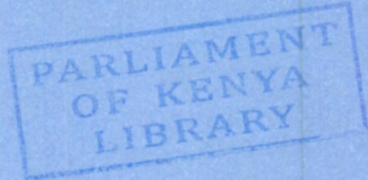
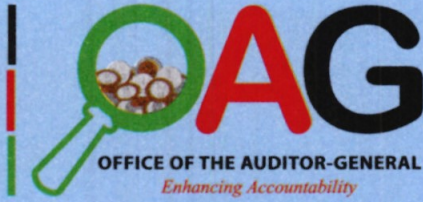


REPUBLIC OF KENYA



REPORT


OF

THE AUDITOR-GENERAL

ON

STATE DEPARTMENT FOR COOPERATIVES

FOR THE YEAR ENDED
30 JUNE, 2025

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



**MINISTRY OF CO-OPERATIVES AND MICRO, SMALL AND MEDIUM ENTERPRISES
(MSMEs) DEVELOPMENT**

**STATE DEPARTMENT FOR COOPERATIVES
ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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

State Department for Cooperatives
Annual Reports and Financial Statements for the year ended June 30, 2025.

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1. Acronyms and Definition of Key Terms

A: Acronyms

AIE	Authority to Incur Expenditure
CFO	Chief Finance Officer
HAU	Head of Accounting Unit
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
SDC	State Department for Cooperatives
NKCC	New Kenya Cooperative Creameries
NKPCU	New Kenya Planter Cooperative Union
SASRA	SACCO Societies Regulatory Authority
ECCOS	Ethics Commission for Cooperative Societies

B: Definition of Key Terms

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

2. Key State Department For Cooperatives Information and Management

(a) Background information

The State Department for Co-operatives (SDC) is one of the two State Departments under the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development which was established through Executive Order No. 1 of January, 2023. Previously, the State Department was under the Ministry of Agriculture, Livestock, Fisheries and Co-op having been moved from the Ministry of Industry, Trade and Co-operatives. At the Cabinet, State Department is represented by the Cabinet Secretary for the Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development who is responsible for the general policy and strategic direction of the ministry.

The State Department executes one programme, i.e. Cooperative Development and Management whose objective is to promote growth and development of co-operatives through setting of standards, capacity building, provision of appropriate policy, legal and institutional framework.

The programme is implemented through five (5) Sub-Programmes as discussed below;

Programme: Co-operative Development and Management.

Sub-Programme 1: Co-operative Governance and Accountability.

This sub-programme is responsible for:

- i. Mainstreaming ethics and governance in the co-operatives to safeguard members' savings and investments.
- ii. Regulation and supervision of co-operative audits to enhance accountability through reporting to members, declaration of dividends and taxation.

Sub-Programme 2: Co-operative advisory Services.

This sub-programme is responsible for:

- i. Registration, supervision and oversight (inspection and inquiries) of cooperatives
- ii. Formulation of Policy and legal framework for cooperatives sub-sector.
- iii. Development of Co-operative Management Information System (CMIS) - Digitization of Co-operative Services to enhance service delivery.

Sub-Programme 3: Co-operative Marketing, Value Addition and Research.

This sub-programme is responsible for:

- i. Promotion of value addition in commodity cooperatives to enhance returns to members.
- ii. Facilitating savings mobilization through SACCOs to promote availability of funds for affordable credit to members.
- iii. Supporting housing co-operatives to effectively participate in delivery of affordable housing.

Sub-Programme 4: Co-operative management and investment.

The major thrust of this sub-program is to facilitate cooperative institutions to deliver on their mandate.

Sub-Programme 5: General Administration, Planning and Support Services.

The intent of this sub-program is:

- i. To ensure compliance with government policies and Budget utilization.
- ii. To conduct Monitoring and Evaluation of on-going projects and programmes.

Mandate

The broad Mandate of the State Department for Co-operatives is to promote growth and development of co-operatives, through provision of enabling policy and regulatory framework.

The specific mandates as spelt out in the Executive Order No. 1/2023 are:

- i. Co-operative Policy, Standards and Implementation;
- ii. Promotion of Co-operative Ventures;
- iii. Co-operative Production and Marketing;
- iv. Supervision and oversight over Co-operative Societies;
- v. Co-operative Savings, Credit and other Financial Services Policy;
- vi. Co-operative Legislation and Support Services;
- vii. Co-operative Education and Training;
- viii. Co-operative Audit Services;
- ix. Co-operative Financing Policy

The three Semi-Autonomous Government Agencies (SAGAs) under the State department are:

New Kenya Co-operative Creameries (N-KCC)

New KCC is responsible for procurement of raw milk and processing, packaging and marketing of milk products.

The New Kenya Planters Co-operative Union (N-KPCU)

N-KPCU provides affordable credit to coffee farmers, milling and marketing of coffee.

The Savings and Credit Co-operatives Regulatory Authority (SASRA)

SASRA is responsible for licensing, regulating and supervising deposit-taking and non-withdrawable deposit-taking SACCOs. The Authority is established under the SACCO Societies Act, No.14 of 2008.

Vision

A sustainable and vibrant co-operative sector

Mission

To promote the co-operative sector through provision of appropriate policy, legal, regulatory framework and capacity building.

Core Values

Integrity

Professionalism

Inclusivity

Teamwork

Customer focus

Innovation

Transparency

(b) Key Management

The State Department for Co-operatives day-to-day management is under the following key organs:

- i. General administration
- ii. Office of the Commissioner for Co-operatives Development
- iii. Office of Co-operatives Audit.
- iv. Ethic Commission for Co-operative Societies

(c) Fiduciary Management

The key management personnel who held office during the financial period ended 31st December 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1	Cabinet Secretary	Wycliffe Oparamya
2	Principal Secretary/ Accounting officer.	Patrick K. Kilemi
3	Commissioner for Co-operatives Development.	David K. Obonyo
4	Secretary Administration	Amos Mariba
5	Director Human Resource Management and Development	Jenovefa Njoroge
6	Senior Deputy Accountant General	Kipyegon Henry Siele
7	Director of Planning	Joseph Muteti Wambua
8	Head Finance and Marketing	Francis Wekesa
9	Head ECCOS	Richard M. Mahungu
10	Director Co-operatives Audit	Javel Murira
11	Senior Chief Finance Officer	Batista O M Nyang'ara
12	Assistant Supply Chain Management Officer	George Marete

(d) Fiduciary Oversight Arrangements

The fiduciary oversight arrangements committee are:

Human Resource Management Advisory Committee.

This committee is composed of the following members:

No.	Name	Designation
1.	Patrick K. Kilemi	Principal Secretary/ Accounting officer.
2.	David Obonyo	Commissioner for Co-operatives Development.
4.	Jenovefa Njoroge	Director Human Resource Management and Development
5.	Kipyegon Henry Siele	Senior Deputy Accountant General
6.	Joseph Muteti Wambua	Director of Planning
7.	Francis Wekesa	Head Finance and Marketing
9.	Javel Murira	Director Co-operatives Audit

Their duties include;

- i. Review of promotions of officers in Job Group A-P;
- ii. Review of confirmations in appointment;
- iii. Review of disciplinary matters;
- iv. Review of re-designation of officers from one cadre to another;
- v. Confirmation of surcharge of officers found to have misused government resources;
- vi. Overall coordination of the training functions in the State Department;

vii. Review of induction of newly appointed officers and activities around long term training.

Other oversight activities

Cabinet Secretary

Responsible for Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development, to guide on policy direction in ensuring that it delivers its mandate to support the government agenda.

Auditor General

Has the overall responsibility of ensuring an independent assessment of the departments operations dealings, issuing opinion to conform the validity and compliance to laid down procedures and laws.

(e) State Department for Cooperatives

P.O. Box 30547-00100

NSSF Building Bishop Road

NAIROBI, KENYA

State Department for Cooperatives Contacts

Telephone: (254) 020-273531-9

E-mail: ps.ushirika@gmail.com Website: www.go.ke

(f) State Department for Cooperatives Banker

Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA

(g) Independent Auditors

Auditor - General
Office of The Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
NAIROBI, KENYA


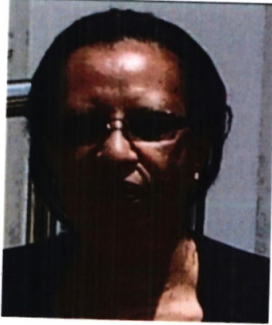
h) Principal Legal Adviser

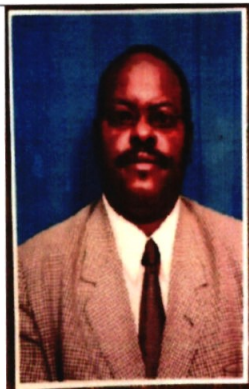
The Attorney General
State Law Office & Department for Justice.
Harambee Avenue
P.O. Box 40112
City Square 0020
Nairobi, Kenya

3. Statement Of Governance

	<p>Mr. Wycliffe Oparanya EGH</p> <p>He is the Cabinet Secretary for the Ministry of Cooperatives and Micro Small and Medium Enterprises Development Mr. Wycliffe Oparanya EGH is the Authorised Officer for the State Department for Cooperatives and is responsible for the general departmental policy and leadership.</p>
	<p>Principal Secretary Patrick K. Kilemi</p> <p>Patrick Kiburi Kilemi is the Principal Secretary (PS) in the State Department of Co-operatives . His career spans over 20 years in sales, marketing, commercial planning and pricing experience in the petroleum industry in Kenya and the East and Central African region mainly with International Oil Majors Total Kenya Limited (11 years), Chevron (Caltex) Kenya Limited (4 years) and Mobil Oil Kenya Limited (3 years). He holds a Masters Degree in Economics and Bachelors of Arts Degree in Economics from The University of Nairobi. He is a CPA (K) finalist.</p>
	<p>Mr. Amos Mariba</p> <p>Mr Amos Gikaro Mariba, MBS is the Secretary Administration. He has a B.A (Hons) degree in Government (Political science) and Linguistics from the University of Nairobi and has completed course work in MPA (Ongoing) from the same University.</p> <p>He has served in public service for over 30 years in various capacities rising from a District officer to a County Commissioner in Nairobi, Nyamira, Nyandarua and Mandera counties.</p>

State Department for Cooperatives
Annual Reports and Financial Statements for the year ended June 30, 2025.

	<p>He has attended various public administration and management courses in Kenya and overseas (Italy, South Korea and China). He is a member of KAPAM. He has been honored with an award of Moran of the Burning Spear (MBS).</p>
	<p>Mr. David K. K. Obonyo</p> <p>Mr. David K. Obonyo is the Commissioner for Co-operatives Development. Holds a Masters of Arts in Rural Economics and Co-operation (Bundelkhand University, India); Bachelor of Arts, Economics, Sociology and Political Science and Diploma Industrial Relations. Has 24 years' service in the Co-operatives Administration serving as Ag. Secretary Ethics Commission for Co-operatives Societies (ECCOS), Head of Department, Co-operatives Finance and Banking, Co-operatives County Commissioner, Provincial Co-operatives Officer and District Co-operatives Officer. A member of Kenya Society for Professional Co-operators. (KSPC).</p>
	<p>Mrs Jenovefa Njoroge</p> <p>Jenovefa Njoroge is the Director HRM&D, Hold a Master of Education & Bachelor of Education. She has served as a classroom teacher, a Deputy and Principal of a School, served as Provincial Quality Assurance officer, and coordinator of Rift Valley Heads, Association. Currently serving as a School Board of Management. A member of Institute of Human Resource Management IHRM, Kenya African Association for Public Administration and Management (KAPAM)</p>



Richard M. Mahungu

Mr. Mahungu is the Deputy Commissioner for Co-operatives Development and has over 28 years of experience in the Kenyan Co-operatives sector. He currently heads the Ethics Commission for Co-operatives Societies (ECCOS) Division within the State Department of Co-operatives. He has been involved in regulatory and supervisory activities, and preparation of prudential standards for enhancing performance management in Co-operatives Societies. He is a Major in Co-operative Management, Agri-business and Strategic Management, and a member of the Kenya Society of Professional Co-operators (KSPC).



Mr. Joseph Muteti Wambua

Mr. Joseph Muteti Wambua is a Director of Planning heading Central Planning and Project Monitoring Department (CPPMD) in the State Department for Cooperatives

He holds a master's degree in Economic Policy Management (EPM) from Makerere University, Kampala -Uganda, Bachelor of Arts in Economics from University of Nairobi, Kenya. He has served as a District Development Officer in Kajiado, Koibatek , Kakamega and Mwingi.

Further he has served as the head of CPPMU in various State Departments across the Ministries. He has undertaken Certified Public Accountants (CPA) One, attended Senior Leadership Development Programme and Project Planning, Monitoring and Evaluation Courses in Kenya School of Government (KSG), Nairobi and Embu. He is a member of Economists Society of Kenya (ESK). Lastly, he is engaged in various local community development initiatives in Machakos County.



	<p>CPA, CPS Kipyegon Henry Siele</p> <p>CPA, CPS Kipyegon Henry Siele is the Senior Deputy Accountant General for the State Department. He is a holder of MBA, BSc, CPS (K), PGDE and CPA (K). His main role includes management, monitoring and reporting use of resources, clear up audit queries, establish effective internal controls, improve expenditure management and transfers, banking arrangements and complete financial statements on time.</p>
	<p>Javel Muthee Murira</p> <p>Mr. Javel Muthee Murira is the Director, Co-operatives Audit. He holds a MBA in Finance, B.A in Economics and Sociology. KACE and KCE. He is a professional Accountant. He is currently Director of Co-operatives Audit State Department for Co-operatives. He has worked in various government units from the year 1994 to date. He is a member of ICPAK and Institute of Internal Auditors (IIA).</p>
	<p>Mr. Batista O.M Nyang'ara, MBA, CPA [K]</p> <p>Mr. Nyang'ara holds a Master of Business Administration [MBA] Degree from the Jomo Kenyatta University of Agriculture and Technology, and is a Certified Public Accountant, and a Member of the Institute of Certified Public Accountants of Kenya [ICPAK] and the Kenya Institute of Management [KIM]. He is a Senior /Chief Finance Officer in the State Department of Cooperatives Seconded by the National Treasury. He has a track Record in the Public Service spanning over thirty Years [30] with experience in the Finance, Accounting and Administration Sector. He has worked in the Public Sector at Senior Management level</p>

	and is highly experienced in Budget Formulation and implementation, Policy Formulation, Financial Analysis and Reporting, Risk Management and Systems Review & Re-Engineering in Financial Management (IFMIS)
--	---

The following are management committee established and their roles:

i) Human Resource Management Advisory Committee Activities;

This committee is composed of the following members:

No.	Name	Designation
1.	Patrick K. Kilemi	Principal Secretary/ Accounting officer.
2.	David Obonyo	Commissioner for Co-operatives Development.
4.	Jenovefa Njoroge	Director Human Resource Management and Development
5.	Kipyegon Henry Siele	Senior Deputy Accountant General
6.	Joseph Muteti Wambua	Director of Planning
7.	Francis Wekesa	Head Finance and Marketing
9.	Javel Murira	Director Co-operatives Audit

Their duties include: -

- i. Review of promotions of officers in Job Group A-P;
- ii. Review of confirmations in appointment;
- iii. Review of disciplinary matters;
- iv. Review of re-designation of officers from one cadre to another;
- v. Confirmation of surcharge of officers found to have misused government resources;
- vi. Overall coordination of the training functions in the State Department;

ii) Performance management committee activities

In compliance to the provision of public service commission, the committee is composed of the following:

No	Name	Designation
1	Joseph Muteti Wambua	Chairperson
2	David Obonyo	CCD
3	Amos Mariba	Secretary Administration
4	Jenovefa Njoroge	Director HRM&D
5	Kipyegon Henry Siele	SDAG
6	Batista O M Nyang'ara	SCFO
7	Francis Wekesa	Senior CCD
8	Joyce Nkirote	Principal State Counsel
9	Javel Murira	Head Audit

Their duties include:

- i) Undertake Annual review on implementation of PC and Strategic plans
- ii) Ensure linkages between institutional performance and staff appraisal system
- iii) Ensure the performance of all officers are evaluated
- iv) Hold Annual review meeting
- v) Review performance reports from various departments
- iii) Budget implementation committee members are (BIC)**

In reference to the treasury circular BIC committee is composed of:

S/NO	Names	Designation
1	David Obonyo	CCD
2	Amos Mariba	Secretary Administration
3	Kipyegon Henry Siele	SDAG
4	Joseph Muteti Wambua	DOP
5	Batista O M Nyang'ara	SCFO
7	Jenovefa Njoroge	HRM&D
8	Javel Murira	Audit

Their duties include:

- i) Review and consideration of cash flow plans
- ii) Review the utilization of cash limits and consider any change as may be required
- iii) Review the utilization of donor funds voted for the State Department for Cooperatives.

Compliance with laws and regulations among others.

The State Department was guided in its operations by the Executive Order No .1 of 2023 and the Sessional Paper No. 4 of 2020 on National Cooperative Policy. The State Department's main responsibility was to enforce the Cooperative Societies (Amendment Act) 2004. In its operations, the State Department for Cooperatives was guided and complied with the provisions of the Public Finance Management Act (2012), Public Procurement and Assets Disposal Act (2015) and Public Investment Management (PIM) Regulations, 2022 which systematically

4. Statement by the Cabinet Secretary



The history of cooperative development in Kenya has been marked by resilience and growth, with cooperatives making a profound contribution to our national economy. Their manifold benefits include employment creation, value addition, savings mobilization, innovation, and the promotion of equitable development across communities.

Globally, cooperatives remain a strong pillar of socio-economic development, demonstrating that it is possible to balance economic viability with social responsibility. Here in Kenya, cooperatives cut across all sectors of the economy and are inclusive by nature, serving diverse communities. In the agricultural sector, for example, farmers have long relied on cooperatives to market coffee, cotton, pyrethrum, milk, and other crops.

However, in recent years, the cooperative movement has experienced decline in several cash crop-growing regions, with notable activity mainly sustained in the dairy and coffee sectors. To reverse this trend, the Government—through the Bottom-Up Economic Transformation Agenda (BETA) is committed to reviving dormant value chains, fostering entrepreneurial culture, and incentivizing production, value addition, and competitiveness.

In line with this, the Ministry of Cooperatives and Micro, Small, and Medium Enterprises Development, through the State Department for Cooperatives, has been allocated resources in the FY 2024/25 budget to revitalize and expand priority value chains. These include, among others: leather and leather products; garments, textiles and apparel; dairy products; edible oils; construction and building materials; artisanal mining; and artisanal fishing. Key agricultural value chains such as rice, tea, coffee, and potatoes are also prioritized.

To achieve this vision, the Ministry will focus on key interventions including, but not limited to: policy formulation, mobilization and aggregation of MSMEs and cooperatives, and strengthening of partnerships around specific value chain opportunities.

These initiatives reaffirm our commitment to ensuring that cooperatives and MSMEs remain central to Kenya's economic transformation and inclusive development.

A handwritten signature in black ink, appearing to read 'Wycliffe Oparanya', written over a horizontal line.

HON. FCPA DR. WYCLIFFE ABIBETSA OPARANYA, EGH
Ministry of Cooperatives and Micro, Small, Medium Enterprises (MSMEs) Development
CABINET SECRETARY

5. Statement by the Principal Secretary / Accounting Officer

In line with the provision of Kenya Vision 2030(KV2030), SDC has identified key programs addressing employment creation, value addition, saving mobilization and equitable development. The State Department aligned its estimates for financial year 2024/2025 to the Bottom-Up Economic Transformation Agenda (BETA) priority value chains. These includes, among others: Leather and Leather Products; Garments, Textile and Apparel; Dairy Products; Edible Oils; Construction and Building Materials; Artisanal Mining; and Artisanal Fishing. Others include, agricultural value chains in rice, tea, coffee, potatoes. During the Financial Year 2024/25, the State Department continued investing in dairy, cotton, and coffee value chains. Cotton co-operatives revitalization through capacity building of the societies and acquisition of modern ginning equipment at PAVI in Kwale is ongoing with Phase one of the modernisation process being at 75% completion rate. The registration of cooperatives into new value chains is ongoing to enable more people access opportunities for a living and improve agricultural productivity. The Coffee Cherry Advance Revolving Fund has been embraced by most coffee farmers as Kshs 2800 million has been advanced to coffee farmers. The NKCC in FY 2023 mopped-up 2221 tons of the surplus milk under the milk powder initiative due to the heavy rainfall experienced during the year.

Financial Year 2024/25 Budget Analysis

During the FY 2024/25, the State Department was allocated KShs 864 million for the recurrent budget and KShs 3,014 million for the development budget. The actual expenditure for the recurrent budget and development budget was Kshs 3,105 million and Kshs 2,928 million respectively.

The AIA collected was Kshs 10.12 million.

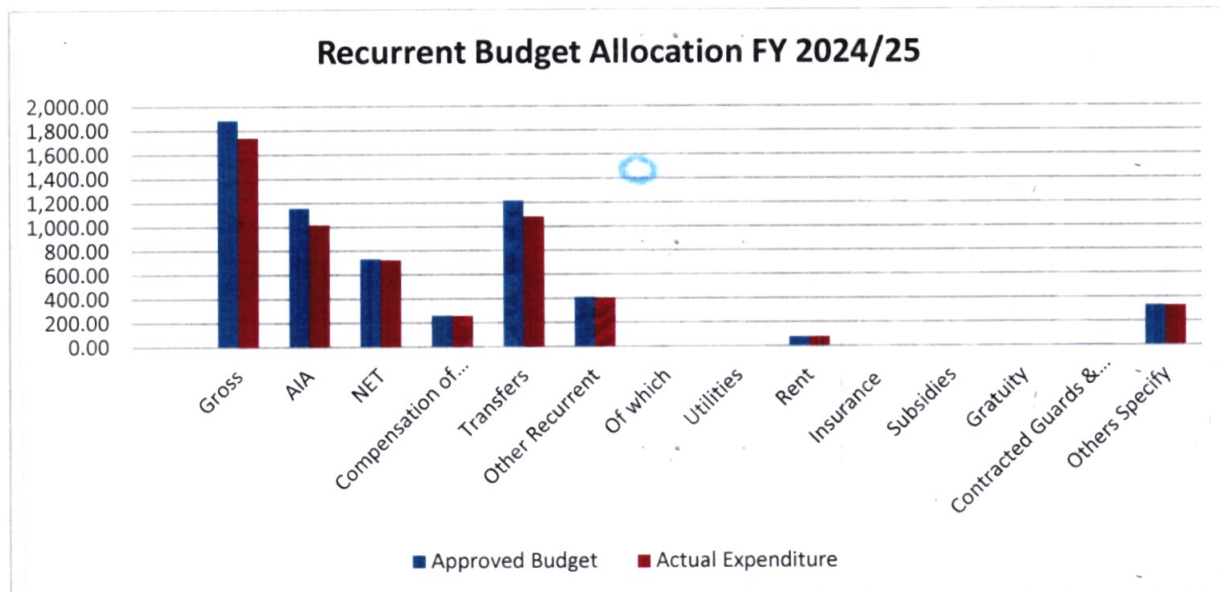
Analysis by Category of Expenditure: Recurrent (KShs. Million)

Vote 1173: State Department for Co- operatives	Economic Classification	Approved Budget FY 2024/25	Actual Expenditure FY 2024/25
	Gross	3,014	3,105
	AIA	864	10.12
	NET	2,150	3,094
	Compensation of employees	201.56	195.97
	Transfers	3,099	2,750
	Other Recurrent	119.15	92.43
	Of which		
	<i>Utilities</i>		
	<i>Rent</i>	7.62	5.17

State Department for Cooperatives

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

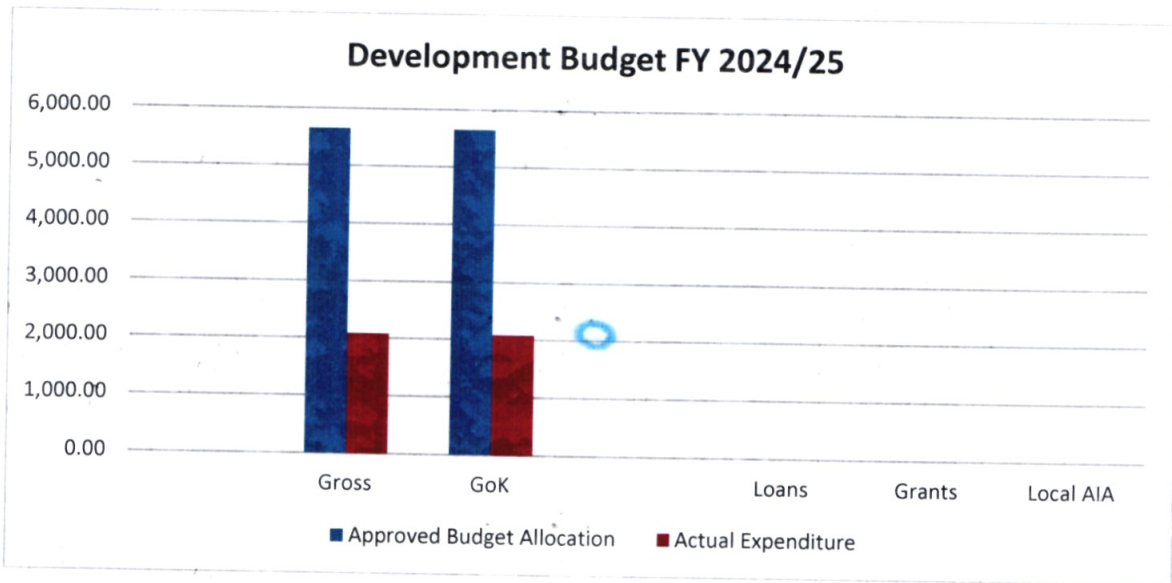
	<i>Insurance</i>	0.00	0.00
	<i>Subsidies</i>	0.00	0.00
	<i>Gratuity</i>	0.00	0.00
	Contracted Guards & Cleaners Services	2.88	2.87
	Others Specify	108.65	84.39



Analysis by Category of Expenditure: Development (KShs. Million)

Vote 1173: State Department for Co- operatives	Description	Approved Budget Allocation FY 2024/25	Actual Expenditure FY 2024/25
	Gross	3,014	2,928
	GoK	3,014	2,928
	Loans	0.00	0.00
	Grants	0.00	0.00
	Local AIA	0.00	0.00

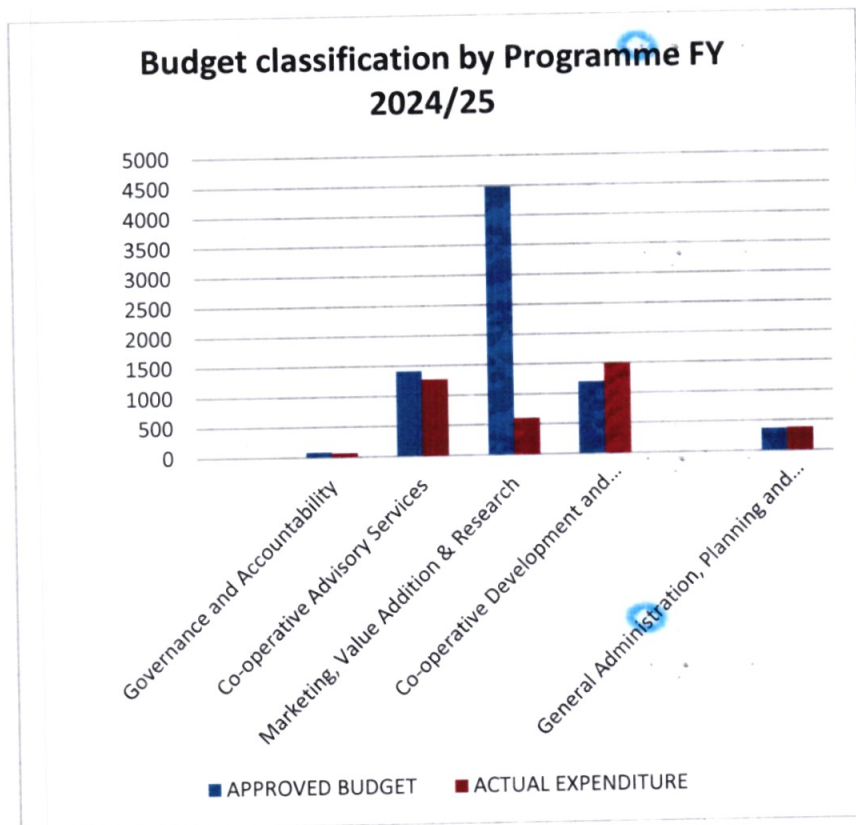
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Annual Reports and Financial Statements for the year ended June 30, 2025.



Expenditure by economic classification and by Programme

The State Department is organized into one Programme called Co-operative Development and Management and sub-programmes. The F/Y 2024/25 approved estimates and actual expenditure for the Co-operative Development and Management Programme by economic classification is as follows:

Programme Details	Approved Budget 2024/25	Actual Expenditure 2024/25
Programme: Co-operative Development and Management	2024/25	2024/25
Sub Programme 1: Governance and Accountability	73.98	24.02
Sub Programme 2: Co-operative Advisory Services	4360.93	1574.11
Sub Programme 3: Marketing, Value Addition & Research	27.95	10.55
Sub Programme 4: Co-operative Development and Investments	2,000.00	2,000.00
Sub Programme 5: General Administration, Planning and Support Services	2,246.94	105.67
Total Vote for 1173	8,709.70	3,714.35



Achievements of the State Department During The Financial Year 2024/25

Detailed achievements for the period under review are as shown in the table below:

Sub Programme	Delivery unit	Key Outputs	Key Performance Indicators	Q3 Achievements
SP 1.1: Governance and accountability	Co-operative Audit	Audited accounts	No. of Audited accounts registered	1,407
		Private audit firms' applications processed	% of application processed	100
		Technical updates issued	No. of Technical Updates issued	2
		Liquidators' schemes of distribution inspected	No. of inspections reports	1
	SASRA	Capital adequacy in DTs maintained	Core capital to total assets ratio for DTS maintained above 10%	1
		Assets of Regulated SACCOs mobilized	Amount in Kshs. Billions	25
		Regulated SACCOs Deposits/ Savings mobilized	Amount in Kshs. Billions	28
		Credit access to Regulated SACCO members enhanced	Amount in Kshs. Billions	19

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Sub Programme	Delivery unit	Key Outputs	Key Performance Indicators	Q3 Achievements
		SACCO branches established	Number of branches	2
	Cooperative Registration	Co-operative Inquiries conducted	No of reports	2
		Cooperatives sensitized on governance and ethics	No of sensitization forums	3
		Cooperatives sensitized on Administrative Procedures on DIALs	No. of sensitization fora	2
		Rice farmers aggregated	No of farmers	120
		Rice cooperatives registered	No. of cooperatives	2
		Artisanal fishermen aggregated	No of Fisherman	1,500
		Artisanal fishermen cooperatives registered	No. of cooperatives	5
		Artisanal Miners aggregated	No. of Miners	1,020
		Miners' cooperatives registered	No. of cooperatives	51
		Cotton Farmers aggregated	No. of farmers	400
		Cotton Farmer cooperatives registered	No. of cooperatives	2
		Dairy and Livestock farmers aggregated	No. of farmers	750
		Dairy and Livestock farmer cooperatives registered	No. of cooperatives	15
		SMEs in Leather and Leather products aggregated	No of SMEs	450
		SMEs in Leather cooperatives registered	No. of cooperatives	9
		SMEs in Affordable Housing aggregated	No of SMEs	360
		SMES (Housing) cooperatives registered	No of cooperatives	8
		Coffee farmers/SMEs aggregated	No. of farmers	480
		Coffee farmer cooperatives registered	No. of cooperatives	8
		Sugarcane farmers aggregated	No. of farmers	240
		Sugarcane farmers cooperatives registered	No of cooperatives	4
		Horticulture farmers aggregated	No of farmers	720
		Horticulture farmer cooperatives registered	No. of cooperatives	12
		Transport SMEs aggregated	No. of SMEs aggregated	1,020
		Transport SMEs cooperatives registered	No of cooperatives	17

Sub Programme	Delivery unit	Key Outputs	Key Performance Indicators	Q3 Achievements	
		Other SMEs/Members SACCOs registered	No. of SMEs/members	4,860	
		SMEs/Members aggregated into SACCOs	No. of SACCOs	243	
		Policies and legal instruments developed and disseminated (Coop Act, KSPC Act, Coop Regulations, New KPCU Act, Financing Policy)	No. of policies and legal instruments developed	2	
	Directorate of Policy and Standards		Annual Co-operative sector performance report prepared	No of reports	1
			Intergovernmental collaboration framework operationalized	% level of operationalization	10
			Institutions sensitized on National Co-operative Policy	No. of institutions sensitized	7
	NEW KPCU		Affordable and accessible credit through Coffee Cherry Advance Revolving Fund	Amount advanced to farmers (KShs. Million)	1,125
			Coffee milling and marketing services	Metric tons of clean coffee milled and marketed	988
			Coffee cupping laboratories	% completion	5
	SP 1.3: Marketing, Value Addition & Research	Co-operative Finance and marketing	Savings/deposits mobilized by Cooperatives	Savings/deposits (KShs. B) mobilised	74
Outstanding remittances to SACCOs recovered			Amount recovered (KShs. M)	83	
SP 1.4: Co-operative management and investment	NEW KCC	Modernized NKCC plants	% Completion	85	
		Enhanced Milk Powder processing capacity at NKCC	Metric Tons	409	
SP 1.5: General Administration, Planning and Support Services	Finance		No. of budget implementation reports	1	

Emerging Issues Related to the State Department

The main emerging issue related to the State department is budget cuts during supplementary budget revisions. The cuts led to a slowdown in implementation of programmes and projects.

Risk Management Strategies

1. Customers focus perspective.

The risks involved in the customer service perspective include:

- i. Ineffective Marketing Strategies because of inadequate market data leads to inaccurate communication campaigns and wrong new products.
- ii. High Inadequate funding due reliance on government funding implies inadequate support to Co-operative Societies and SACCO'S.

2. Finance perspective.

The risks involved in finance include:

- i. High collaboration from counties due to the effect of devolution has led to higher operating costs.
- ii. Change in priorities in the sustained support from members has reduced growth in membership.

3. Business process perspective.

The risk for the business perspective is slow up-take of new technology resulting in poor service delivery and high cost of doing business due to out-dated, cumbersome technological equipment.

4. Learning and Growth perspective.

- i. Resistance to change because of old ways of doing business leads to poor service delivery and high cost of doing business.
- ii. Aging staff in Co-operative societies and SACCO's with no succession plan leads to lack of sustainability.

Budget implementation challenges.

The sub-sector is faced with numerous challenges and emerging issues which need to be addressed to enable the Sub sector realize its targets. These specific challenges are highlighted here below:

(i) Inadequate funding for programmes:

The Subsector funding has been inadequate to enable it effectively deliver its mandate and implement Vision 2030 flagship projects and programmes. Frequent budget cuts during the financial year have also impacted negatively on delivery of its mandate.

(ii) Un-aligned policy, legislative and regulatory framework:

The sub sector is faced with the challenge of aligning operational laws in the counties with national framework and harmonized policies for effective discharge and enforcement of the sub sector's mandate. The State Department embarked on reviewing the National Cooperative Development Policy which is awaiting presentation to Cabinet for approval. Other laws and regulations will be reviewed in subsequent period to align them with the Constitution and devolved system of government.

(iii) Innovation, Research and Development:

Research and Development is vital to support the growth and development of the sector, however, it has suffered inadequate funding. This has impacted negatively on the Department's capacity to effectively discharge its mandate.

(iv) Technology Adoption:

The low level of ICT adoption in the Department and high cost of ICT infrastructure has hindered access and usage of ICT leading to increased cost of operation and inadequate service delivery.

(v) Low human resource capacity:

There are huge gaps in the Department's Human Resource Establishment which has been a major hindrance in the effectiveness of the Department.

(vi) Climate change:

This has reduced agricultural productivity which is a cornerstone of Cooperative Development.

Recommendations

In order to enhance the sub sector's contribution and productivity to the economy and to ensure successful implementation of the programmes and projects;

- i. There is need for a functional communication, data, information and knowledge management system for effective service delivery;
- ii. There is need for a structured public participation framework and political good will in fast-tracking legal reforms.

- iii. There is need to develop further collaboration frameworks with major stakeholder to enhance project implementation both at the National and County levels.
- iv. There is a need to strengthen professionalism of co-operative officers
- v. There is need to seek donor funds to help the State Department implement its programme and projects

6. Statement of Performance Against Predetermined Objectives for FY 2024/25

Guided by the State Department for Cooperatives strategic plan 23-27, SDC shall pursue the following objectives.

- i. To update policy, legal and institutional framework
- ii. To aggregate individuals into co-operatives
- iii. To increase co-operatives access to markets
- iv. To develop aggregation infrastructure for upcoming co-operatives
- v. To secure resources for financing the strategy 6. To improve governance in co-operatives
- vi. To increase access to affordable financial services by co-operatives
- vii. To improve quality of human resource at SDC
- viii. To improve staff working environment at the SDC
- ix. To digitize services of SDC
- x. To develop a knowledge management system

7. Management Discussion and Analysis

The financial performance of SDC for the FY 2021/22-2024/25

Analysis of Expenditure Trends for the FY 2021/22-2024/25

The State Department for Cooperatives approved recurrent budget for FY 2022/23, FY 2023/24 and FY 2024/25 was Kshs 2,137.89, KShs. 1883.05 and KShs. 3,354.85 million respectively. The actual expenditure for the FY 2022/23, FY 2023/24 and FY 2024/25 was kshs 1,983.99, Kshs 1729.63 and KShs. 1714.40 million respectively.

Analysis by Category of Expenditure: Recurrent (KShs. Million)

Vote 1173: State Department for Co- operatives	Economic Classificatio n	Approved Budget Allocation			Actual Expenditure		
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
	Gross	2,137.89	1,883.05	3,354.85	1,983.99	1,738.87	1,714.40
	AIA	1,373.79	1,152.10	576.00	1,259.85	1,001.17	986.13
	NET	764.1	730.95	2,778.85		737.7	728.27
	Compensatio n of employees	256.64	259.55	169.70	251.19	255.35	121.97
	Transfers	1,472.98	1214.30	3,066.00	1,355.69	1,075.16	1,500.00
	Other Recurrent	408.27	409.20	119.15	226.69	404.04	92.43
	Of which						
	<i>Utilities</i>	0.00			0.00		
	<i>Rent</i>	8.86	75.62	7.62	8.86	75.17	5.17
	<i>Insurance</i>	0.00	0.00	0.00	0.00	0.00	0.00
	<i>Subsidies</i>	0.00	0.00	0.00	0.00	0.00	0.00
	<i>Gratuity</i>	7.50	0.00	0.00	7.50	0.00	0.00
	Contracted Guards & Cleaners Services	0.00	2.88	2.88	0.00	2.87	2.87
	Others Specify	391.91	330.71	108.65	210.33	2.01	84.39

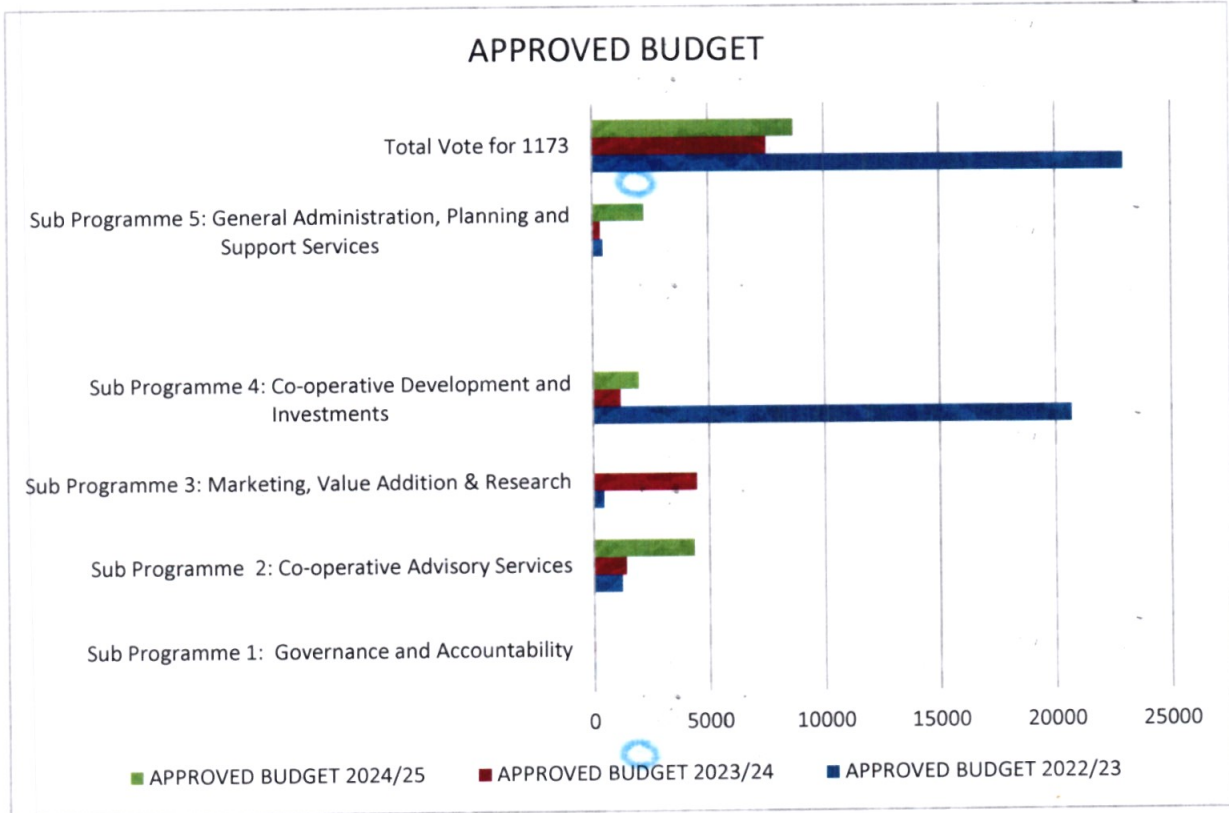
Analysis by category of Expenditure: Development (Kshs. Million)

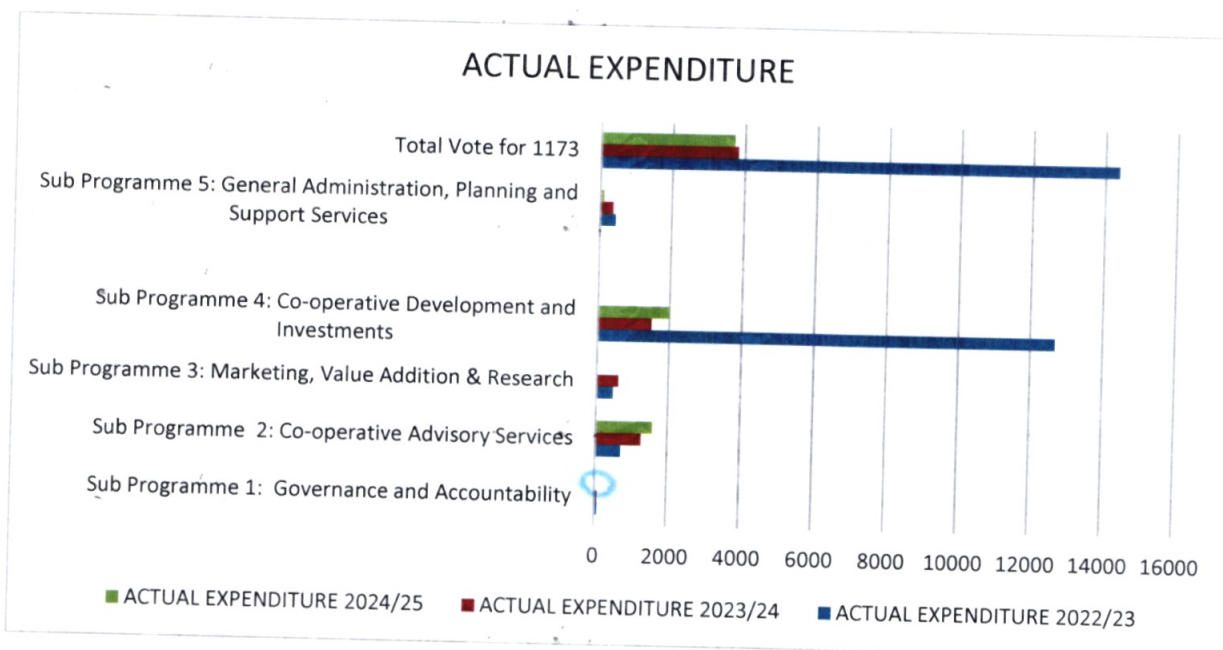
The total approved development budget for the State Department for the FY 2022/23 is Ksh 20,822.50 and for FY 2023/24 was 5,649.85, and FY 2024/25 was Ksh 2,000.00 million. The actual expenditure for the three consecutive financial years was Ksh.12,802.97, Kshs 2082.94 million and 1,999.95 million respectively.

Vote - 1173: State Department for Co- operatives	Description	Approved Budget Allocation			Actual Expenditure		
		2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
	Gross	20,822.5	5,649.85	2,000.00	12,802.97	2,082.94	2,000.00
	GoK	20,822.5	5649.85	2,000.00	12,802.97	2,087.00	2,000.00
	Loans	0.00	0.00	0.00	0.00	0.00	0.00
	Grants	0.00	0.00	0.00	0.00	0.00	0.00
	Local AIA	0.00	0.00	0.00	0.00	0.00	0.00

Analysis by category of Expenditure: Programme (KShs. Million)

PROGRAMME DETAILS	APPROVED BUDGET			ACTUAL EXPENDITURE		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Programme: Co-operative Development and Management						
Sub Programme 1: Governance and Accountability	81.18	81.13	73.98	79.44	75.41	24.02
Sub Programme 2: Co-operative Advisory Services	1,242.90	1,413.36	4360.93	711.38	1262.52	1574.11
Sub Programme 3: Marketing, Value Addition & Research	466.34	4,472.42	27.95	466.34	604.49	10.55
Sub Programme 4: Co-operative Development and Investments	20,700.0	1,200.00	2,000.00	12,700.00	1500.00	2,000.00
Sub - Programme 5: General Administration, Planning and Support Services	469.98	365.99	2,246.94	436.26	367.21	105.67
Total Vote for 1173	22,960.4	7,532.90	8,709.70	14,393.42	3,809.63	3,714.35





8. Environmental and Sustainability Reporting

The State Department for Cooperatives envisions a sustainable and vibrant co-operative sector, and it shall endeavour to promote the co-operative sector through provision of appropriate policy, legal, regulatory framework and capacity building.

a) Sustainability strategy and profile

Based on Kenya's current development framework covering Kenya Vision 2030 and the Bottom-Up Economic Transformation Agenda (BETA), the State Department promotes good governance in cooperatives; aggregates individual economic units into co-operatives; improves access to affordable financial services; improves service delivery; and ensures adequate and sustainable financial resources at the State Department. The environment under which the State Department shall endeavour to achieve the above defined goals is marked by strengths such as political good will of the administration; access to data and information for co-operatives; and experienced workforce.

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

The formation of cooperatives came as a result of farmers who sold their produce e.g tea, coffee, dairy through cooperatives. Due to challenges of climate change that affect our country, productivity level became low and so was the rate of registration of farmers to cooperatives. It is with this view that the State Department started the revitalization of producer value chains, thereby

increasing agricultural productivity. In addition, aggregating artisanal fishermen and miners into cooperatives will enable them increase productivity. The coffee cherry revolving fund has also made it possible for coffee farmers to have access to credit during difficult times.

c) Employee welfare

The Human Resource Management Advisory Committee ensures that SDC staff are trained, the gender ratio is taken into account while hiring new staff and employees are working in a clean environment. This ensures improved service delivery, professionalism and competence of staff. The performance appraisal system is used to measure individual deliverables on Annual basis. Training projections are done on yearly basis to fill the skill gap.

d) Operational practices/ Market place practices

The State Department upholds high levels of openness with regard to implementation public procurement and assets disposal. All tenders are advertised in both the print media and the organization's website to give a fair chance to all suppliers and service providers. The Department also ensures that 30 percent and 40 percent of the procurement budget goes to the AGPO and local merchants respectively and is complied with in the annual performance contracts.

e) Community Engagements-

During Ushirika day which takes place annually, specifically every second week of July, the SDC staff interact with the public to promote cooperatives and create awareness. We assure the public of the various benefits of joining a cooperative society. On the other hand, they also air their grievance which helps to give us a future strategic direction.

statement of Management Responsibilities.

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

The Accounting Officer in charge of the State Department for Cooperatives is responsible for the preparation and presentation of the State Department for Cooperatives' financial statements, which give a true and fair view of the state of affairs of the State Department for Cooperatives for and as at the end of the financial year (period) ended on June 31st, 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 State Department for Cooperatives, (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 State Department for Cooperatives; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Cooperatives accepts responsibility for the State Department for Cooperatives financial statements, which have been prepared on the accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and including the transitional provisions permitted under IPSAS 33 as disclosed in note 2 to the financial statements. The Accounting Officer is of the opinion that the *State Department for Cooperatives* financial statements give a true and fair view of the state of State Department for Cooperatives transactions during the financial year ended June 31st, 2025, and of the State Department for Cooperatives financial position as at that date. The Accounting Officer in charge of the State Department for Cooperatives further confirms the completeness of the accounting records maintained for the *State Department for Cooperatives*, which have been relied upon in the preparation of the State Department for Cooperative financial statements as well as the adequacy of the systems of internal financial control.

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The Accounting Officer in charge of the State Department for Cooperatives confirms that the State Department for Cooperatives has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the State Department for Cooperatives's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the State Department for Cooperatives's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The State Department for Cooperatives financial statements were approved and signed by the Accounting Officer on 17/NOV 2025



.....
Patrick Kilemi
Accounting Officer



.....
Kipyegon Henry Siele
Head of Accounting Unit
ICPAK M/No: 8879

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

- A. Report on Financial Statements, which considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws, and regulations, which 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 Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance, which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying transitional IPSAS financial statements of State Department for Cooperatives set out on pages 1 to 33, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant

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

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

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amount reflects a final revenue budget and actual comparable basis of Kshs.8,338,526,641 and Kshs.8,238,222,734 respectively resulting to under-funding of Kshs.100,303,907.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under Emphasis of Matter and Report on Lawfulness and Effectiveness in Use of Public Resources. The issues as detailed in Appendix I remain unresolved as Parliament has not deliberated on the same.

Other Information

The Management is responsible for the Other Information set out on page ix to xxx which comprise of Key State Department for Cooperatives Information and Management, Profile of Cabinet Secretary, Profiles of Accounting Officer and Key Management, Statement by the Cabinet Secretary, Statement by the Accounting Officer, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing 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

Non-Compliance with the Approved Staff Establishment

Review of the human resource records reflects that the State Department had an approved establishment of two hundred and eighty-nine (289) staff members across all cadres. However, the actual number in position was one hundred and ninety-one (191) staff leading to an under establishment of ninety-eight (98) staff. This was contrary to Section A.15 of the Human Resource Policies and Procedures Manual for Public Service, May 2016, which states that the functions of Ministerial Human Resource Management Advisory Committees (MHRMAC) entail making recommendations to the Authorized Officer regarding: - inter alia (viii) establishment and complement control.

In the circumstances, the service delivery to the public may be negatively affected and Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the State Department for Trade financial reporting process, reviewing the effectiveness of how Management

monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

20 November, 2025

Appendix I

Unresolved Prior Year Matters

No	Reference	Observation
		Emphasis of Matter
1	1735	Pending Accounts Payables
2	1736	Budgetary Control and Performance
		Lawfulness and Effectiveness in Use of Public Resources
3	1738	Delayed Exchequer Releases

State Department for Cooperatives
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11. Statement of Financial Performance for the year ended 30 June 2025

	Note	FY 2024/2025
		KShs
Revenue from non-exchange transactions		
Transfers from exchequer	5	7,165,801,794
Total		7,165,801,794
Revenue from exchange transactions		
Miscellaneous income	6	1,072,420,940
Total revenue		8,238,222,734
Expenses		
Employee costs	7	288,060,069
Use of goods and services	8	326,613,298
Transfers to other government entities	9	7,477,926,432
Depreciation and Amortization Expense	10	7,197,982
Total expenses		8,099,797,781
Surplus/(deficit) for the period		138,424,953

The financial statement set out on page 1-5 was signed by:



.....
Patrick Kilemi
Accounting Officer



.....
Kipyegon Henry Siele
Head of Accounting Unit
ICPAK M/No: 8879

12. Statement of Financial Position as at 30 June 2025

	Note	Period Ended June 2025	Opening Statement
		KShs	1st July 2024
Assets			
Current assets			
Cash and cash equivalents	11	52,585,228	45,084,143
Receivables from exchange transactions	12	-	25,200
Total Current Assets		52,585,228	45,109,343
Non-Current Assets			
Property, Plant and Equipment	13	115,090,390	-
Total Non-Current Assets		115,090,390	-
Total Assets		167,675,619	45,109,343
Liabilities			
Current Liabilities			
Trade and other payables	14	21,587,968	44,856,581
Refundable deposits	15	52,494,079	38,232,888
Total Current Liabilities		74,082,047	83,089,469
Net Assets		93,593,572	(37,980,127)
Represented by			
Accumulated surplus		93,593,572	(37,980,127)
Net Assets		93,593,572	(37,980,127)

The financial statement set out on page 1-5 was signed by:

.....
Patrick Kilemi
Accounting Officer

.....
Kipyegon Henry Siele
Head of Accounting Unit
ICPAK M/No: 8879

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

	Accumulated surplus	Total
	KShs	KShs
As at 30th June 2024 (cash basis)	6,876,454	6,876,454
Adjustments: (to recognize assets and liabilities)		-
Pending bills	(44,856,581)	(44,856,581)
As at July 1, 2024	(37,980,127)	(37,980,127)
Surplus/ deficit for the period	138,424,953	138,424,953
Returns to exchequer	(6,851,254)	(6,851,254)
As at 30th June , 2025	93,593,572	93,593,572

State Department for Cooperatives
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14. Statement of Cash Flows for the year ended 30 June 2025

	Note	Period Ended June 2025
		KShs
Cash flows from operating activities		
Receipts		
Transfers from exchequer		7,165,801,794
Other Income		1,072,420,940
Total Receipts		8,238,222,734
Payments		
Employee costs		288,060,069
Use of goods and services		335,595,520
Transfers to other government entities		7,477,926,432
Total Payments		8,101,582,021
Adjusted for:		
Cash flows from Operating activities	17	136,640,713
Purchase of property, plant, equipment and intangible assets		(122,288,372)
Net cash flows used in investing activities		(122,288,372)
Cash flows from financing activities		
Return to Exchequer		(6,851,254)
Net cash flows used in financing activities		(6,851,254)
Net increase/decrease) in cash and cash equivalents		7,501,087
Cash and cash equivalents as at 1st July 2024	11	45,084,143
Cash and cash equivalents as at 30 June 2025	11	52,585,229

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

Recurrent and Development Combined

Description	Original budget	Adjustments	Final budget	Actual on a comparable basis	Budget utilization difference	% of utilization
	A	B	C=a+b	D	E=c-d	F=d/c %
Revenue						
Transfers from exchequer	6,928,953,583	255,573,058	7,184,526,641	7,165,801,794	18,724,847	100%
Other income	1,152,000,000	2,000,000	1,154,000,000	1,072,420,940	81,579,060	93%
Total revenue	8,080,953,583	257,573,058	8,338,526,641	8,238,222,734	100,303,907	99%
Expenses						
Employees costs	339,416,616	(60,882,124)	278,534,492	282,218,391	(3,683,899)	101%
Use of goods and services	268,372,507	83,814,046	352,186,553	348,186,311	4,000,242	99%
Transfers to other government units	7,382,000,000	179,000,000	7,561,000,000	7,477,926,432	83,073,568	99%
Social Security Benefits		6,000,000	6,000,000	5,841,678	158,322	97%
Total recurrent expenses	7,989,789,123	207,931,922	8,197,721,045	8,114,172,812	83,389,911	99%
Capital items						
Acquisition of PPE	91,164,460	49,641,136	140,805,596	123,983,972	16,821,624	88%
Total expenses - Development	91,164,460	49,641,136	140,805,596	123,983,972	16,821,624	88%
Total expenses	8,080,953,583	257,573,058	8,338,526,641	8,270,130,352	33,643,248	99%
Surplus/ deficit	-	-	-	65,950	(65,950)	

(a) Variance analysis:

Acquisition of PPE: There was underutilization of 86% due delay in exchequer releases

(b) **Reallocations within the year:** The changes between the original and final budget are as a result of reallocations within the budget

Reconciliation table

	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	65,950
Cash and cash equivalents at the start of the period	45,084,143
Return to Exchequer	(6,851,254)
Decrease in Receivables (Outstanding imprests)	25,200
Increase in Refundable Deposits	14,261,191
Closing Cash and Cash Equivalent as per the statement of Cash flows	52,585,229

16. Notes to the financial statements

1. General Information

The State Department for Cooperatives is established by and derives its authority and accountability from Executive Order. The State Department for Cooperatives is wholly owned by the Government of Kenya and is domiciled in Kenya.

2. (A) Statement of Compliance and Basis of Reporting

Statement of compliance

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

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

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

The state department of cooperative has taken advantage of the transitional provisions under IPSAS33 and therefore these 1st year financial statements are transitional financial statements and the following elements of the financial have not been recognized; plant and equipment, inventory and property.

These financial statements were authorized for issue by the Accounting Officer on 17th November 2025

Notes to the financial statements

Reporting period

The reporting period for these financial statements is for the period ended 30th September 2024.

Basis of preparation

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

Critical accounting judgements

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

Recognition of revenue

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

Recognition of non-exchange expenses and liabilities

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

The State Department for Cooperatives pursues a number of policy targets and outcomes. However, the commitment to these targets and outcomes, generally, do not of themselves

constitute a present obligation unless the State Department for Cooperatives is clear on the cost it intends to incur, when payment will be made, and to whom and as a consequence has raised a valid expectation. As a consequence, liabilities are not reported for costs associated with the *MDA* policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the State Department for Cooperatives future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

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

Physical assets

An asset is a resource presently controlled by the State Department for Cooperatives as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

(B) Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be 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.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.

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

iii. Early adoption of standards

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

3 Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes, and fines

The MDA recognizes revenues from fees, taxes, and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the State Department for Cooperatives 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 State Department for Cooperatives and can be measured reliably. Development grants are recognized in the statement of financial performance after meeting the revenue recognition criteria. Conditional grants are recognized as revenue upon fulfilment of the set conditions.

ii) Revenue from exchange transactions

Rendering of services

The State Department for Cooperatives recognizes revenue from the rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

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.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for FY 2024/25 was approved by the National Assembly on 30th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the MDA upon receiving the respective approvals to conclude the final budget. Accordingly, the MDA recorded additional appropriations of on the 2024/25 budget following the governing body's approval. The MDA'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 an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of cashflows has been presented under section xxx of these financial statements.

c) Investment property

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

d) Property, plant, and equipment

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

e) Right of use asset

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the MDA incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the MDA expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

f) Tangible Natural Resources

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

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.

h) Research and development costs

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The MDA does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one MDA and a financial liability or equity instrument of another MDA. At initial recognition, the MDA 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.

i) Financial assets

Classification of financial assets

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

Subsequent measurement

Based on the business model and the cash flow characteristics, the MDA 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The MDA 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 MDA recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Financial liabilities

Classification

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

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or 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 *MDA*.

k) Provisions

Provisions are recognized when the MDA 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 MDA 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

l) Social Benefits

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

m) Contingent liabilities

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

n) Contingent assets

The MDA 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 MDA 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.

o) Nature and purpose of reserves

The MDA creates and maintains reserves in terms of specific requirements.

p) Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

q) **Employee benefits**

Retirement benefit plans

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

r) **Foreign currency transactions**

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

s) **Borrowing costs**

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

t) **Related parties**

The State Department for Cooperatives regards a related party as a person or an *MDA* with the ability to exert control individually or jointly or to exercise significant influence over the *MDA*, or vice versa. Members of key management are regarded as related parties and comprise the directors, the accounting officer and senior managers.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

u) Service concession arrangements

The State Department for Cooperatives analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the State Department for Cooperatives 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 State Department for Cooperatives also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

v) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at the bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

w) Biological Assets

All biological assets (including those acquired biological assets through a non-exchange transaction) are measured at fair value less costs to sell unless fair value cannot be measured reliably. Agricultural produce is measured at fair value at the point of harvest less costs to sell. Any change in the fair value of biological assets during a period is reported in surplus or deficit.

x) Comparatives

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

Summary of Significant Accounting Policies (Continued)

4 Significant Judgments and Sources of Estimation Uncertainty

The preparation of the State Department for Cooperatives 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 State Department for Cooperatives 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 State Department for Cooperatives. Such changes are reflected in the assumptions when they occur.

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the State Department for Cooperatives.
- 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.

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 Notes to the Financial Statements (Continued)

5 Transfers from the Exchequer

Nature of transfer	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Total transfers Period Ended June 2025
	Kshs	Kshs	Kshs
Recurrent	4,167,995,025	-	4,167,995,025
Development	2,997,806,769	-	2,997,806,769
Total	7,165,801,794	-	7,165,801,794

6 Miscellaneous Incomes

Description	Period Ended June 2025
	Kshs
Administrative fees and charges	1,072,420,940
Total other income	1,072,420,940

7 Employee Costs

Description	IFMIS Figure	Gratuity provision	Period Ended June 2025
	Kshs	Kshs	Kshs
Basic salaries of permanent employees	179,183,831		179,183,831
Personal allowances – part of salary	95,537,142		95,537,142
Employer contributions to compulsory national social security schemes	3,784,720	-	3,784,720
Other social benefit schemes	3,712,698	-	3,712,698
	-	5,841,678	5,841,678
Employee costs	282,218,391	5,841,678	288,060,069

The entity incurred gratuity provision amounting to **Kshs 5,841,678** and paid all hence no gratuity payable as at 30th June 2025.

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8 Use of Goods and Services

Description	IFMS Figure	Trade payables settled during the year	Trade payables incurred during the year	Expense items posted under acquisition of assets	Adjusted Use of Goods and Services
	Kshs	Kshs	Kshs	Kshs	Kshs
Utilities, supplies and services	-	-	-	-	-
Communication, supplies and services	2,947,541	-	-	-	2,947,541
Domestic travel and subsistence	70,687,693	(27,000,000.00)	1,249,500	-	44,937,193
Foreign travel and subsistence	10,341,806	-	-	-	10,341,806
Printing, advertising, and information supplies & services	70,083,038	-	-	-	70,083,038
Rentals of produced assets	76,070,405	-	-	-	76,070,405
Training expenses	10,473,441	-	-	-	10,473,441
Hospitality supplies and services	43,764,888	(2,979,160.00)	2,519,100	-	43,304,828
Insurance costs	-	-	-	-	-
Specialized materials and services	1,932,789	-	-	-	1,932,789
Bank charges	-	-	-	-	-
Office and general supplies and services	10,854,318	-	1,835,772	173,925	12,864,015
Fuel oil and lubricants	11,876,153	-	-	-	11,876,153
Routine maintenance – vehicles and other transport equipment	6,710,833	-	-	1,793,850	8,504,683
Routine maintenance – other assets	597,101	-	834,000	-	1,431,101
Other operating expenses	31,846,305	-	-	-	31,846,305
Total	348,186,311	(29,979,160.00)	6,438,372	1,967,775	326,613,298

9 Transfers to Other Government Entities

Description	Period Ended June 2025
	Kshs
Transfers to national govt entities- SAGAs & SC	7,477,926,432
Total	7,477,926,432

10 Depreciation and Amortization Expense

Description	Period Ended June 2025
	Kshs
Property, plant and equipment	7,197,982
Total	7,197,982

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11 Cash and Cash Equivalents

Description	Period Ended June 2025	Opening statement 1st July 2024
	Kshs	Kshs
Recurrent account	91,150	3,373,844
Development account		3,477,410
Deposits account	22,958,975	7,764,617
Deposits account-Liquidation	29,535,103	30,468,271
Total	52,585,228	45,084,143

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

Financial Institution	Account number	Period Ended June 2025	Opening statement 1st July 2024
		Kshs	Kshs
Recurrent Account-CBK	1000303042	91,150	3,373,844
Development Accounts-CBK	1000303058	-	3,477,410
Deposits Accounts (Liquidation) -CBK	1000347066	29,535,103	7,764,617
Deposits Accounts-CBK	1000303069	22,958,975	30,468,271
CBK 165	1000303077	0	0
Sub- Total		52,585,228	45,084,143
Grand Total		52,585,228	45,084,143

Notes to the Financial Statements (Continued)

12 Receivables from Exchange Transactions

Description	Period Ended June 2025	Opening statement 1st July 2024
	Kshs	Kshs
Outstanding imprests	-	25,200
Total Receivables	-	25,200
a) Current receivables	-	25,200
Total receivables (a+b)	-	25,200

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Notes to the Financial Statements (Continued)

13. Property, Plant, and Equipment

Description	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)*	Capital Work in progress	Total
Depreciation Rate			12.5%	12.5%	30%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024								-
Additions		-	21,718,000	28,833,425	2,930,178	-	68,806,769	122,288,372
Disposals								-
Transfer/Adjustments								-
As At 30th June 2025	-	-	21,718,000	28,833,425	2,930,178	-	68,806,769	122,288,372
Depreciation And Impairment								-
Opening Bal as 1st July 2024								-
Depreciation			2,714,750	3,604,178	879,053	-	-	7,197,982
Disposals								-
Impairment								-
Transfer/Adjustment								-
As At 30th June 2025	-	-	2,714,750	3,604,178	879,053	-	-	7,197,982
Net Book Values								-
Opening Bal as at 1st July 2024	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	19,003,250	25,229,247	2,051,125	-	68,806,769	115,090,390

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Notes to the Financial Statements (Continued)

Ksh 68,806,769 relates to the construction of Pavi Kwale Cooperatives Union ginnery in Kinondo, kwale county which is not yet ready for use.

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	21,718,000	2,714,750	19,003,250
Computers And Related Equipment	2,930,178	879,053	2,051,125
Office Equipment, Furniture, And Fittings	28,833,425	3,604,178	25,229,247
Work in progress	68,806,769	-	68,806,769
Total	122,288,372	7,197,982	115,090,390

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

	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	-	-
Motor Vehicles including Motorcycles	21,718,000	2,714,750
Computers and Related Equipment	2,930,178	879,053
Office Equipment, Furniture And Fittings	28,833,425	3,604,178
Total	53,481,603	7,197,982

14. Trade and Other Payables

	Period Ended June 2025	Opening Statement 1st July 2024
Description	Kshs	Kshs
Trade payables	21,587,968	44,856,581
Trade and Other Payables	21,587,968	44,856,581

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15. Refundable Deposits and Prepayments

Description	Period Ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Deposits and liquidation	52,494,079	38,232,888
Total deposits	52,494,079	38,232,888

16. Provisions

Description	Total	Gratuity provision	Total
Kshs	Kshs	Kshs	Kshs
Opening balance 1st July 2024		-	-
Additional provisions		5,841,678	5,841,678
Provision utilized		(5,841,678)	(5,841,678)
Change due to discount and time value for money			
Total provisions period end		0	0
Current Provisions		0	0
Non-current Provisions		-	
Total provisions period end		0	0

17. Cash flow generated from operations

	Period ended 30th June 2025
Surplus for the period before tax	138,424,953
Adjusted for:	
Depreciation	7,197,982
Working capital adjustments	
Decrease in receivables	25,200
Decrease in payables	23,268,613
Decrease in payments received in advance	14,261,191
Net cash flow from operating activities	136,640,713

18. Related Party Disclosures

	Period ended 30th June 2025
a) Grants /transfers from the government	
Grants from national govt	7,477,926,432
Grants from county government	
Donations in kind	
Total	7,165,801,794
b) Expenses incurred on behalf of related party	
Payments of salaries and wages	288,060,069
Payments for goods and services	326,613,298
Total	614,673,367

19. Ultimate And Holding MDA

The State Department for Cooperatives ultimate parent is the Government of Kenya.

20. Currency

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

Appendices

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved /Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	<p>Pending Accounts Payables Note 16.1 to the financial statements reflects pending accounts payable of kshs. 2,872,881 relating to supply of services which were not settled during the year but instead carried forward to 2024/2025 financial year. The management has not explained why the bills were not settled during the year they occurred . Failure to settle bills during the year they relate distorts the financial statements and adversely affects the budgetary provisions for the</p>	<p>During the financial 2024/2025 out of the total bills of kshs 2,872,881, bills totaling kshs.1,447,760 were paid.</p>	Not Resolved	N/A

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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)
	subsequent year as they form a first charge.			
2.	<p>Budgetary Control and Performance</p> <p>The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of kshs 7,532,898,470 and 3,848,038,219 respectively resulting in an underfunding of kshs. 3,684,860,251 or 49% of the budget. However , the state department spent kshs. 3,841,161,765 against the actual receipts of kshs. 3,848,038,219 resulting in an under-expenditure of kshs. 6,876,454 of the actual receipts.</p> <p>The underfunding and under expenditure affected the planned activities and may</p>		Not Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	have impacted negatively on service delivery to the public			



.....
Patrick Kilemi
Accounting Officer

Date:.....

Appendix II: Projects implemented by State Department for Cooperatives

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)
Modernization of Cotton Ginneries in Kenya	SDC/003	None	-	-	No	No

Status of Projects completion

Project	Total project Cost "Millions"	Total expended to date "Millions"	Completion % to date	Budget "Millions"	Actual "Millions"	Sources of funds
Luanda FCS Union Ginnery	140	100	71.4	120	100	GoK
PAVI FCS LTD Ginnery	320	81	25.3	181	81	GoK

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Appendix III: Fixed Asset Register

SUMMARY OF FIXED ASSET REGISTER				
Asset class	Historical Cost b/f	Additions during the year	Disposals during the year	Historical Cost c/f
	(Kshs)	(Kshs)	(Kshs)	(Kshs)
Land	-		-	-
Buildings and structures	90,344,487.90	68,806,769.00		159,151,256.90
Transport equipment	-	21,718,000.00		21,718,000.00
Office equipment, furniture and fittings	55,163,504.00	28,833,425.00		83,996,929.00
ICT Equipment, Software and Other ICT Assets	-	2,930,178.00		2,930,178.00
Other Machinery and Equipment	103,269,887.40			103,269,887.40
Heritage and cultural assets	-			-
Intangible assets	-			-
Total	248,777,879.30	122,288,372.00	-	371,066,251.30

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Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
						Deferred Income	Receivables	Others - must be specific	
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The State Department for Cooperatives did not receive any transfers from other government entities during FY 2024/2025.

Appendix V: Reporting of Climate Relevant Expenditures

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

The State Department for Cooperatives did not spend on climate relevant expenditures during FY 2024/2025.

Appendix VI: Disaster Expenditure Reporting Template

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

The State Department for Cooperatives did not spend on disaster relevant expenditures during FY 2024/2025.

Appendix VIII: PENDING BILLS AS AT 1ST JULY 2024

Economic item charged	Amount (Kshs)	Amount Paid (Kshs)	Outstanding Amount (Kshs)
Boards, Committees, Conferences and Seminars	114,000.00	Nil	114,000.00
Boards, Committees, Conferences and Seminars	189,000.00	Nil	189,000.00
Boards, Committees, Conferences and Seminars	72,000.00	Nil	72,000.00
Boards, Committees, Conferences and Seminars	90,000.00	Nil	90,000.00
Boards, Committees, Conferences and Seminars	108,000.00	Nil	108,000.00
Boards, Committees, Conferences and Seminars	288,000.00	Nil	288,000.00
Boards, Committees, Conferences and Seminars	321,000.00	Nil	321,000.00
Boards, Committees, Conferences and Seminars	542,500.00	Nil	542,500.00
Boards, Committees, Conferences and Seminars	308,000.00	Nil	308,000.00
Boards, Committees, Conferences and Seminars	129,500.00	Nil	129,500.00
Travel Costs	48,115.00	Nil	48,115.00
Travel Costs	29,755.00	Nil	29,755.00
Travel Costs	34,995.00	Nil	34,995.00
Travel Costs	59,625.00	Nil	59,625.00
Travel Costs	48,900.00	Nil	48,900.00
Travel Costs	32,160.00	Nil	32,160.00
Travel Costs	18,500.00	Nil	18,500.00
Travel Costs	31,875.00	Nil	31,875.00
Travel Costs	63,750.00	Nil	63,750.00
Travel Costs	429,125.00	Nil	429,125.00
Boards, Committees, Conferences and Seminars	586,000.00	Nil	586,000.00
Boards, Committees, Conferences and Seminars	657,000.00	Nil	657,000.00
Boards, Committees, Conferences and Seminars	176,000.00	Nil	176,000.00
Boards, Committees, Conferences and Seminars	132,000.00	Nil	132,000.00
Boards, Committees, Conferences and Seminars	168,000.00	Nil	168,000.00
Boards, Committees, Conferences and Seminars	328,000.00	Nil	328,000.00
Boards, Committees, Conferences and Seminars	192,000.00	Nil	192,000.00

Appendix VII: Opening Statement of Financial Position

	Note	Period Ended June 2024	Adjustments	Opening Statement 1st July 2024
		KShs		
Assets				
Current assets				
Cash and cash equivalents	11	45,084,143	-	45,084,143
Receivables from exchange transactions	12	25,200	-	25,200
Total Current Assets		45,109,343		45,109,343
Non Current Assets				
property, Plant and Equipment		-		-
Total Non Current Assets		-		-
Total Assets		45,109,343		45,109,343
Liabilities				
Current Liabilities				
Trade and other payables	13	-	44,856,581	44,856,581
Refundable deposits	14	38,232,888	-	38,232,888
Total Current Liabilities		38,232,888	44,856,581	83,089,469
Total Liabilities		38,232,888.00	44,856,581.00	83,089,469.00
Net Assets		6,876,454.50	(44,856,581)	37,980,126.50
Represented by				
Accumulated surplus		6,876,454	(44,856,581)	37,980,127
Net Assets		6,876,454	(44,856,581)	37,980,127

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Appendix VIII: PENDING BILLS AS AT 1ST JULY 2024

Economic item charged	Amount (Kshs)	Amount Paid (Kshs)	Outstanding Amount (Kshs)
Boards, Committees, Conferences and Seminars	114,000.00	Nil	114,000.00
Boards, Committees, Conferences and Seminars	189,000.00	Nil	189,000.00
Boards, Committees, Conferences and Seminars	72,000.00	Nil	72,000.00
Boards, Committees, Conferences and Seminars	90,000.00	Nil	90,000.00
Boards, Committees, Conferences and Seminars	108,000.00	Nil	108,000.00
Boards, Committees, Conferences and Seminars	288,000.00	Nil	288,000.00
Boards, Committees, Conferences and Seminars	321,000.00	Nil	321,000.00
Boards, Committees, Conferences and Seminars	542,500.00	Nil	542,500.00
Boards, Committees, Conferences and Seminars	308,000.00	Nil	308,000.00
Boards, Committees, Conferences and Seminars	129,500.00	Nil	129,500.00
Travel Costs	48,115.00	Nil	48,115.00
Travel Costs	29,755.00	Nil	29,755.00
Travel Costs	34,995.00	Nil	34,995.00
Travel Costs	59,625.00	Nil	59,625.00
Travel Costs	48,900.00	Nil	48,900.00
Travel Costs	32,160.00	Nil	32,160.00
Travel Costs	18,500.00	Nil	18,500.00
Travel Costs	31,875.00	Nil	31,875.00
Travel Costs	63,750.00	Nil	63,750.00
Travel Costs	429,125.00	Nil	429,125.00
Boards, Committees, Conferences and Seminars	586,000.00	Nil	586,000.00
Boards, Committees, Conferences and Seminars	657,000.00	Nil	657,000.00
Boards, Committees, Conferences and Seminars	176,000.00	Nil	176,000.00
Boards, Committees, Conferences and Seminars	132,000.00	Nil	132,000.00
Boards, Committees, Conferences and Seminars	168,000.00	Nil	168,000.00
Boards, Committees, Conferences and Seminars	328,000.00	Nil	328,000.00
Boards, Committees, Conferences and Seminars	192,000.00	Nil	192,000.00

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Boards, Committees, Conferences and Seminars	148,000.00	Nil	148,000.00
Boards, Committees, Conferences and Seminars	260,000.00	Nil	260,000.00
Boards, Committees, Conferences and Seminars	76,000.00	Nil	76,000.00
Boards, Committees, Conferences and Seminars	382,500.00	Nil	382,500.00
Boards, Committees, Conferences and Seminars	148,000.00	Nil	148,000.00
Travel Costs	2,600,000.00	Nil	2,600,000.00
Travel Costs	32,000,000.00	27,000,000.00	5,000,000.00
Boards, Committees, Conferences and Seminars	250,000.00	Nil	250,000.00
Boards, Committees, Conferences and Seminars	159,000.00	Nil	159,000.00
Trade Show and Exhibition	233,669.00	Nil	233,669.00
Boards, Committees, Conferences and Seminars	88,384.00	Nil	88,384.00
Boards, Committees, Conferences and Seminars	334,068.00	Nil	334,068.40
Boards, Committees, Conferences and Seminars	252,260.00	252,260.00	Nil
Boards, Committees, Conferences and Seminars	184,500.00	184,500.00	Nil
Boards, Committees, Conferences and Seminars	103,500.00	103,500.00	Nil
Boards, Committees, Conferences and Seminars	67,500.00	67,500.00	Nil
Boards, Committees, Conferences and Seminars	300,000.00	300,000.00	Nil
boards, Committees, Conferences and Seminars	200,000.00	200,000.00	Nil
Boards, Committees, Conferences and Seminars	1,531,400.00	1,531,400	Nil
Boards, Committees, Conferences and Seminars	340,000.00	340,000.00	
	44,856,581.00	29,979,160.00	14,877,421.40

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PENDING BILLS INCURRED IN FY 2024/2025			
Economic item charged	Amount (Kshs)		
Boards, Committees, Conferences and Seminars	520,000.00		
Boards, Committees, Conferences and Seminars	1,380,200.00		
Boards, Committees, Conferences and Seminars	166,500.00		
Maintenance of Computers Software and Networks	320,000.00		
Maintenance of Computers Software and Networks	514,000.00		
Travel Costs	1,249,500.00		
Boards, Committees, Conferences and Seminars	452,400.00		
Purchase of Computers, Printers and Other	272,175.00		
Supplies and accessories for Computers and Printers	1,835,772.00		
	6,710,547.00		6,710,547.00
			21,587,968.40

