


REPUBLIC OF KENYA



*Enhancing Accountability*



 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
DATE: 28 MAY 2025	DAY. Wednesday
<b>REPORT</b>	
TABLED BY:	Hon. Pwani Bayart Deputy Leader of the majority party
CLERK-AT THE-TABLE:	Kesther Ngunyo

PARLIAMENT  
OF KENYA  
LIBRARY

**OF  
THE AUDITOR-GENERAL**

**ON**

**NATIONAL LAND COMMISSION STAFF CAR  
LOAN SCHEME FUND**

**FOR THE YEAR ENDED  
30 JUNE, 2024**



OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

19 DEC 2024

RECEIVED



---

# **NATIONAL LAND COMMISSION**

## **STAFF CAR LOAN SCHEME FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2024**

---

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

**(Leave the Page Blank)**

## Contents

1. Acronyms and Definition of Key Terms .....	ii
2. Key Fund Information and Management .....	iii
3. The Board of Trustees/ Fund Administration Committee .....	xi
4. Management Team .....	xiv
5. Chairman's Report .....	xvi
6. Report of the Fund Manager/ Administrator .....	xviii
7. Statement of Performance against Predetermined Objectives .....	xx
8. Corporate Governance Statement .....	xxi
9. Management Discussion and Analysis .....	xxii
10. Environmental and Sustainability Reporting .....	xxiii
11. Report of the Trustees/Fund Administration Committee.....	xxiv
12. Statement of Management's Responsibilities .....	xxvi
13. Report of the Independent Auditor for the financial Statement of National LandCommission Car Loan Scheme Fund.....	xxviii
14. Statement of Financial Performance for the year ended 30 <sup>th</sup> June 2024. ....	1
15. Statement of Financial Position as at 30 <sup>th</sup> June 2024 .....	2
16. Statement of changes in Net Assets for the year ended 30 <sup>th</sup> June 2024 .....	3
17. Statement of Cash Flows for the year ended 30 <sup>th</sup> June 2024.....	4
18. Statement of Comparison of Budget and Actual amounts for the year ended 30 <sup>th</sup> June 2024 ..	5
19. Notes to the Financial Statements.....	6
20. Annexes.....	21

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

### **A. Acronyms**

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

### **B. Definition of key Terms**

**Fiduciary management-** Members of management entrusted directly with the responsibility and trust for the organization financial resources.

## 2. Key Fund Information and Management

### a) Background information

National Land Commission Car Loan Scheme Fund is established by and derives its authority and accountability from The Public Finance Management Act (No. 18 of 2012) in the financial year 2018/2019. The Fund is wholly owned by National Land Commission Car Loan Fund and is domiciled in Kenya.

#### Principal Activities

The Fund's principal activity is to offer low interest loan facilities to staff members of the commission to purchase cars.

The Fund is administered by the CEO. There is a committee charged with the responsibility of processing loans from applicants in accordance with laid down approved regulations, setting up a revolving Fund for the disbursement of loans, and supervising the day-to-day operations of the Fund.

The fund administrator is responsible for the day-to-day operations.

#### Board of Trustees/Fund Administration Committee

Ref	Position	Name
1	Chairperson	Mr.Charles Kagema
2	Fund Accountant	1. CPA, Bernard Cherutich.
	Committee member	2. Mr.Ben Bett Tuwai
	Committee member	3. Mr.Edmond Gichuru Kiplagat
	Committee member	4. Mr. Walter Menya
	Committee member	5. Mr.Danson Ngugi
	Committee member	6. Mr.Zachary Ndege
3	Fund Administrator	National Bank of Kenya

**b) Key Management**

The key management personnel who held office during the financial year ended 30 June 2024 and who had direct fiduciary responsibility were:

	<b>Position</b>	<b>Name</b>
1.	Secretary/Chief Executive Officer (CEO)	Kabale Tache Arero (Mrs)
2.	Director Land Administration (DLA)	Dr Samuel Nthuni
3.	Director Land Use Planning (DLUP)	Mr. Charles Kagema
4.	Director Finance & Corporate Planning (DFCP)	Mr. Bernard Kibet Cherutich
5.	Ag. Director Valuation & Taxation (DVT)	Ms. Dorica Buyaki
6.	Director Legal Affairs & Regulations (DLAR)	Mr. Brian Ikol
7.	Director Human Resource and Administration (DHRA)	Mr. Ben Bett Tuwai
8.	Head Supply Chain Management (HSCM)	Mohamed Farah
9.	Head Audit & Risk Management (HARM)	Mr. Peter Ochuodho Ouma
10.	Head, Information & Communication Technology (HICT)	Mr. Amos Parletuan Kasaine
11.	Head Corporate Communication and Advocacy (HSSA)	Mr. Walter Menya

NLC day-to-day management is under the following key organs:

Nine (9) Commissioners comprising of the Chairman and Eight (8) Commissioners. The Commissioners were engaged on a full-time basis. The Commissioners assumed office in December 2019 after the first Commission came to an end in February 2019.

The Secretariat is headed by the Secretary /Chief Executive Officer supported by eleven (11) Directors and County coordination Offices across the 47 counties. The Entity offices are headed by the County Coordinators.

**Fiduciary Oversight Arrangements Audit and Risk Management Committee**

The Committee is guided by the Audit Committee Charter that outlines its mandate and powers. The main responsibilities include review of financial information, ensuring adherence to and/or compliance with various legislations, professional standards and Commission policies while

maintaining oversight on internal control systems. The Committee also reviews, advises and makes recommendations regarding the Commission's risk management. The members of this Committee during the year under review were:

Commissioner	Prof. James Tuitoek	Chairman
Commissioner	Hon.Tiyah Galgalo	Member
Commissioner	Reginald Okumu	Member
Commissioner	Gertrude N. Nguku	Member
HARM	Peter Ochuodho	Secretariat

### **Finance, Corporate Planning & Supply Chain Management Committee**

The functions of this Committee include guiding on policy, processes and procedures on financial management in the Commission; sourcing for funds to the Commission budget; oversight over the management of funds of the Commission including procurement; and guidance on ICT issues of the Commission including provision of conducive working environment and working tools. The members of this Committee during the quarter under review were:

Commissioner	Hon.Kazungu Kambi	Chairman
Commissioner	Alistar Murimi	Member
Commissioner	Hubbie Hussein Al -Haji	Member
Commissioner	Hon.Tiyah Galgalo	Member
DFCP	Bernard Kibet Cherutich	Secretariat
HSCM	Mohamed Farah	Secretariat
CP	Timothy Kariuki	Secretariat

### **Human Resource and Administration Committee**

The functions of this Committee include guiding on policy, processes and procedures on staff management in the Commission; oversight over the management of human capital of the Commission including guidance on human resource management policy, staff recruitment, staff development and remuneration. The members of this Committee during the quarter under review were:

Commissioner	Hubbie Hussein Al Haji	Chairman
Commissioner	Hon.Kazungu Kambi	Member
Commissioner	Alistar Murimi	Member

Commissioner  
DHRMA

Hon. Tiyah Galgalo  
Mr Ben Bett

Member  
Secretariat

### **Land Administration & Management, Natural Resources, Survey & GIM Committee**

The functions of this Committee are to advise the Commission on the natural resources and research aspects for sustainable land management; resolve natural resource and land usconflicts among stakeholders; ensure that sustainable land management is achieved by all state agencies responsible for its management; determine the capacity needs of the Commission in achieving its sustainable land management; review policies, guidelines, procedures and processes necessary for the Commission to achieve its mandate in natural resources; determinenecessary interventions, at policy and operational levels required for the Commission to realizeits oversight roles in natural resources management; determine the types of research necessaryto achieve sustainable land management as provided for in the COK Article 67 (2) (d); and ensure that there is adequate communications to the citizens of Kenya on the Commission’s mandate in the management of land and land resources.

The Committee discharges some of the most vital functions of the Commission including approval of applications for change of user; approval of applications for allocation of public land; approval of extension of leases; approval of applications for setting apart of trust land; approval of applications for renewal of leases; approval of applications by County Governments for land exchange with individuals for public good; and discharge of approvals relating to or incidental to the functions of the Commission. The members of this Committee during the year under review were:

Commissioner	Reginald Okumu	Chairman
Commissioner	Hubbie Hussein Al –Haji	Member
Commissioner	Esther M. Mathenge	Member
DNLIMS	Dr. Samuel Nthuni	Secretariat
Director Research	Dr. Mary Macharia	Secretariat
Deputy DLA	Ms. Jacinta Gitau	Secretariat
	Ms. Jacinta Gitau	-Secretariat

### **Land Valuation & Taxation Committee**

The Constitutional mandate of this Committee is assessment of tax on land and premiums on immovable property in any area designated by law (Article 67(2) (g). The Committee sets policy direction and formulates rules, regulations and guidelines in respect to assesment of ground rents and stand premiums of new allocations; acquisition and compensation for public rights of way and wayleave as provided in the Land Act 2012 Sections 142-150; change of user

and extension of user; lease renewals and extensions; sub-division of land; assesment and collection of rents, royalties and payments in respect to leases or licences; compulsory acquisition of land both at National and County Government levels. The Committee also provides oversight and guidance on key legal matters affecting the Commission including legal interpretations on the position of the Commission in regard to various cases at hand. The Committee is involved in the prioritization of the inherited court cases and also any new cases arising out of land transactions. The Committee also guides on alternative dispute resolution methods with the aim of reducing the number of court cases to a bare minimum. Where and when necessary, the Committee seeks clarity from the courts and the Attorney General's office on any grey areas in the written law. The Committee also guides and reviews on investigations related to land matters touching on the Commission. The members of this Committee during the year under review were:

Commissioner	Alister Murimi	Chairman
Commissioner	Gertrude N. Nguku	Member
Commissioner	Esther M. Mathenge	Member
Commissioner	Hon.Kazungu Kambi	Member
Ag.DVT	Ms. Dorica Buyaki	Secretariat

#### **Legal Affairs & Alternative Justice Systems Committee**

The Committee provides oversight and guidance on key legal matters affecting the Commission including legal interpretations on the position of the Commission in regard to various cases at hand. The Committee is involved in the prioritisation of the inherited court cases and also any new cases arising out of land transactions. The Committee also guides on alternative dispute resolution methods with the aim of reducing the number of court cases to a bare minimum. Where and when necessary, the Committee seeks clarity from the courts and the Attorney General's office on any grey areas in the written law. The Committee also guides and reviews on investigations related to land matters touching on the Commission. The members of this Committee during the year under review were:

Commissioner	Gertrude N. Nguku	Chairlady
Commissioner	Alister Murimi	Member
Commissioner	Prof. James Tuitoek	Member
Commissioner	Esther M. Mathenge	Member
DLAJ	Brian Adungu Ikol	Secretariat

**Land Use Planning, Research & Counties Committee.**

The functions of this Committee are to advise the Commission on the natural resources and research aspects for sustainable land management; resolve natural resource and land use conflicts among stakeholders; ensure that sustainable land management is achieved by all state agencies responsible for its management; determine the capacity needs of the Commission in achieving its sustainable land management; review policies, guidelines, procedures and processes necessary for the Commission to achieve its mandate in natural resources; determine necessary interventions, at policy and operational levels required for the Commission to realize its oversight roles in natural resources management; determine the types of research necessary to achieve sustainable land management as provided for in the COK Article 67 (2) (d); and ensure that there is adequate communications to the citizens of Kenya on the Commission's mandate in the management of land and land resources.

The Committee discharges some of the most vital functions of the Commission including approval of applications for change of user; approval of applications for allocation of public land; approval of extension of leases; approval of applications for setting apart of trust land; approval of applications for renewal of leases; approval of applications by County Governments for land exchange with individuals for public good; and discharge of approvals relating to or incidental to the functions of the Commission.

The members of this Committee during the year under review were:

Commissioner	Esther M. Mathenge	Chairlady
Commissioner	Prof. James Tuitoek	Member
Commissioner	Gertrude N. Nguku	Member
Commissioner	Reginald Okumu	Member
DLUP&R	Mr. Charles Kagema	Secretariat

**Corporate Communication, Advocacy, Partnerships & Resource Mobilization Committee**

The functions of this Committee include guiding on policy, processes and procedures on Corporate Communication management in the Commission; sourcing for funds to the Commission budget; oversight over the management of funds of the Commission including procurement; and guidance on ICT issues of the Commission including provision of conducive working environment and working tools. The members of this Committee during the year under review were:

Commissioner	Hon.Tiyah Galgalo	Chairlady
Commissioner	Reginald Okumu	Member
Commissioner	Hubbie Hussein Al –Haji	Member
Commissioner	Hon.Kazungu Kambi	Member
HICT	Mr. Amos Parletuan Kasaine	Secretariat
HCC&A	Mr. Walter Menya	Secretariat

#### **Other Oversight Activities**

NLC has regular liaison with the Parliamentary Committee on land to ensure that issues of land are properly addressed and legislated. Similarly, Parliamentary Committee on Budgetary Appropriations and the National Treasury has oversight on the Commission's budgetary requirements, allocations and utilization.

#### **Registered Offices Entity Headquarters**

##### **National Land Commission Headquarters**

P.O. Box 44417-00100  
316 Upper Hill Chambers  
2<sup>nd</sup> Ngong Avenue  
Nairobi, KENYA

#### **Fund Contacts**

Telephone: 0111042800  
E-mail: [info@landcomission.go.ke](mailto:info@landcomission.go.ke)  
Website: [www.landCommission.go.ke](http://www.landCommission.go.ke)

#### **Fund Bankers**

National Bank of Kenya  
Upper Hill Branch  
NHIF Building  
P O Box 45219  
GPO 00100  
Nairobi, Kenya

**Independent Auditor**

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

**Principal Legal Adviser**

The Attorney General

State Law Office and Department of Justice



Harambee Avenue

P.O. Box 40112

City Square 00200



Nairobi, Kenya

**3. The Board of Trustees/ Fund Administration Committee**

Name	Details of qualifications and experience
 <p>Charles Kagema Chairperson</p>	<p>Mr Charles Kagema is a Physical/Land Use Planner in Kenya and the Director, Land Use Planning &amp; Research Directorate at the National Land Commission. He holds a Master of Art Degree in Urban and Regional Planning and Bachelor of Arts in Geography, both from the University of Nairobi. He has acquired several credentials and certificates in planning, management and in governance. He is a registered Physical Planner and a corporate member of Kenya Institute of Planners. Before taking the current position, he worked with the Commission as a County Coordinator in various counties. Prior to that he worked in the Ministry of Land and Physical Planning as a Physical Planner. He has experience in Physical and Land Use Planning in Kenya spanning nearly three decades. He has participated in formulating National, County and Urban Spatial planning tools and many development plans. He is widely experienced in implementing policies and statutes guiding preparation of Land Use Development Plans</p>
 <p>CPA, Bernard Cherutich- Member</p>	<p>Bernard Cherutich is a seasoned Financial Management Professional with experience spanning more than 22 years in Finance, Accounting, Administration and Planning. He joined the Commission in 2014 as the Deputy Director, Finance and Administration Directorate before he rose, in 2018, to his current position of Director, Finance and Corporate Planning. Prior to joining the Commission, he worked in senior management positions in various institutions including the Commission for the Implementation of the Constitution (CIC), Kenya Seed Company Ltd, Simlaw Seed Company Ltd, Postbank and the Kenya National Examination Council (KNEC).</p> <p>Mr. Cherutich is currently pursuing a Doctorate degree (PhD) in Business Administration at the Jomo Kenyatta University of Agriculture and Technology, JKUAT. He holds a Masters of Business Administration (MBA) – Finance, from the same institution and a Bachelor of Science (BSc.) in Applied Accounts from Oxford Brookes University, UK. He is a Certified Public Accountant CPA(K) and a full member of the Institute of Certified Public Accountants of Kenya (ICPAK) and also a member of Certified Public Secretary (CPS).</p>

	<p>His deep understanding of financial management has enabled him to continually provide expert opinion in the implementation of the Commission’s mandate therefore, offering strategic leadership and financial guidance to ensure the Commission is able to meet its objectives and serve its clients effectively.</p>
 <p>Ben Bett Tuwai-Member</p>	<p>Ben Bett has a wealth of experience in providing Human Resource leadership having served in the industry for a period spanning over 20 years. He joined the Commission in 2014 as a County Coordinator and later redesignated to be Deputy Director Human Resources Management. Prior to joining the Commission, he worked in the banking sector where he rose through the ranks to become a Senior Human Resources Officer. He has a strong passion in Human Resources Management, Transformative Leadership and Organizational Development.</p> <p>He is a Certified Human Resource Professional – Kenya (CHRP-K). Further, he holds a Master of Science (MSc) Degree in Human Resource Management from Jomo Kenyatta University of Agriculture and Technology (JKUAT), a Bachelor of Education (Arts) Degree (Business Studies and Economics) from the University of Nairobi, Higher Diploma in Human Resources Management and Executive Certificate in Industrial Relations amongst others. He is a full member of the Institute of Human Resource Management (IHRM) and also a member of the American Global Academy of Finance Management and a Fellow of American Academy of Project Management – Association and Platforms. Mr. Bett has attended numerous professional trainings and career development programs both locally and internationally.</p> <p>Mr. Bett is responsible for providing leadership in the management and coordination of activities in the Human Resource Management and Administration Directorate. The activities that are coordinated by the Ag. Director includes but not limited to overall human resource strategy, training, employee development, human resource and budget forecasting, organizational development, employee relations and general administrative services. He has also been very instrumental in setting up Human Resources and Administration related structures for the Commission including the devolved units i.e., County Coordination offices.</p>

*National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements For the year ended June 30th 2024*

 <p>Edmond Gichuru Kiplagat- Member</p>	<p>Edmond Gichuru is an Advocate of the High Court of Kenya with over 17 years of experience. He is a holder of a Master of Laws from Syracuse University, New York, a Master of Arts in International Studies from University of Nairobi and a Bachelor of Laws from Moi University.</p> <p>Gichuru has held senior positions in both public and private sectors. He has consulted for regional and international organizations and is widely publicized.</p>
 <p>Walter menya Member</p>	<p>Mr Menya is an experienced, award-winning communicator. For 15 years, he worked as a journalist with leading media houses in the country, often focusing on governance issues, international justice and diplomacy. He was the winner of the 2014 Good Governance Reporter of the Year organised by the Media Council of Kenya (MCK), besides other awards he won over the years.</p> <p>Mr Menya holds MA in International Studies (2013) from the University of Nairobi and a BA Communication &amp; Media Technology (2007) from Maseno University.</p> <p>He is currently the Head, Corporate Communications &amp; Advocacy at the Commission overseeing Corporate Communications, Advocacy, Partnerships, Hansard Services and Customer Care.</p> <p>Mr Menya is a joint secretary to Commission’s Communication, Technologies &amp; Partnership (CTP) Committee.</p>
<p>7. Fund administrator</p>	<p>National Bank of Kenya</p>

**4. Management Team**

Name	Details of qualifications and experience
<div data-bbox="258 412 616 763" data-label="Image"> </div> <div data-bbox="209 848 564 913" data-label="Caption"> <p><b>Ms. Kabale Tache Arero- Fund Administrator</b></p> </div>	<p><b>Kabale Tache Arero</b> was appointed as the CEO of the National Land Commission on 1<sup>st</sup> July 2023. She was instrumental in managing the transition following the exit of former commissioners and the incoming of the, then, newly appointed commissioners. Before her appointment to her current position, she was Director of Human Resources and Administration. She holds a Master’s Degree in Business Administration (MBA) from Kenyatta University and a Bachelor’s Degree in Human Resources. She is a full member of the Institute of Human Resource Management among other professional bodies.</p> <p>Ms. Kabale is a seasoned career professional with over 20 years’ wealth of successful experience providing human Resources, Operational and Strategic leadership in uniquely challenging environments. Dynamic, results-oriented leader with a strong track record of performance in both Government and quasi Government institutions including the banking sector. She is exemplary at the utilization of keen analysis, insights and team approach to drive organizational improvements and implementation of best practices. Her superior interpersonal skills have in the past, enabled her to resolve multiple and complex issues while also motivating staff to peak performance</p>



**CPA, Bernard Cherutich  
Fund Accountant**

Bernard Cherutich is a seasoned Financial Management Professional with experience spanning more than 22 years in Finance, Accounting, Administration and Planning. He joined the Commission in 2014 as the Deputy Director, Finance and Administration Directorate before he rose, in 2018, to his current position of Director, Finance and Corporate Planning. Prior to joining the Commission, he worked in senior management positions in various institutions including the Commission for the Implementation of the Constitution (CIC), Kenya Seed Company Ltd, Simlaw Seed Company Ltd, Postbank and the Kenya National Examination Council (KNEC). Mr. Cherutich is currently pursuing a Doctorate degree (PhD) in Business Administration at the Jomo Kenyatta University of Agriculture and Technology, JKUAT. He holds a Masters of Business Administration (MBA) – Finance, from the same institution and a Bachelor of Science (BSc.) in Applied Accounts from Oxford Brookes University, UK. He is a Certified Public Accountant CPA (K) and a full member of the Institute of Certified Public Accountants of Kenya (ICPAK) and also a member of Certified Public Secretary (CPS).

His deep understanding of financial management has enabled him to continually provide expert opinion in the implementation of the Commission’s mandate therefore, offering strategic leadership and financial guidance to ensure the Commission is able to meet its objectives and serve its clients effectively.



**Charles Kagema  
Chairman of the Fund**

Mr Charles Kagema is a Physical/Land Use Planner in Kenya and the Director, Land Use Planning & Research Directorate at the National Land Commission. He holds a Master of Art Degree in Urban and Regional Planning and Bachelor of Arts in Geography, both from the University of Nairobi. He has acquired several credentials and certificates in planning, management and in governance. He is a registered Physical Planner and a corporate member of Kenya Institute of Planners. Before taking the current position, he worked with the Commission as a County Coordinator in various counties. Prior to that he worked in the Ministry of Land and Physical Planning as a Physical Planner. He has experience in Physical and Land Use Planning in Kenya spanning nearly three decades. He has participated in formulating National, County and Urban Spatial planning tools and many development plans. He is widely experienced in implementing policies and statutes guiding preparation of Land Use Development Plans

## 5. Chairman's Report

It is my pleasure to present, on behalf of the Fund Management Committee, The National Land Commission's Car loan scheme fund financial statements for the year ended 30th June 2024. The financial statements present the financial performance of the fund over the accounting period.

National Land Commission Car Loan Scheme Fund is established by and derives its authority and accountability from The Public Finance Management Act (No. 18 of 2012) in the financial year 2023/2024. The Fund is wholly owned by National Land Commission Car Loan Fund and is domiciled in Kenya.

The fund's objective is to facilitate state officers and other public officers within the Commission to benefit from government funded loans to access Car Loan facilities.

The CEO of National Land Commission being the accounting officer of the Commission was appointed the administrator of the fund.

The National Land Commission Staff Car Loan Scheme Fund was established in the financial year 2018/2019. The funding were obtained from the parent entity being the National Land Commission.

	Financial Year	Amount disbursed
1	2018/2019	5,000,000
2	2019/2020	6,039,465
3	2020/2021	4,868,031
4	2021/2022	9,868,000
5	2022/2023	2,750,000
6	2022/2023	(20,000,000)
7	2023/2024	3,750,000
		<b>12,275,496</b>

During the year under review an amount of **Ksh 3,750,000** was allocated to the Car account making the total Revolving Fund for Car Loan Schemes stand at Ksh **12,275,496**

### **Review of performance**

#### **Income**

The fund earned revenues amounting to Kshs **356,074** which were from the interest earned on the loans disbursed to Staff, Ksh **219,931**. Interest earned on the deposits maintained at National Bank of Kenya, Ksh **136,143** and a further levy of application fees of Ksh **2,000**.

#### **Expenditures**

The total expenditures during the period amounted to Kshs. **196,363**. This figure represents the administrative costs. This is the 4% portion of the interest charged on the Car loan (5%) which is the administrator (National Bank of Kenya) deducts and withholding tax as per the agency agreements with the commission.

#### **Future outlook**

The fund's main objective is to build a robust and sustainable fund base. We expect to disburse more loans to the number of applications (2) we have since received and most loans paid to near completion as we have a small amount of Expected receivables. The fund looks forward to benefit from continued support from the parent entity in the realization of its mandate.

#### **Appreciation**

I take this opportunity to express my sincere gratitude and appreciation to the administrator, stakeholders, management, staff and fellow committee members for their continued support which made us achieve these results.

I look forward to your continued support in the year 2024/2025.

Signed By: \_\_\_\_\_



**Mr. Charles Kagema**  
**Chairman of the Fund Administration Committee.**

## **6. Report of the Fund Manager/ Administrator**

The Fund administrator submits their report together with the unaudited financial statements for the year ended June 30<sup>th</sup>, 2024 which show the state of the Fund affairs.

National Land Commission Car Loan Scheme Fund is established by and derives its authority and accountability from The Public Finance Management Act (No. 18 of 2012) in the financial year 2023/2024. The Fund is wholly owned by National Land Commission Car Loan Fund and is domiciled in Kenya.

The fund's objective is to facilitate the employees of National Land Commission to access Car Loan facilities.

The CEO of National Land Commission being the accounting officer of the Commission was appointed the administrator of the fund.

### **Value for Money**

The National Land Commission's Staff Car Loan Scheme Funds were utilized in accordance with the provisions of Public Finance Management Act 2012 and the purpose for which they were intended for.

### **Progress Loan Disbursement**

During the financial year **2023/2024** under review The National Land Commission disbursed a total of Ksh 2,030,000

### **Progress on Loan recovery**

During the financial year **2023/2024** under review The National Land Commission recovered a total of Ksh **1,772,573** as principal amounts of loan balances.

### **Income**

The fund earned revenues amounting to Kshs. **356,074** which were from the interest earned on the loans disbursed to Staff, Ksh **219,931** Interest earned on the deposits maintained at National Bank of Kenya of Ksh **136,143** and a further levy of application fees of Ksh **2,000**.

### **Expenditures**

The total expenditures during the period amounted to Kshs. **196,363**. This figure represents the administrative costs. This is the 4% portion of the interest charged on the Car loan (5%) which is the administrator (National Bank of Kenya) deducts and withholding tax as per the agency agreements with the commission.

### **Principal activities**

The principal activity of the Fund is to offer low interest loan facilities to staff to access Car Loans.

### **Auditors**

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

  
**Kabale Tache Arero**  
**Fund Administrator**

## **7. Statement of Performance against Predetermined Objectives**

### *Guidance*

#### Introduction

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer for a national government entity shall prepare financial statements in respect of the entity. When preparing financial statements of each entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

The key development objectives,

- a) The Fund's principal activity is to offer low interest loan facilities to members of the commission to purchase cars.

Progress on attainment of Strategic development objectives

During the financial year 2023/2024 The National Land Commission recovered **Ksh 1,772,573** and disbursed a total of **Kshs 2,030,000**

## **8. Corporate Governance Statement**

NLC day-to-day management is under the following key organs:

Nine (9) Commissioners comprising of the Chairman and Eight (8) Commissioners. The Commissioners were engaged on a full-time basis.

The Secretariat is headed by the Secretary/Chief Executive Officer supported by eleven (11) Directors and Entity coordination offices across the 47 counties. The Entity offices are headed by the Entity coordinators.

In executing its mandate, the commission has the following oversight committees:

1. Audit and Risk Management Committee
2. Finance and Administration Committee
3. Human Resource Committee
4. Credit

Committee Other

Oversight Activities

NLC has regular liaison with the Parliamentary Committee on land to ensure that issues of land are properly addressed and legislated. Similarly, Parliamentary Committee on Budgetary Appropriations and the National Treasury has oversight on the Commission's budgetary requirements, allocations and utilization. Communication with all Stakeholders. The Commission is committed to ensuring that all its stakeholders are provided with full and timely information about its programme and performance. They are also given an opportunity to give feedback.

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

The National Land Commission Staff Car Loan Scheme Fund was established in the financial year 2018/2019. The funding was obtained from the parent entity being the National Land Commission

	Financial Year	Amount disbursed
1	2018/2019	5,000,000
2	2019/2020	6,039,465
3	2020/2021	4,868,031
4	2021/2022	9,868,000
5	2022/2023	2,750,000
6	2022/2023	(20,000,000)
7	2023/2024	3,750,000
		<b>12,275,496</b>

During the year under review and amount of **Ksh 3,750,000** was allocated to the Car loan account making the total Revolving Fund for Car loan schemes standing at **Ksh 12,275,496**

### **Review of performance**

#### **Income**

The fund earned revenues amounting to Kshs. **356,074** which were from the interest earned on the loans disbursed to Staff, Ksh **219,931** Interest earned on the deposits maintained at National Bank of Kenya, Ksh **136,143** and a further levy of application fees of Ksh 2,000.

#### **Expenditures**

The total expenditures during the period amounted to Kshs. **196,363**. This figure represents the administrative costs. This is the 4% portion of the interest charged on the Car loan (5%) which is the administrator (National Bank of Kenya) deducts and withholding tax as per the agency agreements with the commission.

#### **Future outlook**

The fund's main objective is to build a robust and sustainable fund base. We expect to disburse more loans due to the many number of applications (17) we have since received and most loans paid to near completion as we have a small amount of Expected receivables. The fund looks forward to benefit from continued support from the parent entity in the realization of its mandate.

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

### **a) Sustainability strategy and profile**

The top management especially the accounting officer should refer to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

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

The National Land Commission is yet to establish an environmental policy to guide its operations. Nevertheless, The Commission has adopted the use of ICT in order to minimize on the use of paper work.

### **c) Employee welfare**

The National Land Commission has put in place the following policies to guide while undertaking employee's welfare:

- Human Resources Manual Policy

### **d) Operational practices**

The organization should outline its efforts to:

### **e) Responsible Supply chain and supplier relations**

Explain how the organization maintains good business practices, treats its own suppliers responsibly by honoring contracts and respecting payment practices.

## **11. Report of the Trustees/Fund Administration Committee**

The Fund administrator submits their report together with the unaudited financial statements for the year ended June 30<sup>th</sup>, 2024 which show the state of the Fund affairs.

National Land Commission Car Loan Scheme Fund is established by and derives its authority and accountability from The Public Finance Management Act (No. 18 of 2012) in the financial year 2023/2024. The Fund is wholly owned by National Land Commission Car Loan Fund and is domiciled in Kenya.

The fund's objective is to facilitate state officers and other public officers within the Commission to benefit from government funded loans to access Car Loan facilities.

The CEO of National Land Commission being the accounting officer of the Commission was appointed the administrator of the fund.

### **Value for Money**

The National Land Commission's Staff Car Loan Scheme Funds were utilized in accordance with the provisions of Public Finance Management Act 2012 and the purpose for which they were intended for.

### **Progress Loan Disbursement**

During the financial year 2023/2024 under review The National Land Commission disbursed a total of Ksh **2,030,000**

### **Progress on Loan recovery**

During the financial year 2023/2024 under review The National Land Commission recovered a total of Ksh **1,772,573** as principal amounts of loan balances.

### **Income**

The fund earned revenues amounting to Kshs. **356,074** which were from the interest earned on the loans disbursed to Staff of Ksh **219,931** Interest earned on the deposits maintained at National Bank of Kenya of Ksh **136,143** and a further levy of application fees of Ksh **2,000**.

**Expenditures**

The total expenditures during the period amounted to Kshs. **196,363**. This figure represents the administrative costs. This is the 4% portion of the interest charged on the Car loan (5%) which the administrator (National Bank of Kenya) deducts as per the agency agreements with the commission.

**Principal activities**

The principal activity of the Fund is to offer low interest loan facilities to staff to access Car Loans.

**Auditors**

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

  
.....

**Chair of the Board/Fund Administration Committee**

## **12. Statement of Management's Responsibilities**

Section 84 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a Fund established by an Act of parliament (PFM Act 2012) shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

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

The Administrator of the Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2024, and of the Fund's financial position as at that date.

The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

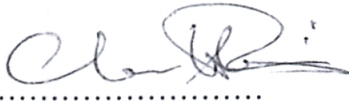
***National Land Commission Staff Car loan Scheme fund***  
***Annual Reports and Financial Statements For the year ended June 30th 2024***

---

Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The Fund's financial statements were approved by the Board on 2024 and signed on its behalf by:



**Charles Kagema**  
**Chairman of the Fund**



**Kabale Tache Arero**  
**Fund Administrator**

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL LAND COMMISSION STAFF CAR LOAN SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2024**

---

### PREAMBLE

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

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

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

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

## REPORT ON THE FINANCIAL STATEMENTS

### Opinion

I have audited the accompanying financial statements of National Land Commission Car Loan Scheme Fund set out on pages 1 to 22, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance statement of net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Land Commission Staff Car Loan Scheme Fund as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Public Finance Management (National Land Commission Staff Car Loan Scheme Fund) Regulations, 2018.

### Basis for Opinion

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

### Emphasis of Matter

#### 1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.358,074 and Kshs.358,074, respectively. However, the Fund spent an amount of Kshs.196,363 against an actual receipt of Kshs.358,074 resulting to under – utilization of Kshs. 161,711 or 45% of the receipts.

Further, Management did not provide for audit the approved budget for the Fund.

#### 2. Fund Underperformance

During the year under review, the Commission's Staff Car Loan Scheme Fund had minimal activity and no adequate budget. In the circumstances, the Fund did not operate towards fulfilling its mandate.

My opinion is not modified in respect of these matters.

## **Key Audit Matters**

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

## **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management has not provided any explanation on how the issues were resolved.

## **Other Information**

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

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

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

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

### **Conclusion**

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

Review of records provided for the audit revealed that a local bank which is the appointed Fund Manager/Administrator has been charging the Fund 5% as administration fees since the Addendum to the Fund administration agreement was signed on 8 October, 2018. The Addendum to the agreement indicated that the administrative fee charged by the Bank was to increase from 4% to 5% of the mortgage repayments for the year with the bank administration fee being 4% and 1% maintained to grow the Fund. However, over the years, the Bank has not maintained the 1% to grow the Fund as agreed.

Management explained that the Commission has contacted the Fund Administrator/Manager and the bank agreed to review the relevant data with a view to establish the number of loan repayments affected by the 1% refund (required to grow the Fund) as per the Addendum to the agreement. However, documents supporting the action taken to recover the funds by Management were not provided for audit review. This was contrary to the Addendum to the agreement (Memorandum of Understanding) dated 8 October, 2018 which amended clause of the original agreement dated 28 February, 2017.

In the circumstances, Management was in breach of the Staff Car Loan Scheme Fund Administration agreement.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

## **Responsibilities of the Management and those Charged with Governance**

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

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

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

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

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

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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for 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 December, 2024**


**14. Statement of Financial Performance for the year ended 30<sup>th</sup> June 2024.**


	Note	2023/2024	2022/2023
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
<b>Revenue from exchange transactions</b>			
Interest income	6	356,074	589,894
Other income	7	2,000	2,000
<b>Total revenue</b>		<b>358,074</b>	<b>591,894</b>
<b>Expenses</b>			
Use of Goods and Services	8	196,363	159,236
<b>Total expenses</b>		<b>196,363</b>	<b>159,236</b>
Taxation			
<b>Surplus/ (Deficit) After Tax</b>		<b>161,711</b>	<b>432,658</b>

The notes set out on pages 18 to 20 form an integral part of these Financial Statements

The financial statements were approved on

2024 .by:

  
.....  
**Charles Kagema**  
**Chairperson of the Fund**

  
.....  
**Kabale Tache Arero**  
**Fund Administrator**

  
.....  
**CPA Bernard Kibet Cherutich**  
**Fund Accountant**  
**ICPAK M/No 5816**

**15. Statement of Financial Position as at 30<sup>th</sup> June 2024**

	Note	2023/2024	2022/2023
		KShs	KShs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	10,027,559	6,373,276
<b>Total Current assets</b>		<b>10,027,559</b>	<b>6,373,276</b>
<b>Non-current Assets</b>			
Receivables from exchange transactions	10	3,373,343	3,581,372
<b>Total Non-Current assets</b>		<b>3,373,343</b>	<b>3,581,372</b>
<b>Total assets A</b>		<b>13,400,902</b>	<b>9,954,648</b>
<b>Total liabilities B</b>		-	-
<b>Net assets</b>			
Car Loan Revolving Fund		12,275,496	8,525,496
Accumulated Surplus		1,590,863	1,429,152
Long term receivables from exchange transactions adjustment	12	(465,457)	
<b>Net Assets (A-B)</b>		<b>13,400,902</b>	<b>9,954,648</b>
<b>Represented By:</b>			
Car loan revolving fund		<b>13,866,359</b>	<b>9,954,648</b>

The financial statements were approved on

2024 and signed by:



.....  
**Charles Kagema**  
Chairperson of the Fund



.....  
**Kabale Tache Arero**  
Fund Administrator



.....  
**CPA Bernard Kibet Cherutich**  
Fund Accountant  
ICPAK M/No 5816

**16. Statement of changes in Net Assets for the year ended 30<sup>th</sup> June 2024**

	<b>Car Loan Fund</b>	<b>Accumulated surplus</b>	<b>Total</b>
	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
<b>As at 1 July 2022</b>	<b>25,775,496</b>	<b>996,494</b>	<b>26,771,990</b>
Surplus for the period	-	432,658	432,658
Funds received during the year	2,750,000		2,750,000
Transfer - Funds to Mortgage Account	(20,000,000)		(20,000,000)
<b>As at 30 June 2023</b>	<b>8,525,496</b>	<b>1,429,152</b>	<b>9,954,648</b>
<b>Balance as at 1 July 2023</b>	<b>8,525,496</b>	<b>1,429,152</b>	<b>9,954,648</b>
Surplus for the period		161,711	161,711
Funds received during the year	3,750,000		3,750,000
<b>As at 30 June 2024</b>	<b>12,275,496</b>	<b>1,590,863</b>	<b>13,866,359</b>

**17. Statement of Cash Flows for the year ended 30<sup>th</sup> June 2024**

	Note	2023/2024	2022/2023
		KShs	KShs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Interest received	6	356,074	589,894
Other income	7	2,000	2,000
<b>Total Receipts</b>		<b>358,074</b>	<b>591,894</b>
<b>Payments</b>			
Use of Goods and Services	8	196,363	159,236
<b>Total Payments</b>		<b>196,363</b>	<b>159,236</b>
<b>Net cash flows from operating activities</b>		<b>161,711</b>	<b>432,658</b>
<b>Cash flows from investing activities</b>			
Proceeds from loan principal repayments		1,772,573	1,191,148
Loan disbursements paid out	11	2,030,000	(1,980,000)
<b>Net cash flows used in investing activities</b>		<b>(257,427)</b>	<b>(788,852)</b>
<b>Cash flows from financing activities</b>			
Receipts into the car loan Revolving fund		3,750,000	2,750,000
Transfer - Funds to Mortgage Account			(20,000,000)
<b>Net cash flows used in financing activities</b>		<b>3,750,000</b>	<b>(17,250,000)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,654,284</b>	<b>(17,606,194)</b>
Cash and cash equivalents at 1 July 2023		6,373,276	23,979,469
<b>Cash and cash equivalents at 30 June 2024</b>	9	<b>10,027,559</b>	<b>6,373,276</b>

*National Land Commission Staff Car loan Scheme fund*  
*Annual Reports and Financial Statements For the year ended June 30th 2024*

**18. Statement of Comparison of Budget and Actual amounts for the year ended 30<sup>th</sup> June 2024**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization %
	KShs	KShs	KShs	KShs	KShs	
Revenue	A	b	C=(a+b)	d	e=(c-d)	F=d/c
Transfers from Parent MDA	-	-	-	-	-	0%
Interest income	-	356,074	356,074	356,074		100%
Other income	-	2,000	2,000	2,000		100%
<b>Total revenue</b>	<b>-</b>	<b>358,074</b>	<b>358,074</b>	<b>358,074</b>		<b>100%</b>
<b>Expenses</b>						
Use of Goods and Services		196,363	196,363	196,363		100%
<b>Total expenditure</b>	<b>-</b>	<b>196,363</b>	<b>196,363</b>	<b>196,363</b>		<b>100%</b>
<b>Surplus for the period</b>	<b>-</b>	<b>161,711</b>	<b>161,711</b>	<b>161,711</b>		<b>100%</b>

Note: The administration cost incurred was based on the interest earned as per the MOU

## **19. Notes to the Financial Statements**

### **General Information**

National Land Commission Car Loan Scheme Fund is established by and derives its authority and accountability from the Public Finance Management Act (No. 18 of 2012) in the financial year 2023/2024. The Fund is wholly owned by National Land Commission Car Loan Fund and is domiciled in Kenya.

The fund's objective is to provide Car loan facility to National Land Commission staff to purchase Motor Vehicle as Prescribed in the regulation and to cater for administrative expenses of the fund.

The CEO of National Land Commission being the accounting officer of the Commission was appointed the administrator of the fund...

### **Statement of Compliance and Basis of Preparation**

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Fund.

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**Adoption of New and Revised Standards**

**i. New and amended standards and interpretations in issue effective  
in the year ended 30 June 2022**

There are no new standard effective in the financial year 2023/2024. This was done to provide entities with time to effectively apply the standards. The deferral asset for 1st January 2023.

**New and amended standards and interpretations in issue but not yet effective in  
the year ended 30th June 2022.**

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of 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	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.

<p>IPSAS 46: Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47: Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

**ii. Early adoption of standards**

The Fund did not early – adopt any new or amended standards in the year 2021/22.

**Significant Accounting Policies**

**a. Revenue recognition**

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

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**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 for each period.

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

**Rental income**

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

**b. Budget information**

The original budget for FY 20xx/xx was approved on xxx (Date). 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 Fund upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations of xxx (Amount) on xxx (Date) of the FY 20xx/20xx budget following the governing body's approval. The Fund's budget is prepared on a different basis from the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts as per the statement of financial performance has been presented under section xxx of these financial statements.

**c. Property, plant, and equipment (PPE)**

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 Fund recognizes such parts as individual

assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**d. 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.

**e. 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 xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately)* 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

**f. Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**I. Financial assets**

**Classification of financial assets**

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

### **Subsequent measurement**

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

### **Amortized cost**

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

### **Fair value through net assets/ equity**

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

### **Fair value through surplus or deficit**

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

### **Trade and other receivables**

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

### **Impairment**

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

## **II. Financial liabilities**

### **Classification**

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

### **g. Contingent liabilities**

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

### **h. Contingent assets**

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

**i. Nature and purpose of reserves**

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

**j. Changes in accounting policies and estimates**

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

**k. Foreign currency transactions**

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

**l. Related parties**

The Fund regards a related party as a person or entity with the ability to exert control individually or jointly, or to exercise significant influence over the Fund, or vice versa. Members of key management are regarded as related parties and comprise the Directors/ Trustee, the Fund Managers, and Fund Accountant.

**m. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya (*remove if not applicable*) and at various commercial banks at the end of the financial year.

**n. Comparative figures**

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

**o. Events after the reporting period**

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

**p. Ultimate and Holding Fund**

The Fund is established under Section 24 (4) PFM Act under the Department of xxx/ State Corporation. Its ultimate parent is the Government of Kenya.

**q. Currency**

The financial statements are presented in Kenya Shillings (Kshs.).

**Significant judgments and sources of estimation uncertainty**

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

**a) Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur. (*see IPSAS 1.140.*)

**b) Useful lives and residual values**

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

- i) The condition of the asset is based on the assessment of experts employed by the Fund
- ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- iii) The nature of the processes in which the asset is deployed
- iv) Availability of funding to replace the asset
- v) Changes in the market in relation to the asset

**Notes to the Financial Statements**

**6. Interest income**

Description	2023/2024	2022/2023
	KShs	KShs
Interest income from Car loans	219,931	159,236
Interest income on bank deposits	136,143	430,658
<b>Total interest income</b>	<b>356,074</b>	<b>589,894</b>

**7. Other income**

Description	2023/2024	2022/2023
	KShs	KShs
Application fees	2,000	2,000
<b>Total other income</b>	<b>2,000</b>	<b>2,000</b>

**8. Use of Goods and Services**

Description	2023/2024	2022/2023
	KShs	KShs
Loan Administration costs	175,945	159,236
Withholding Tax Chagres	20,418	
<b>Total</b>	<b>196,363</b>	<b>159,236</b>

**9. Cash and cash equivalents**

Description	2023/2024	2022/2023
	KShs	KShs
Car loan-National Bank of Kenya A/c 01288032980001	10,027,559	6,373,276
<b>Total cash and cash equivalents</b>	<b>10,027,559</b>	<b>6,373,276</b>

**Notes to the Financial Statements (continues)**

**9 a) Detailed analysis of the cash and cash equivalents in banks approved by National Treasury in line with Section 28 of the PFM Act are as follows:**

**Notes to the Financial Statements (continues)**

		2023/2024	2022/2023
<b>Financial Institution</b>	<b>Account number</b>	<b>Kshs.</b>	<b>Kshs.</b>
<b>Car Loan Fund</b>			
National Bank of Kenya	01288032980001	10,027,559	6,373,276
<b>Grand Total</b>		<b>10,027,559</b>	<b>6,373,276</b>

**10. Receivables from exchange transactions**

<b>Description</b>	2023/2024	2022/2023
	<b>KShs</b>	<b>KShs</b>
<b>Total Current receivables</b>		-
<b>Non-Current receivables</b>		
Long term loan repayments due	3,373,343	3,581,372
<b>Total Non- current receivables</b>	<b>3,373,343</b>	<b>3,581,372</b>
<b>Total receivables from exchange transactions</b>	<b>3,373,343</b>	<b>3,581,372</b>

<b>Ageing analysis (receivable from exchange transactions)</b>	2023/2024	%	2022/2023	%
Less than 1 year	1,513,767	100%	1,532,784	100%
Between 1-2 years	1,399,856	100%	1,399,856	100%
Between 2-3 years	459,720	100%	648,732	100%
Over 3 years	-	-	-	-
<b>Total</b>	<b>3,373,343</b>	<b>100%</b>	<b>3,581,372</b>	<b>100%</b>

**Notes to the Financial Statements (continues)**

**11. Loan disbursements paid out**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>KShs</b>	<b>KShs</b>
Dennis Kinyamasyo Mutungi		1,980,000
Edmond Gichuru	2,030,000	
<b>Total receivables from exchange transactions</b>	<b>2,030,000</b>	<b>1,980,000</b>

**12. Long term receivables from exchange transactions adjustment**

<b>Description</b>	<b>2023/2024</b>	<b>2022/2023</b>
	<b>KShs</b>	<b>KShs</b>
<b>Long term receivables from exchange transactions adjustment</b>	(465,457)	
<b>Total receivables from exchange transactions</b>	<b>(465,457)</b>	

**20. Annexes**

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved/ Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	<p><b>1881. Non-Compliance with Addendum to the Agreement with the Fund Administrator.</b></p> <p>Review of records provided for the audit revealed that that a local bank which is the appointed Fund Manager/Administrator has been charging the Fund 5% as administration fee since the Addendum to the Fund administration agreement was signed on 8 October 2018. However the administrator don't remit back 1% to grow the fund. This is contrary to the Addendum to the agreement (memorandum of understanding dated 8 October 2018 which amended clause 5 of the original agreement dated 28 February 2017.</p>	<p>Management has noted the raised issue and we are on reconciliation with the Fund Administrator to ascertain the actual interest income of 1% which is supposed to be paid back to the fund</p>	Resolved	30-June-2024

	<p><b>1882. Irregular Transfer of Fund from the car Loan Scheme Fund.</b></p> <p>The statement of financial position reflect a balance of kshs. 9,954,648 in respect to total net assets. Further, the statement of change in net assets reflects an amount of kshs. 20,000,000 or 75% of the opening net assets balance of kshs.26, 771,990 which described as transfer to the mortgage account. However, this is contrary to section 24(6) and 7 of the public finance management Act, 2012 which states that the administrator of national public fund shall ensure that the earnings of, or accruals to a national public fund are retained in the fund unless the Cabinet Secretary direct otherwise.</p>	<p>Management has noted the said observation and we have reacted to it by requesting for a approval from the Cabinet Secretary.</p>	<p>Resolved</p>	<p>30-June-2024</p>
--	--	---	-----------------	---------------------

Kabale Tache Arero

Secretary/Ceo

Date.....16/12/2024

*National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements For the year ended June 30th 2024*

---

**Guidance Notes:**

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

Signed By:           *Kame*          

**Kabale Tache Arero**  
**Fund Administrator**

Date.....          *16/12/24*          .....

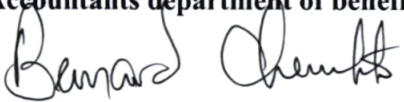

**National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements For the year ended June 30th 2024**

**Annex II: Inter-Fund Confirmation Letter**

Confirmation of amounts received by Car Loan Fund ] as at 30 <sup>th</sup> June 2024							
		Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30th June 2022				Amount Received by [beneficiary Fund] (KShs) as at 30th June 2021 ( E)	Differences (KShs) (F)=(D-E)
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Inter-Ministerial ( C )	Total (D)=(A+B+C)		
FT212603LP8C	17-Sep-22			3,750,000		3,750,000	Nil
<b>Total</b>				<b>3,750,000</b>		<b>3,750,000</b>	Nil

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

**Head of Accountants department of beneficiary Fund:**

Name .....  ..... Sign .....  ..... Date .....

*National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements  
For the year ended June 30th 2024*

**Annex III: Reporting of Climate Relevant Expenditures**

Name of the Organization

Telephone Number

Email Address

Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications) .....

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

**National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements  
For the year ended June 30th 2024**

**Annex IV: Disaster Expenditure Reporting Template**

Date: [REDACTED]  
Fund: [REDACTED]



Period to which this report refers (FY)	Year	Quarter				
Name of Reporting Officer						
Contact details of the reporting officer:	Email	Telephone				
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

**National Land Commission Staff Car loan Scheme fund**  
**Annual Reports and Financial Statements**  
**For the year ended June 30th 2024**

Confirmation of amounts received by [National Land Commission Car Loan Fund] as at 30 <sup>th</sup> June 2024							
Amounts Disbursed by [SC/SAGA/Fund] (KShs) as at 30th June 2024							
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)	Amount Received by [Car Loan Fund] (KShs) as at 30th June 2021 (E)	Differences (KShs) (F)=(D-E)
FT212603LP8C	17-Sep-22			3,750,000		3,750,000	Nil
<b>Total</b>				3,750,000 <sub>2</sub>		3,750,000	Nil

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

**Head of Accountants department of beneficiary Fund:**

Name: .....  ..... Sign  ..... Date .....

*National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements  
For the year ended June 30th 2024*

**Annex III: Reporting of Climate Relevant Expenditures**

Name of the Organization

Telephone Number

Email Address

Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications) .....

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

*National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements  
For the year ended June 30th 2024*


**Annex IV: Disaster Expenditure Reporting Template**

Date:

Fund

Period to which this report refers (FY)	Year	Quarter
Name of Reporting Officer		
Contact details of the reporting officer:	Email	Telephone

**National Land Commission Staff Car loan Scheme fund  
Annual Reports and Financial Statements  
For the year ended June 30th 2024**

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