-service, Anti-corruption-reporting, brand protection mechanism, cashless payment, public sensitization/outreach, etc.)

**b) Responsible Supply chain and supplier relations**

Explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts, respecting payment practices and allowing competitive procurement of services.

**c) Responsible marketing and advertisement or *Responsible engagement with the citizens.***

Outline efforts to maintain ethical marketing practices (e.g. avoiding false or exaggerated promises, avoiding anti-social advertisement, giving adequate information, respecting consumers) Or discuss how the National livestock development and promotion service's efforts in ensuring its outreach and sensitization practices are ethical and responsible (regular media, website briefs, holding consultative forums, avoiding false or exaggerated promises, giving adequate information, respecting diversity )

**d) Product stewardship or Awareness creation**

Outline efforts to safeguard consumer rights and interests issues include protection of health and safety, providing adequate product information, dispute resolution and redress, consumer data and privacy protection) or how the National livestock development and promotion service safeguards citizens' rights and interests (Providing adequate service information e.g. NHIF/SHA, NSSF, application of licenses, ID, Passport, logbook, connection to power, water, right to representation when arrested/

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

bail, right to peaceful demonstration, dispute resolution and redress, whistle blowers rights, citizen data and privacy protection)

**v) Corporate Social Responsibility / Community Engagements**

(The report discusses the details of Corporate Social Responsibility (CSR) activities carried out in the reporting period and the impact to the society.) The activities should be limited to the mandate of the National livestock development and promotion service. For example, Kenya Forest Services could report social investments arising from partnering with communities to propagate seedlings and then they buy back, agroforestry where the community is allowed to farm and take care of seedlings or an initiative supporting a community to use energy savings Jikos. Provide evidence of community engagement including charitable giving (cash and material), Corporate Social Investment (e.g. schools, dams, roads, boreholes, health facilities etc.) and other forms of community engagements (e.g. tree planting, free clinics, scholarships and bursaries awarded etc.). Or evidence of public participation, sensitization and civic education (e.g. in Law and by-laws formulation, budget-making processes, community consultation on proposed development projects in their areas)

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

**11. Report of the Directors**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the National livestock development and promotion service's affairs.

**i) Principal activities**

The principal activities of the National livestock development and promotion service are animal feed development, streamlining of the livestock market systems and integration of farmers to cooperatives.

**ii) Results**

The results of the National livestock development and promotion service for the year ended June 30, 2025, are set out on page xiv and xv

**iii) Directors**

The members of the Board of Directors who served during the year are shown on page ix and x. During the year no director retired/ resigned during the financial year.

**iv) Surplus remission (for entities that are under Category 3)**

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

**v) Auditors**

The Auditor-General is responsible for the statutory audit of the National livestock development and promotion service in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year/period ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

*Dr. Richard Kayam*

Name

Corporation Secretary/Secretary to the Board

## **12. Statement of Directors Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, - (entities should quote the applicable legislation under which they are regulated)) require the Directors to prepare financial statements in respect of that National livestock development and promotion service, which give a true and fair view of the state of affairs of the National livestock development and promotion service at the end of the financial year/period and the operating results of the National livestock development and promotion service for that year/period. The Directors are also required to ensure that the National livestock development and promotion service keeps proper accounting records which disclose with reasonable accuracy the financial position of the National livestock development and promotion service. The Directors are also responsible for safeguarding the assets of the National livestock development and promotion service.

The Directors are responsible for the preparation and presentation of the National livestock development and promotion service's financial statements, which give a true and fair view of the state of affairs of the National livestock development and promotion service for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the National livestock development and promotion service; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the National livestock development and promotion service; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the National livestock development and promotion service's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act) – entities should quote applicable legislation as indicated under which they are regulated). The Directors are of the opinion that the National livestock development and promotion

*The National Livestock Development and Promotion Service*

**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

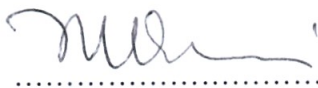
service's financial statements give a true and fair view of the state of National livestock development and promotion service's transactions during the financial year ended June 30, 2025, and of the National livestock development and promotion service's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the National livestock development and promotion service, which have been relied upon in the preparation of the National livestock development and promotion service's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the National livestock development and promotion service's ability to continue as a going concern (disclose, as applicable, matters relating to the use of going concern basis of preparation of the financial statements) OR

Nothing has come to the attention of the Directors to indicate that the National livestock development and promotion service will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The National livestock development and promotion service's financial statements were approved by the Board on 12/08 2025 and signed on its behalf by:



.....

**Hon. Mohamed Ibrahim Elmi**

**Chairperson of the Board**



.....

**Dr. Richard Kavila Kyuma**

**Accounting Officer**

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

*Enhancing Accountability*

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL LIVESTOCK DEVELOPMENT AND PROMOTION SERVICE FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2025

---

### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Livestock Development and Promotion Service set out on pages 1 to 37, which comprise of the

---

*Report of the Auditor-General on National Livestock Development and Promotion Service for the Six (6) Months' Period ended 30 June, 2025*

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, except for the effect of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Livestock Development and Promotion Service as at 30 June, 2025 and of its financial performance and its cash flows for the six (6) months' period then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the National Livestock Development and Promotion Service Order, 2016 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Misclassification of Board Expenses**

The statement of financial performance and Note 9 to the financial statements reflects Kshs.7,977,139 for board expenses. However, review of supporting payment vouchers revealed that included in this amount is Kshs.3,378,210 in respect to use of goods and services which was wrongly classified as board expenses instead domestic and substance allowance for staff.

In the circumstances, the completeness, validity, and accuracy of the board expense could not be confirmed.

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

#### **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 Information**

The Management is responsible for the Other Information set out on page iv to xxx which comprise of Key Entity Information and Management, The Board of Directors, Key Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability

Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

### **Board Composition and Qualification of Board Members**

The National Livestock development and Promotion Service has nine (9) board members including the CEO. However, the Board had only two female board members

*Report of the Auditor-General on National Livestock Development and Promotion Service for the Six (6) Months' Period ended 30 June, 2025*

and the board did not have an accountant or financial expert who is registered with a professional body.

In the circumstances, the board composition is not compliant to the constitution and the Mwongozo policy guidelines.

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 Board of Directors**

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 Service 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.

The Board of Directors is responsible for overseeing the *Service* financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or

error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, SBS  
AUDITOR-GENERAL

Nairobi

8 December, 2025

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

**14. Statement of Financial Performance for the six (6) months' period ended 30 June, 2025.**

	Notes	2024/25 FY	2023/24 FY
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from other governments entities	6	50,000,000	-
Levies, Fines, and penalties		-	-
Public contributions and donations		-	-
Property taxes revenue		-	-
Licenses and permits		-	-
<b>Subtotal</b>		<b>50,000,000</b>	-
<b>Revenue from exchange transactions</b>			-
Rendering of services		-	-
Sale of goods		-	-
Rental revenue from facilities and equipment		-	-
Finance income		-	-
Other income		-	-
<b>Total revenue</b>		<b>50,000,000</b>	-
<b>Expenses</b>			-
Use of goods and services	7	1,967,550	-
Employee costs	8	804,032	-
Board Expenses	9	7,977,139	-
Depreciation and amortization expense		-	-
Repairs and maintenance		-	-
Contracted services		-	-
Grants and subsidies		-	-
Finance costs		-	-
Social Benefits expenses		-	-
<b>Total expenses</b>		<b>10,748,721</b>	-
<b>Other gains/(losses)</b>			-
Gain/Loss on sale of assets		-	-
Gain/Loss on foreign exchange transactions		-	-
Gain /Loss on fair value of investments		-	-
Impairment loss		-	-
<b>Surplus/ (deficit) before tax</b>		<b>39,251,279</b>	-
Taxation		-	-
<b>Surplus/(deficit) for the period/year</b>		<b>39,251,279</b>	-
Remission to National Treasury		-	-
<b>Net Surplus for the year</b>		<b>39,251,279</b>	-
Attributable to:			

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

	Notes	2024/25 FY	2023/24 FY
		Kshs	Kshs
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling National livestock development and promotion service		-	-
		-	-

The notes set out on pages 11 to 36 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 10 were signed on behalf of the Board of Directors by:




.....  
**Dr. Richard Kavila Kyuma**

**Accounting Officer**



.....  
**CPA Peter Musila**

**Head of Finance**  
**ICPAK M/No:9984**



.....  
**Hon. Mohamed Ibrahim Elmi**

**Chairman of the Board**

**Date**  
 24/11/2025

**Date**  
 24/11/2025

**Date**  
 24/11/2025

\*Comparative year means prior year/ previous period

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

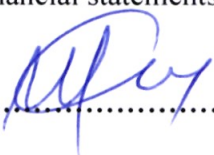
**15 Statement of Financial Position for the six (6) months' period ended 30 June, 2025.**

	Notes	2024/25 FY	2023/24 FY
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	10	36,939,399	-
Prepayments		-	-
Receivables from Exchange Transactions		-	-
Receivables from Non-Exchange Transactions		-	-
Inventories		-	-
Investments in financial assets		-	-
<b>Total Current Assets</b>		<b>36,939,399</b>	-
			-
<b>Non-Current Assets</b>			-
Property, Plant and Equipment	11	2,311,880	-
Intangible Assets		-	-
Investment Property		-	-
Biological Assets		-	-
Receivables from Exchange Transactions		-	-
<b>Total Non- Current Assets</b>		<b>2,311,880</b>	-
			-
<b>Total Assets (A)</b>		<b>39,251,279</b>	-
			-
<b>Liabilities</b>			-
<b>Current Liabilities</b>			-
Trade and Other Payables		-	-
Refundable deposits		-	-
prepayments from customers		-	-
Current Provision		-	-
Finance Lease Obligation		-	-
Deferred Income		-	-
Employee Benefit Obligation		-	-
Borrowings		-	-
Social Benefits		-	-
Taxation		-	-
<b>Total Current Liabilities</b>		-	-
			-
<b>Non-Current Liabilities</b>			-

The National Livestock Development and Promotion Service  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

	Notes	2024/25 FY Kshs	2023/24 FY Kshs
Non-Current Employee Benefit Obligation		-	-
Borrowings		-	-
Non-Current Provisions		-	-
Service Concession Liability		-	-
Deferred Tax Liabilities		-	-
<b>Total Non- Current Liabilities</b>		-	-
<b>Total Liabilities (B)</b>		-	-
<b>Net Assets (A-B)</b>		<b>39,251,279</b>	-
			-
<b>Represented by:</b>			-
Reserves		-	-
Accumulated Surplus		39,251,279	-
Capital Fund		-	-
<b>Net Assets</b>		<b>39,251,279</b>	-

The financial statements set out on pages 1 to 10 were signed on behalf of the Board of Directors by:



**Dr. Richard Kavila Kyuma**

**Accounting Officer**

Date  
24/11/2025



**CPA Peter Musila**

**Head of Finance**  
**ICPAK M/No:9984**

Date  
24/11/2025



**Hon. Mohamed Ibrahim Elmi**

**Chairman of the Board**

Date  
24/11/2025

16. Statement of Changes in Net Assets for the six (6) months' period ended 30 June, 2025.

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>As at July 1, 2023</b>	-	-	-	-	-	-	-
Issued new capital	-	-	-	-	-	-	-
Revaluation gain	-	-	-	-	-	-	-
Transfer of excess depreciation on revaluation	-	-	-	-	-	-	-
Deferred tax on excess depreciation	-	-	-	-	-	-	-
Fair value adjustment on investments	-	-	-	-	-	-	-
Surplus/ deficit for the year	-	-	-	-	-	-	-
Capital/development grants received during the year	-	-	-	-	-	-	-
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-
Interim dividends paid	-	-	-	-	-	-	-
Proposed final dividends	-	-	-	-	-	-	-
<b>As at June 30, 2024</b>	-	-	-	-	-	-	-
<b>As at July 1, 2025</b>	-	-	-	-	-	-	-
Issue of new share capital	-	-	-	-	-	-	-
Revaluation gain	-	-	-	-	-	-	-
Transfer of excess depreciation on revaluation	-	-	-	-	-	-	-
Deferred tax on excess depreciation	-	-	-	-	-	-	-
Fair value adjustment on investments	-	-	-	-	-	-	-
Surplus/ (deficit) for the year	-	-	-	39,251,279	-	-	39,251,279

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	Total
Capital/development grants received during the year	-	-	-	-	-	-	-
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-
Interim dividends paid	-	-	-	-	-	-	-
Proposed final dividends	-	-	-	-	-	-	-
<b>As at June 30, 2025</b>	-	-	-	<b>39,251,279</b>	-	-	<b>39,251,279</b>

Note:

1. For items that are not common in the financial statements, the National livestock development and promotion service should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustment should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done.

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

**17. Statement of Cash Flows for the six (6) months' period ended 30 June, 2025.**

	Notes	2024/25 FY	2023/24 FY
		Kshs	Kshs
<b>Cashflows from operating activities</b>			
<b>Receipts</b>			
Transfers from other governments entities	6	50,000,000	-
Levies, fines, and penalties		-	-
Public contributions and donations		-	-
Property taxes revenue		-	-
Licenses and permits		-	-
Rendering of services		-	-
Sale of goods		-	-
Rental revenue from facilities and equipment		-	-
Finance income		-	-
Other income		-	-
<b>Total receipts</b>		<b>50,000,000</b>	-
<b>Payments</b>			
Use of goods and services	7	1,967,550	-
Employee costs	8	804,032	-
Board/ Commissioners Expenses	9	7,977,139	-
Repairs and maintenance		-	-
Contracted services		-	-
Grants and subsidies		-	-
<b>Total payments</b>		<b>10,748,721</b>	-
<b>Net cashflows from/ (used in) operating activities</b>	12	<b>39,251,279</b>	-
			-
<b>Cash flows from investing activities</b>			
Purchase of PPE and Intangible assets	11	-2,311,880	-
Proceeds from sale of PPE		-	-
Purchase of investments		-	-
Sale of investments		-	-
<b>Net cash flows from/ (used in) investing activities</b>		<b>-2,311,880</b>	-
			-
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Proceeds from issue of shares		-	-
<b>Net cash flows from financing Activities</b>		<b>-</b>	-
			-
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>36,939,399</b>	-
Cash and cash equivalents at 1 July		-	-
<b>Cash and cash equivalents at 30 June</b>	10	<b>36,939,399</b>	-

(PSASB has now prescribed the direct method of cashflow presentation for all entities under the IPSAS Accrual basis of accounting).

18. Statement of Comparison of Budget and Actual amounts for the six (6) months' period ended 30 June, 2025.

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c= (a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	-	-	-	-	-
<b>Revenue</b>						
Transfers from Other Governments entities	50,000,000	-	50,000,000	50,000,000	-	100%
Levies, Fines and Penalties	-	-	-	-	-	-
Public Contributions and Donations	-	-	-	-	-	-
Property Taxes Revenue	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Rendering of Services	-	-	-	-	-	-
Sale of Goods	-	-	-	-	-	-
Rental Revenue from Facilities and Equipment	-	-	-	-	-	-
Finance Income	-	-	-	-	-	-
Agency Income	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
<b>Total Receipts</b>	<b>50,000,000</b>	<b>-</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>-</b>	<b>100%</b>

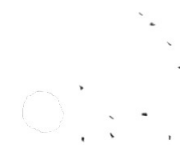
	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c= (a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	-	-	-	-	-
<b>Expenses</b>						
Use of Goods and Services	30,496,129	-	30,496,129	1,967,550	28,528,579	6%
Employee costs	2,000,000	-	2,000,000	804,032	1,195,968	40%
Commissioners' expenses	2,443,871	-	2,443,871	7,977,139	-5,533,268	326%
Repairs and Maintenance	-	-	-	-	-	-
Contracted Services	-	-	-	-	-	-
<b>Total recurrent Expenses</b>	<b>34,940,000</b>	-	<b>34,940,000</b>	<b>10,748,721</b>	<b>24,191,279</b>	<b>31%</b>
Acquisition of PPE	15,060,000	-	15,060,000	2,311,880	12,748,120	15%
Purchase of investments	-	-	-	-	-	-
<b>Capital Expenditure Payments</b>	<b>15,060,000</b>	-	<b>15,060,000</b>	<b>2,311,880</b>	<b>12,748,120</b>	<b>15%</b>
<b>Total Expenses</b>	<b>50,000,000</b>	-	<b>50,000,000</b>	<b>13,060,601</b>	<b>36,939,399</b>	<b>26%</b>
<b>Surplus</b>	-	-	-	<b>36,939,399</b>	-	-

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)

**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	36,939,399
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	36,939,399



**19. Notes to the Financial Statements for the six (6) months' period ended 30 June, 2025**

**1. General Information**

National livestock development and promotion service is established by and derives its authority and accountability from National livestock development and promotion service Order, 2016. The National livestock development and promotion service is wholly owned by the Government of Kenya and is domiciled in Kenya. The National livestock development and promotion service's principal activity is to coordinate, promote and oversee key programs for the growth and sustainability of the country's livestock industry.

**2. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the National livestock development and promotion service's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the National livestock development and promotion service. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (include any other applicable legislation), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**3. Adoption of New and Revised Standards**

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

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

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

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43: Leases	<b>Applicable 1<sup>st</sup> January 2025</b> 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 a National livestock development and promotion service. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. Currently not applicable
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b>Applicable 1<sup>st</sup> January 2025</b> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. Currently not applicable
IPSAS 45: Property Plant and Equipment	<b>Applicable 1<sup>st</sup> January 2025</b> 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. Applicable
IPSAS 46: Measurement	<b>Applicable 1<sup>st</sup> January 2025</b> The objective of this standard was to improve measurement guidance across IPSAS by:

	<ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value. Currently not applicable</p>
IPSAS 47: Revenue	<p><b>Applicable 1<sup>st</sup> January 2026</b></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 a National livestock development and promotion service 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. Currently not applicable</p>
IPSAS 48: Transfer Expenses	<p><b>Applicable 1<sup>st</sup> January 2026</b></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. Currently not applicable</p>
IPSAS 49: Retirement Benefit Plans	<p><b>Applicable 1<sup>st</sup> January 2026</b></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. Currently not applicable</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><b>Applicable 1<sup>st</sup> January 2027</b></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>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.</li> </ul> <p>Disclosures that identify and explain the amounts in the National livestock development and promotion service'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 recognin</p>

**iii. Early adoption of standards**

The National livestock development and promotion service did not early – adopt any new or amended standards in the financial year or the National livestock development and promotion service adopted the following standards early (state the standards, reason for early adoption and impact on National livestock development and promotion service's financial statements.)

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Taxes, Levies and fines**

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

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the National livestock development and promotion service and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

**ii) Revenue from exchange transactions**

**Rendering of services**

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

**Summary of Significant Accounting Policies (Continued)**

**Sale of goods**

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

**Interest income**

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

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the National livestock development and promotion service's right to receive payments is established.

**Rental income**

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

**b) Budget information**

The original budget for the Current FY was approved by the National Assembly on 1<sup>ST</sup> JULY 2025. 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 National livestock development and promotion service upon receiving the respective approvals in order to conclude the final budget.

**Summary of Significant Accounting Policies (Continued)**

**Budget information (continued)**

The National livestock development and promotion service'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 a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of cash flows has been presented under section 18 of these financial statements.

**c) Taxes**

**Current income tax**

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

**Summary of Significant Accounting Policies (Continued)**

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable National livestock development and promotion service and the same taxation authority.

**Summary of Significant Accounting Policies (Continued)**

**Sales tax**

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

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

**d) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. **(National livestock development and promotion service to amend appropriately based on the model adopted)** Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**Summary of Significant Accounting Policies (Continued)**

**e) Property, plant and equipment**

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

**f) Leases**

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

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the National livestock development and promotion service. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**Summary of Significant Accounting Policies (Continued)**

**g) Intangible assets**

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

**h) Biological Assets**

The National livestock development and promotion service recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the National livestock development and promotion service, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

**i) Research and development costs**

The National livestock development and promotion service expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the National livestock development and promotion service can demonstrate:

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

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

development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**j) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The National livestock development and promotion service 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 National livestock development and promotion service and a financial liability or equity instrument of another National livestock development and promotion service. At initial recognition, the National livestock development and promotion service measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**a) Financial assets**

**Classification of financial assets**

The National livestock development and promotion service 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 National livestock development and promotion service'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 a National livestock development and promotion service has made irrevocable election at initial recognition for particular investments in equity instruments.

**Summary of Significant Accounting Policies (Continued)**

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Trade and other receivables**

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

**Summary of Significant Accounting Policies (Continued)**

**Fair value through surplus or deficit**

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

**Impairment**

The National livestock development and promotion service 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 National livestock development and promotion service 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 28.

**b) Financial liabilities**

**Classification**

The National livestock development and promotion service classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

**k) Inventories**

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

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

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

**Summary of Significant Accounting Policies (Continued)**

**l) Provisions**

Provisions are recognized when the National livestock development and promotion service has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the National livestock development and promotion service 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.

**m) Social Benefits**

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

**n) Contingent liabilities**

The National livestock development and promotion service 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.

**o) Contingent assets**

The National livestock development and promotion service 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 National livestock development and promotion service 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.

**Summary of Significant Accounting Policies (Continued)**

**p) Nature and purpose of reserves**

The National livestock development and promotion service creates and maintains reserves in terms of specific requirements.

**q) Changes in accounting policies and estimates**

The National livestock development and promotion service recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**r) Employee benefits**

**Retirement benefit plans**

- s) The National livestock development and promotion service provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which The National livestock development and promotion service pays fixed contributions into a separate National livestock development and promotion service (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.

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.

**Summary of Significant Accounting Policies (Continued)**

**t) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**u) Related parties**

- v) The National livestock development and promotion service regards a related party as a person or a National livestock development and promotion service with the ability to exert control individually or jointly, or to exercise significant influence over the National livestock development and promotion service, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

**w) Service concession arrangements**

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

**Summary of Significant Accounting Policies (Continued)**

**x) 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.

**y) Comparative figures**

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

**z) 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.

**Summary of Significant Accounting Policies (Continued)**

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**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 National livestock development and promotion service based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the National livestock development and promotion service. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual value**

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

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

**Provisions**

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

Notes to the Financial Statements Notes to the Financial Statements for the six (6) months' period ended 30 June, 2025 (Continued)

6. Transfers from Other Government entities

Description	2024/25 FY	2023/24 FY
	KShs	KShs
<b>Unconditional Grants</b>		
Operational Grant/ Exchequer from SDL	50,000,000	-
Development grants	-	-
Other Grants	-	-
<b>Total Unconditional Grants</b>	<b>50,000,000</b>	-
<b>Conditional Grants amortised/ transferred to revenue</b>		-
Housing Development Grant	-	-
Infrastructure Grant	-	-
Library Grant	-	-
Facilities Development Grant	-	-
Other Organizational Grants (specify)	-	-
<b>Total Government Grants and Subsidies</b>	<b>50,000,000</b>	-

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

Name of The National livestock development and promotion service Sending the Grant	Amount recognized to of Financial performance. *	Amount deferred under deferred income.	Amount recognised in capital fund.	Total transfers 2024/25 FY	2023/24 FY
	KShs	KShs	KShs	KShs	KShs
State Department for Livestock Development and Production	50,000,000	-	-	50,000,000	-
Ministry	-	-	-	-	-
<b>Total</b>	<b>50,000,000</b>	-	-	<b>50,000,000</b>	-

7. Use of Goods and Services

Description	30 <sup>th</sup> June 2024/25	2023/24
	FY	FY
	Kshs	Kshs
Electricity	-	-
Water	-	-
Professional Services	-	-
Subscriptions	-	-
Advertising	-	-
Admin Fees	-	-
Audit Fees	-	-
Hospitality, Conferences and Delegations	30,000	-
Consulting Fees	-	-
Consumables	-	-
Fuel and Oil	500,000	-
Insurance	-	-
Legal Expenses	-	-
Licenses and Permits	-	-
Chemicals	-	-
Water Purification Cost	-	-
Postage	-	-
Printing and Stationery	-	-
Other Operating expenses	40,000	-
Rentals of produced assets	-	-
Security Costs	-	-
Sewage Treatment Costs	-	-
Skills Development Levies	-	-
Foreign travel and subsistence	-	-
Telecommunication	39,000	-
Training	-	-
Travel, Subsistence & Other Allowances*	1,081,240	-
Bank charges	-	-
office and General Expenses	277,310	-
<b>TOTAL</b>	<b>1,967,550</b>	

**8. Employee Costs**

Description	30 June 2024/25 FY	2023/24 FY
	Kshs	Kshs
Salaries and wages	804,032	-
Employer contribution to health insurance schemes	-	-
Employer contribution to pension schemes	-	-
Travel, accommodation, subsistence, & other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Performance and other bonuses	-	-
Social contributions	-	-
Gratuity	-	-
Other employee related costs *	-	-
<b>Employee costs</b>	<b>804,032</b>	<b>-</b>

**9. Board Expenses**

Description	30 June 2024/25 FY	2023/24 FY
	Kshs	Kshs
Chairman/Directors' Honoraria	283,870	-
Sitting Allowances	2,671,202	-
Medical Insurance	-	-
Induction and Training	540,000	-
Travel and Accommodation	4,459,900	-
Other Allowances	22,167	-
<b>Total</b>	<b>7,977,139</b>	<b>-</b>

**10. Cash and Cash Equivalents**

Description	30 June 2024/25 FY	2023/24 FY
	Kshs	Kshs
Current Account	36,939,399	-
Savings Account	-	-
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Others (Specify)	-	-
<b>Total Cash and Cash Equivalents</b>	<b>36,939,399</b>	<b>-</b>

**Detailed Analysis of the Cash and Cash Equivalents**

Financial Institution	Account number	30 June 2024/25 FY	2023/24 FY
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	<b>10001339572419</b>	36,939,399	-
Equity Bank, etc.		-	-
<b>Sub- Total</b>		<b>36,939,399</b>	<b>-</b>
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank – etc.		-	-
<b>Sub- Total</b>		<b>-</b>	<b>-</b>
<b>c) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Bank B		-	-
<b>Sub- Total</b>		<b>-</b>	<b>-</b>
<b>d) Others (Specify)</b>			
Cash in Transit		-	-
Cash in Hand		-	-
Mobile Money Accounts		-	-
<b>Sub- Total</b>		<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>36,939,399</b>	<b>-</b>

11. Property, Plant and Equipment

DESCRIPTION Depreciation Rate	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Other Assets (specify)	Capital Work in progress	Total
		2%	12.50%	12.50%	30%	12.50%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1 July 2023	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2024	-	-	-	-	-	-	-	-
Additions	-	-	-	-	2,311,880	-	-	2,311,880
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
Revaluation adjustments	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2025	-	-	-	-	-	-	-	-
<b>Depreciation and Impairment</b>	-	-	-	-	-	-	-	-
At 1 July 2025	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfers/ Adjustments	-	-	-	-	-	-	-	-
As At 30 <sup>th</sup> JUNE 2025	-	-	-	-	2,311,880	-	-	2,311,880
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2025	-	-	-	-	-	-	-	-
<b>Net Book Values</b>	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2024	-	-	-	-	-	-	-	-
As at 30 <sup>th</sup> June 2025	-	-	-	-	2,311,880	-	-	2,311,880

Notes to the Financial Statements for the six (6) months' period ended 30 June, 2025

(Continued)

Additional Details

	National government	International funders	Others Specify	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	-	-	-	-
Additions	-	-	-	-
Transfers to Capital Fund	-	-	-	-
Transfers to Income Statement	-	-	-	-
Other Transfers	-	-	-	-
Balance Carried Forward	36,939,399	-	-	36,939,399

12. Cash Generated from Operations

Description	30 <sup>TH</sup> JUNE 2024/25	2023/24 FY
	FY	FY
	Kshs	Kshs
<b>Surplus for the year before tax</b>	-	-
<b>Adjusted for:</b>		
Depreciation	-	-
Non-cash grants received	-	-
Contributed assets	-	-
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
<b>Working capital adjustments</b>		
Increase in inventory	-	-
Increase in receivables	-	-
Increase in deferred income	-	-
Increase in payables	-	-
Increase in payments received in advance	-	-
<b>Net cash flow from operating activities</b>	<b>39,251,279</b>	-

**(Continued)**

### **Financial Risk Management**

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

#### **i) Credit risk**

The National livestock development and promotion service has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the National livestock development and promotion service's management based on prior experience and their assessment of the current economic environment.

### **13. Events after the Reporting Period**

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

### **14. Ultimate and Holding National livestock development and promotion service**

The National livestock development and promotion service is a State Corporation/ or a Semi-Autonomous Government Agency under the State Department of Livestock. Its ultimate parent is the Government of Kenya.

### **15. Currency**

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

20. Appendices

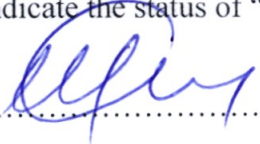
Appendix 1: Implementation Status of Auditor-General's Recommendations

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

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

Guidance Notes:

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



.....  
C.E.O Dr. Richard Kavila Kyuma

Date:

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

**Appendix II: Projects implemented by** (The National livestock development and promotion service)

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements. (Yes/No)

**Status of Projects completion**

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds

*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

**Appendix IV: Transfers from Other Government Entities**

Name of the MDA/Donor/Transferring the funds	Date received or transferred	Nature: Recurrent/Development/Other	Final Amount KES	Statement of Financial Performance	Where Recorded/Recognized				Total Transfers during the Year
					Capital Fund	Debtors Income	Receivables	Others - must be specific	
Ministry of Planning and Devolution	-	Recurrent	-	-	-	-	-	-	-
Ministry of Planning and Devolution	-	Development	-	-	-	-	-	-	-
USAID	-	Donor Fund	-	-	-	-	-	-	-
Ministry of Planning and Devolution	-	Direct Payment	-	-	-	-	-	-	-
<b>Total</b>			-	-	-	-	-	-	-

The National Livestock Development and Promotion Service  
 Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025


Appendix V- Inter-National livestock development and promotion service Confirmation Letter


Name of Transferring National livestock development and promotion service.....

Name of Beneficiary National livestock development and promotion service.....

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing National livestock development and promotion service:  
 Name Dominic Nyabwira Sign  Date 24/11/2025

Head of Accounts Department - Beneficiary National livestock development and promotion service:  
 Name Peter Musila Sign  Date 24/11/2025



*The National Livestock Development and Promotion Service*  
**Annual Report and Financial Statements for the six (6) months' period ended 30 June, 2025**

**Appendix VI: Reporting of Climate Relevant Expenditures**

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

**Appendix VII: Reporting on Disaster Management Expenditure**

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



**1 PAYMENT IN CASHBOOK NOT YET RECORDED IN BANK STATEMENT**

<u>DATE</u>	<u>DESCRIPTION</u>	<u>REF/NO.</u>	<u>AMOUNT</u>
19/05/2025	Mohammed Elmi Honoraria Paye		99,354.00
20/05/2025	Various Allowances Paye		392,000.00
04/06/2025	Richard Kyuma salary increment Paye		166,948.00
05/06/2025	Cecilia Njeri sitting allowance Paye		14,000.00
10/06/2025	Sultec IT Solutions WHTAX		39,860.00
11/06/2025	R.H Devani WHTAX		8,621.00
16/06/2025	Institute of Certified Secretaries WHTAX		9,310.00
20/06/2025	Target Movers and General Supplies WHTAX		4,781.00
24/06/2025	John Chege GUYO NET PAY		191,000.00
24/06/2025	John Chege various Paye		105,000.00
28/05/2025	Richard Kyuma salary increment Paye June		57,762.00
<b>TOTAL</b>			<b>1,088,636.00</b>

**2 RECEIPTS IN BANK STATEMENT NOT RECORDED IN CASH BOOK**

<u>DATE</u>	<u>DESCRIPTION</u>	<u>REF/NO.</u>	<u>AMOUNT</u>
TOTAL			<b>0.00</b>

**3 PAYMENTS IN BANK STATEMENT NOT RECORDED IN CASH BOOK**

<u>DATE</u>	<u>DESCRIPTION</u>	<u>REF.NO</u>	<u>AMOUNT</u>
09/05/2025	bank charges		2420
16/05/2025	bank charges		230
20/05/2025	bank charges		230
29/05/2025	bank charges		230
30/05/2025	bank charges		230
05/06/2025	bank charges		230
10/06/2025	bank charges		575
<b>TOTAL</b>			<b>4,145.00</b>



22 October 2025  
13:3:39

**ACCOUNT STATEMENT**

Customer:

Account: 1339572419 NAT LIVESTOCK DVLPMT & PROM SER

Product Name: Agribusiness Current Account

Statement Period: 01 JAN 2025 -

Balance at Period Start 0.00 KES Balance at Period End: 12,568,226.51 KES

TXN DATE	DESCRIPTION	VALUE DATE	MONEY OUT	MONEY IN	LEDGER BALANCE
01 JAN 2025	BALANCE B/FWD	01 JAN 2025			0.00
09 MAY 2025	Inward SWIFT Pa STATE DEPT FOR KE/NAIROBI/ KEN	09 MAY 2025		50,000,000.00	50,000,000.00

---



20 MAY 2025	Cash Withdrawal CHQ00 0101 PETER KITANGA M USILA A	20 MAY 2025	-30,000.00	47,503,202.00
29 MAY 2025	Tax Amount Due RICHA D KAVILA KYUMA AT-NB HCOURT	29 MAY 2025	-30.00	47,503,172.00
29 MAY 2025	Cash Withdrawal RICHA RD KAVILA KYUMA AT- NBHCOURT	29 MAY 2025	-200.00	47,502,972.00
29 MAY 2025	Cash Withdrawal CHQ00 0134 RICHARD KAVILA KYUMA A	29 MAY 2025	-44,400.00	47,458,572.00
30 MAY 2025	Tax Amount Due PETER KITANGA MUSILA AT-N BHCOURT	30 MAY 2025	-30.00	47,458,542.00
30 MAY 2025	Cash Withdrawal PETER KITANGA MUSILA AT-N BHCOURT	30 MAY 2025	-200.00	47,458,342.00
30 MAY 2025	Cash Withdrawal CHQ13 3 PETER KITANGA MUSI LA AT-N	30 MAY 2025	-30,000.00	47,428,342.00
03 JUN 2025	INHouse CHQ000135 RI CHARD KAVILA KYUMA FT25154	03 JUN 2025	-350,255.00	47,078,087.00
04 JUN 2025	INHouse CHQ000136 RI CHARD KAVILA KYUMA FT25154	04 JUN 2025	-91,594.00	46,986,493.00
04 JUN 2025	INHouse CHQ000137 RI CHARD KAVILA KYUMA FT25155	04 JUN 2025	-40,000.00	46,946,493.00
05 JUN 2025	Inward Cheque D CHQ12 6 CHQ No. 000126 KES I NWAR	05 JUN 2025	-30,000.00	46,916,493.00
05 JUN 2025	Tax Amount Due PETER KITANGA MUSILA AT-N BHCOURT	05 JUN 2025	-30.00	46,916,463.00
05 JUN 2025	Cash Withdrawal PETER KITANGA MUSILA AT-N BHCOURT	05 JUN 2025	-200.00	46,916,263.00
05 JUN 2025	Cash Withdrawal CHQ13 81 PETER KITANGA MU SILA AT-	05 JUN 2025	-293,200.00	46,623,063.00
05 JUN 2025	INHouse CHQ000145 JO HN CHEGE NDUNGU FT 25156Q1B	05 JUN 2025	-1,013,400.00	45,609,663.00
05 JUN 2025	INHouse CHQ000149 RI CHARD KAVILA KYUMA FT25156	05 JUN 2025	-274,040.00	45,335,623.00
10 JUN 2025	SWIFT Charge 152 AC-1 339572419 FT25161807P P	10 JUN 2025	-575.00	45,335,048.00
10 JUN 2025	Transfer CHQ152 KE NAI ROBI SULTEC IT SOLUT IONS L	10 JUN 2025	-2,272,020.00	43,063,028.00
10 JUN 2025	INHouse CHQ000146 KH ADIJA FILLE ELMI J A FT 251	10 JUN 2025	-82,600.00	42,980,428.00
10 JUN 2025	INHouse CHQ000147 HA SSAN GUYO ROBA FT2 51611ST8	10 JUN 2025	-117,600.00	42,862,828.00
11 JUN 2025	Inward Cheque D CHQ15 0 CHQ No. 000150 KES I NWAR	11 JUN 2025	-117,600.00	42,745,228.00
11 JUN 2025	Inward Cheque D CHQ12 9 CHQ No. 000129 KES I NWAR	11 JUN 2025	-491,379.00	42,253,849.00
12 JUN 2025	Inward Cheque D CHQ14 3 CHQ No. 000143 KES I NWAR	12 JUN 2025	-117,600.00	42,136,249.00
12 JUN 2025	INHouse CHQ000141 CH RIS EKUTAN ERUKUDI J /A FT2	12 JUN 2025	-117,600.00	42,018,649.00
16 JUN 2025	INHouse CHQ000156 IN ST OF CERT PUBLIC SE C OF K	16 JUN 2025	-530,690.00	41,487,959.00
20 JUN 2025	Inward Cheque D CHQ15 7 CHQ No. 000157 KES I NWAR	20 JUN 2025	-272,529.00	41,215,430.00



21 JUN 2025	INHouse CHQ000164 RI CHARD KAVILA KYUMA FT25172	21 JUN 2025	-39,000.00	41,176,430.00
23 JUN 2025	INHouse CHQ000163 JO HN CHEGE NDUNGU FT 251722YS	23 JUN 2025	-2,250,500.00	38,925,930.00
24 JUN 2025	Inward Cheque D CHQ16 5 CHQ No. 000165 KES I NWAR	24 JUN 2025	-191,000.00	38,734,930.00
24 JUN 2025	Inward Cheque D CHQ15 9 CHQ No. 000159 KES I NWAR	24 JUN 2025	-22,167.00	38,712,763.00
24 JUN 2025	INHouse CHQ000167 KH ADIJA FILLE ELM I J A FT 251	24 JUN 2025	-156,000.00	38,556,763.00
28 JUN 2025	INHouse CHQ000170 RI CHARD KAVILA KYUMA FT25178	28 JUN 2025	-137,473.00	38,419,290.00
30 JUN 2025	Inward Cheque D CHQ16 9 CHQ No. 000169 KES I NWAR	30 JUN 2025	-365,400.00	38,053,890.00
30 JUN 2025	INHouse CHQ000171 FL ORENCE AKINYI FT2518 1XCQ21	30 JUN 2025	-30,000.00	38,023,890.00
02 JUL 2025	INHouse CHQ000179 RI CHARD KAVILA KYUMA FT25183	02 JUL 2025	-24,695.00	37,999,195.00
02 JUL 2025	INHouse CHQ000183 CH RIS EKUTAN ERUKUDI J /A FT2	02 JUL 2025	-137,600.00	37,861,595.00
03 JUL 2025	Inward Cheque D CHQ18 5 CHQ No. 000185 KES I NWAR	03 JUL 2025	-137,800.00	37,723,795.00
03 JUL 2025	Inward Cheque D CHQ16 8 CHQ No. 000168 KES I NWAR	03 JUL 2025	-109,200.00	37,614,595.00
03 JUL 2025	Inward Cheque D CHQ18 6 CHQ No. 000186 KES I NWAR	03 JUL 2025	-108,890.00	37,505,705.00
03 JUL 2025	SWIFT Charge 000175 A C-1339572419 FT25184 GG1RG	03 JUL 2025	-575.00	37,505,130.00
03 JUL 2025	Transfer CHQ000175 KE NAIROBI SALVADOR CA ETANO K	03 JUL 2025	-11,694,827.00	25,810,303.00
03 JUL 2025	SWIFT Charge 000176 A C-1339572419 FT25184T YY8H	03 JUL 2025	-575.00	25,809,728.00
03 JUL 2025	Transfer CHQ000176 NA IROBI DICAL ACCOUNT HERITAG	03 JUL 2025	-2,681,853.00	23,127,875.00
03 JUL 2025	INHouse CHQ000180 KH ADIJA FILLE ELM I J A FT 251	03 JUL 2025	-15,000.00	23,112,875.00
04 JUL 2025	Inward Cheque D CHQ17 8 CHQ No. 000178 KES I NWAR	04 JUL 2025	-260,922.00	22,851,953.00
04 JUL 2025	INHouse CHQ000182 HA SSAN GUYO ROBA FT2 5184YVQZ	04 JUL 2025	-137,800.00	22,714,153.00
04 JUL 2025	INHouse CHQ000184 AL OIS MUSA LENTOIMAG A FT2518	04 JUL 2025	-128,088.00	22,586,065.00
09 JUL 2025	Inward Cheque D CHQ18 8 CHQ No. 000188 KES I NWAR	09 JUL 2025	-23,009.00	22,563,056.00
09 JUL 2025	INHouse CHQ000181 AN DREW NJOGU KITHUGU FT25190	09 JUL 2025	-15,000.00	22,548,056.00
10 JUL 2025	Inward Cheque D CHQ18 9 CHQ No. 000189 KES I NWAR	10 JUL 2025	-52,000.00	22,496,056.00
10 JUL 2025	Transfer Charge ABDULL AHI RAGE AC-13406598 08 F	10 JUL 2025	-115.00	22,495,941.00
10 JUL 2025	Transfer ABDULLAHI RA GE SALARY JUNE ABDU LLAHI R	10 JUL 2025	-23,008.84	22,472,932.16



*Account Capture fee To. of Cash book*

-REPUBLIC OF KENYA

RECEIPT VOUCHER

F.017

TO .... P/S STATE DEPARTMENT OF LIVESTOCK

Particulars or Summary	AMOUNT	
		Cts
Being first disbursement of fifty million (50,000,000) from state department of livestock (SDL) to National Livestock Development and Promotion Service (NLD&PS) as per Voucher No. 002787 dated 12/05/2025	50,000,000	00
<b>TOTALS</b>	<b>50,000,000</b>	<b>00</b>

Please receive[or] please note that the sum shown above has been paid into the Bank account on the paying in slip attached

*[Signature]* ..... for *[Signature]* accounts ..... *NLDPS*  
**Date**                      **Signature**                      **Designation**                      **Department**

VOTE DEV.		HEAD/ SUB HEAD		ITEM		
Account no.	Dept. Vch. No	Station	Cash book Voucher No.	Date	Amount Ksh	Cts
0-1162-0047-01					50,000,000	00

1218 CA 41 BRANCHES  
CERTIFICATE OF BALANCE

KCB Bank Limited  
(Incorporated in Kenya)

CERT2523700055

KCB NAIROBI HIGH COURT

25 AUG 2025

Certified that the balance at the

CREDIT

Of NAT LIVESTOCK DVLPMT & PROM SER

A/C 1339572419

at the close of business on 30 JUN 2025 Was KES

THIRTY EIGHT MILLION TWENTY THREE THOUSAND EIGHT HUNDRED AND NINETY

KES 38,023,890.00

Examined by

FOI KCB BANK KENYA LTD.  
FOI  
MANAGER SERVICE QUALITY & COMPLIANCE  
NAIROBI HIGH COURT  
Manager Service Quality & Compliance

FOI KCB BANK KENYA LTD.  
Branch Manager  
NAIROBI HIGH COURT BRANCH  
A/ste 9

*Process 11/4/25  
RE*

**PAYMENT VOUCHER  
(VOTED PROVISION)**

**PAYEE: National Livestock Development and Promotion Service (NLD& PS)**

IFMIS: <b>1084922</b>			Sh.	Cts.
Being transfer of funds to National Livestock Development and Promotion Service (NLD&PS) as per the attached approved requesting letter and authority.			<del>50,000,000</del>	<del>00</del>

**AMOUNT PAYABLE IN WORDS: FIFTY MILLION SHILLINGS ONLY .**

<del>50,000,000</del>	<del>00</del>
-----------------------	---------------

Authority Reference No...

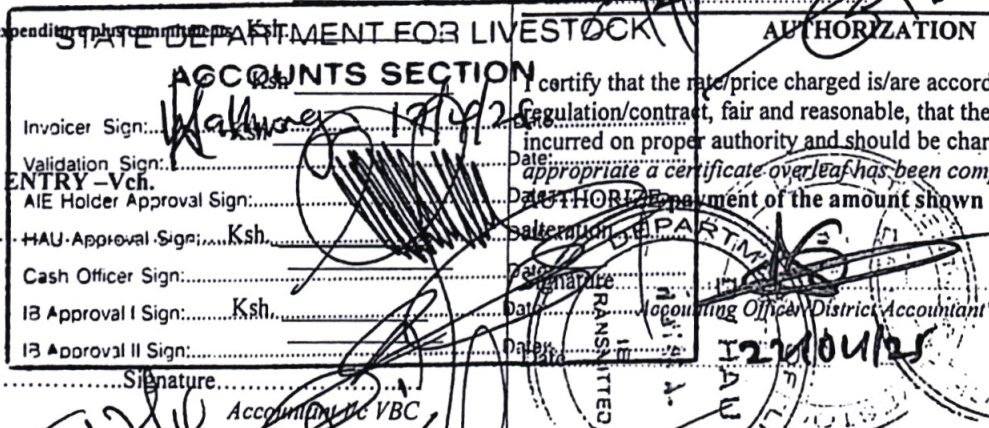
EXAMINATION Voucher Examined by: <i>[Signature]</i>	<b>Internal Audit</b>
Date: <b>14/04/2025</b>	

**VBC CERTIFICATE**  
I certify that the expenditure has been entered in the Vote Book and that adequate funds to cover it are available against the chargeable item as shown here below:  
*Approved Estimates/Allocation--*  
Item No..... KSh.....

**AIE HOLDER CERTIFICATE**  
I Certify that the expenditure detailed above has been incurred for the authorized purpose and should be charged to the item shown here below.  
**CFO**  
*[Signature]*  
Signature  
Designation of A.I.E Holder  
Date: **14/04/25**

Less: Total expenditure plus commitments KSh.....  
Balance ---  
Invoice Sign: *[Signature]*  
Validation Sign: *[Signature]*  
Less: This ENTRY - Vch. No.....  
AIE Holder Approval Sign:.....  
HAU Approval Sign:..... KSh.....  
Cash Officer Sign:.....  
IB Approval I Sign:..... KSh.....  
IB Approval II Sign:.....  
Date:.....  
*Accountant VBC*

**AUTHORIZATION**  
I certify that the rate/price charged is/are according to regulation/contract, fair and reasonable, that the expenditure has been incurred on proper authority and should be charged as under. Where appropriate a certificate over leaf has been completed. I hereby authorize payment of the amount shown above without any alteration.  
*[Signature]*  
Signature  
Accounting Officer, District Accountant\*  
Date: **12/04/25**



<b>Vote REC</b> 0- 1162	<b>Head</b> 0047	<b>Sub-head</b> 01	<b>Item</b> 2630101		
A.F.E No.	Account No.	Dept. Vch. No.	Station	CASH BOOK	AMOUNT
				Vch. No. Date	Sh. Cts.
<b>FY 2024-25</b>	<b>0-1162-0047-01-2630101</b>			<b>1259</b> <b>12/3/25</b>	<del>50,000,000</del> <del>00</del>

\*Delete inapplicable title

**002787**



Telegrams "MINAG"  
Telephone: 2718870, 2719013  
Fax: 316731

MINISTRY OF AGRICULTURE AND LIVESTOCK DEVELOPMENT  
THE NATIONAL LIVESTOCK DEVELOPMENT AND  
PROMOTION SERVICES



HILL PLAZA  
NGONG ROAD  
P. O. Box 34188 - 00100  
Date 01/07/2025

Report on the Board of Survey on the Cash and Bank Balances of:

Account name: ...**NATIONAL LIVESTOCK DEVELOPMENT AND PROMOTION SERVICE**

Account No: ...**1339572419**

as at the close of business on ...**30<sup>TH</sup> JUNE 2025**

The Board consisting of: (Names and official titles)

Chairman-**Peter Mbugua**

Secretary-**Ruth Sungu**

Member-**Geoffrey Sankui**

assembled at the office of **NLDPS BOARDROOM** at **8.30 a.m**

on the **1<sup>st</sup> July 2025** and the following cash was produced:-

Notes	.. .. .	Sh. <b>NIL</b>
Coins	.. .. .	Sh <b>NIL</b>
<b>Total</b>		<b>Sh. NIL</b>

It was observed that cheques and cash amounting to Shs...**NIL** had been on hand for more than 14 days prior to the date of the survey.

The cash book reflected the following balances as at the close of business on the **30TH JUNE 2025**

Cash on hand	Sh. <b>NIL</b>
Bank Balance	Shs <b>36,939,399/-</b>
<b>Total</b>	<b>Sh. 36,939,399/-</b>

The Bank Certificate of Balance showed a sum of Sh. **38,023,890/-** The difference between this figure and the Bank as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O.30), which shall be attached.

TITLE	NAME	SIGNATURE
Chairman	PETER MBUGUA	..... 
Secretary	RUTH SUNGU	..... 
Member	GEOFFREY SANKU	..... 