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REPORT

OF

THE AUDITOR-GENERAL

ON

TANA RIVER COUNTY STAFF CAR LOAN  
AND MORTGAGE SCHEME FUND

FOR THE YEAR ENDED

30 JUNE, 2025

PAPERS LAID	
DATE	18/2/26
TABLED BY	Dr. Iolegwe
COMMITTEE	
CLERK AT THE TABLE	Polycarp

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**TANA RIVER COUNTY STAFF CAR LOAN AND MORTGAGE  
SCHEME FUND.**

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

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

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*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report and Financial Statements for the year ended Jun30, 2025**

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*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
*Annual Report and Financial Statements for the year ended Jun30, 2025*

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220231. Acronyms and Glossary of Terms2023

a) Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings

b) Glossary of Terms

Fiduciary Management      The key management personnel who had financial responsibility

*Provide a list of Acronyms and Key terms used in the financial report as per above example. The list to be exhaustive)*

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended Jun30, 2025**

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**1. Key Entity Information and Management**

**a) Background information**

Tana River County Staff Car loan and Mortgage scheme Fund is established by and derives its authority and accountability from Article 230 of the constitution.

The fund also derives its mandate from section 13 of the salaries and remuneration commission Act ,2011 and Tana River Staff car loan and mortgage regulations of 2018.

The Tana River County Staff Car Loan and Mortgage scheme Fund is wholly owned by the County Government of Tana River and is domiciled in Kenya.

The Tana River County Staff Car Loan and Mortgage scheme fund's objective is to facilitate car loans and mortgages to be advanced to County staff as may be prescribed by the salaries and remuneration Commission or any lawful authority in for the time being.

The Tana River County Staff Car Loan and Mortgage scheme Fund's principal activity is provision of car loan and Mortgage to County staff.

**b) Principal Activities**

The principal activity/mission/ mandate of the Tana River County Staff Car Loan and Mortgage Fund is to: -

Facilitate County Staff to benefit from the funded loans to purchase cars and access Mortgage facilities. It is expected that implementation of the benefits will motivate county staff and immensely contribute towards attraction and retention of requisite skills in line with the constitutional principles.

**c) Tana River County Staff Car Loan and Mortgage Scheme Fund Administration Committee.**

Ref	Name	Position
1	Mrs. Brenda Mocheche	Chairperson
2	Mrs. Mariam Bunu	Member
3	Mr. Harrison Mabonye	Member
4	Mr Galgalo Jarso Jilo	Member

**d) Tana River County Staff Car Loan and Mortgage Scheme Fund Key Management Team.**

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
**Annual Report and Financial Statements for the year ended Jun30, 2025**

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Ref	Name	Position
1	Mrs. Mariam Bunu	Chief Officer Finance and economic planning.
2	Mr Galgalo Jarso Jillo	Fund administrator
3	Mr. Harrison Mabonye	Manager Human Resource

**e) Fiduciary Oversight Arrangements**

1	Staff Car loan and Mortgage committee	Approves all the staff car loan and mortgages
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**f) Registered Offices**

P.O. Box 29 - 70101  
County Headquarters  
Hola, KENYA

**g) Fund Contacts**

Telephone +254730626000  
Email: info@tanariver.go.ke  
Website:www.tanariver.go.ke

**h) Fund Bankers**

1. Equity Bank of Kenya  
P.O. Box 75104  
Code 00200  
Nairobi

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report and Financial Statements for the year ended Jun30, 2025**

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**i) Independent Auditors**





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

**j) Principal Legal Adviser**

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




*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report and Financial Statements for the year ended Jun30, 2025**

**2. Tana River County Staff Car Loan and Mortgage Board of Trustees**

Name	Details of qualifications and experience
 Mrs. Brenda Mocheche Chairperson	<ul style="list-style-type: none"> <li>○ CEC Member Finance and Economic Planning.</li> <li>○ Bachelor of Commerce( Finance)</li> <li>○ Certified Public Accountant(CPA-K)</li> <li>○ Experience 19 years</li> <li>○ Independent Director</li> </ul>
 Mrs Miriam Bunu	<ul style="list-style-type: none"> <li>○ Director Finance and Economic Planning.</li> <li>○ Masters in Business administration</li> <li>○ Bachelors degree in Business management</li> <li>○ Certified Public Accountant(CPA-K)</li> <li>○ Experience 19 years</li> <li>○ Executive Director</li> </ul>
 Mr Harrison Mabonye	<ul style="list-style-type: none"> <li>○ Manager Human Resource .</li> <li>○ CPA II</li> <li>○ Experience 25 years</li> <li>○ Executive Director</li> </ul>
 Mr Galgalo Jarso Jillo	<ul style="list-style-type: none"> <li>○ Fund administrator</li> <li>○ Bachelor's degree in Commerce</li> <li>○ CPA</li> <li>○ Experience 17 years</li> <li>○ Fund Administrator</li> </ul>

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report and Financial Statements for the year ended Jun30, 2025**

**4. Management Team**

Name	Details of qualifications and experience
 <p>1. Mrs . M i r i a m B u n u</p>	<ul style="list-style-type: none"> <li>○ Director Finance and Economic Planning.</li> <li>○ Masters in Business administration</li> <li>○ Bachelors degree in Business management</li> <li>○ Certified Public Accountant(CPA-K)</li> <li>○ Experience 19 years</li> </ul>
 <p>2. Mr Galgalo Jarso Jilo</p>	<ul style="list-style-type: none"> <li>○ Fund administrator</li> <li>○ Bachelor's degree in Commerce</li> <li>○ CPA</li> <li>○ Experience 17 years</li> </ul>
 <p>3. Mr. Harrison Mabonye</p>	<ul style="list-style-type: none"> <li>○ Manager Human Resource</li> <li>○ CPA II</li> <li>○ Experience 25 years</li> </ul>

### 5. Chairperson's Report

During financial year 2024/2025 Tana River County staff car loan and mortgage fund received an additional funding of **Ksh 90,000,000/=**(Ninety Million) from the county treasury. For the year 2024/2025 Members of the county executive were advanced Car and Mortgage loans of **Ksh 97,900,000/=** (Ninety-seven million nine hundred thousand shillings).

The portfolio disbursed comprises of Mortgage loans **Ksh 93,900,000/=**(Ninety three million , nine hundred thousand shillings) which is **96%** of the loan book), while the car loan is Ksh **4,000,000/=**( Four Million Shillings) thus being **4%** .

During the period, the fund earned interest income of **Ksh 6,377,004 /=**

The fund is executing its core objective of improving the living standards of its members through availing affordable credit to purchase and develop properties.



.....  
**Name: Mrs. Brenda Mocheche**  
**CECM Finance and Economic planning.**  
**Chairperson**

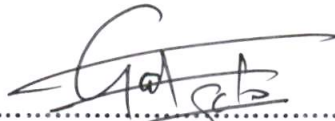
## **6. Report of the Fund Administrator**

During financial year 2024/2025 Tana River County staff car loan and mortgage fund received an additional funding of **Ksh 90,000,000/=**(Ninety Million) from the county treasury. For the year 2024/2025 Members of the county executive were advanced Car and Mortgage loans of **Ksh 97,900,000/=** (Ninety-seven million nine hundred thousand shillings).

The portfolio disbursed comprises of Mortgage loans **Ksh 93,900,000/=**(Ninety three million , nine hundred thousand shillings) which is **96%** of the loan book), while the car loan is **Ksh 4,000,000/=**( Four Million Shillings) thus being **4%** .

During the period, the fund earned interest income of **Ksh 6,377,004 /=**

The fund is executing its core objective of improving the living standards of its members through availing affordable credit to purchase and develop properties.



.....  
**Name: Mr Gálalo Jarso Jilo**  
**Fund Administrator**

## **7. Statement Statements of Performance against June 30 the, County Fund's Predetermined Objectives**

### **Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entity, Government 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 of the Fund as per the strategic plan for Financial year 2024/2025 is to Provide car and mortgage Loans to County Staffs, The fund managed to disburse Car and mortgage loan of Ksh 97,900,000 /= .

The absorption rate has drastically increased as is clearly be visible in the financial year 2024/2025

The fund management also strengthened loan collection and ensuring a high loan portfolio is maintained.

## **8. Corporate Governance Statement**

The fund does not have a board/ trustee charter as at now, however it is among the items to be initiated and implemented in financial year 2024/2025.

The loan management committee plays a supervisory role in the management of the staff car loan and mortgage fund.

All key and major decisions are sanctioned by the board.

There was no conflict of interest noted in the financial year 2024/2025.

The performance of the board is excellent and satisfactory.

All the key responsibilities and transactions are carried out with high levels of integrity as per the guidance of chapter 6 of the Constitution 2010 .

**9. Management Discussion and Analysis**

The operation of the staff car loan and mortgage fund during the financial year 2024/2025 ran smoothly under the supervision of the loan management committee as per the regulations.

The fund administrator and the management team ensured compliance to the regulations and proper books of accounts and records are in place.

There has been an increase in the demand for car loan and mortgage facilities since new changes were introduced by the loan management committee.

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

Tana River County staff car loan and mortgage fund exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on six pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

### **1. Sustainability strategy and profile -**

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

### **2. Environmental performance**

Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

### **3. Employee welfare**

Give account of the policies guiding the hiring process and whether they take into account the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

### **4. Market place practices-**

The organisation should outline its efforts to:

- a) Responsible competition practice.  
Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors
- b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices
- d) Product stewardship- outline efforts to safeguard consumer rights and interests

### **5. Community Engagements-**

Give evidence of community engagement including charitable giving (cash & material), Community Social Investment and any other forms of community

*The organisation gives details of Corporate Social Responsibility activities carried out in the year and the impact to the society. The statement may also include how the organisation promotes education, sports, healthcare, labour relations, staff training and development, and water and sanitation initiatives)*

**11. Report of The Trustees**

The Trustees submit their report together with the audited financial statements for the year ended June 30, 2025 which shows the state of the Tana River County Staff Car Loan and Mortgage Fund affairs.

**Principal activities**

The principal activities of the Tana River County Staff Car Loan and Mortgage Fund are *issuance of mortgage and car loans to staff of the County Government of Tana River.*

**Results**

The results of the Tana River County Staff Car Loan and Mortgage Fund for the financial year 2024/2025 year are set out on page 19 to 23


**Trustees**

The members of the Board of Trustees who served during the year are shown on page 8 The changes in the Board during the financial year are as shown below:

**Auditors**

The Auditor General is responsible for the statutory audit of the Tana River County Staff Car Loan and Mortgage 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**

**Date: .....30<sup>th</sup> June, 2025.....**

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report & Financial Statements for the year ended June 30 2025**

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

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by Article 230 of the constitution and section 13 of the salaries and remuneration commission Act ,2011 and Tana River Staff car loan and mortgage regulations of 2018. Shall prepare financial statements for the Tana River County Staff Car Loan and Mortgage Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

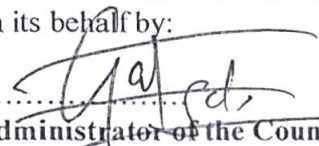
The Administrator of the County Public Fund is responsible for the preparation and presentation of the Tana River County Staff Car Loan and Mortgage Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June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

The Administrator of the County Public Fund accepts responsibility for the Tana River County Staff Car Loan and Mortgage 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 and County Public Fund established by Article 230 of the constitution and section 13 of the salaries and remuneration commission Act ,2011 and Tana River Staff car loan and mortgage regulations of 2018. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the County Public 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. Nothing has come to the attention of the Administrator to indicate that the Tana River County Staff Car Loan and Mortgage 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 30 June, 2025 and signed on its behalf by:

  
.....  
**Administrator of the County Public Fund**

# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON TANA RIVER COUNTY STAFF CAR LOAN AND MORTGAGE SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2025**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Tana River County Staff Car Loan and Mortgage Scheme Fund set out on pages 19 to 53, which comprise of the

statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Tana River County Staff Car Loan and Mortgage Scheme Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with Tana River County Staff Car Loan and Mortgage Scheme Fund Regulations, 2018 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unsupported Interest Income**

The statement of financial performance reflects interest income amount of Kshs.6,377,004 as disclosed in Note 2 to the financial statements. However, detailed supporting schedule indicating name of employees, personal number, job group, outstanding loan brought forward, loans issued in the year, rate of interest and interest accrued for the year was not provided for audit.

In the circumstances, the accuracy and completeness of interest income amount of Kshs.6,377,004 could not be confirmed.

#### **2. Unsupported Expenditure on Committee Allowances**

The statement of financial performance reflects expenditure on use of goods and services amount of Kshs.9,282,000 as disclosed in Note 4 to the financial statements. Included in the expenditure is Kshs.2,898,000 incurred on committee allowances whose detailed supporting schedule was not provided for review. In addition, the allowances were not subjected to income tax deductions at the applicable rate.

In the circumstances, the accuracy and completeness of the committee allowances expenditure amount of Kshs.2,898,000 could not be confirmed.

#### **3. Unsupported Receivables from Exchange Transactions Balance**

The statement of financial position reflects current portion and long-term receivables from exchange transactions balance of Kshs.40,614,242 and Kshs.250,171,135 respectively, all totalling Kshs.290,785,377 as disclosed in Note 7 to the financial statements. However, the detailed supporting schedule showing the name of employee, personal number, job

group, description of property purchased, Land Reference Number, ownership details, opening balance, loans issued or repaid to arrive at the closing balance in respect of each member of the scheme was not provided for audit. Further, joint ownership documents between the Fund and Scheme members together with current insurance policies on properties acquired through the Fund were also not provided for audit.

In the circumstances, the accuracy, completeness and recoverability of current portion of long-term receivables from exchange transactions balance of Kshs.290,785,377 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Tana River County Staff Car Loan and Mortgage 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 qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Matters**

In the prior years' audit reports, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Review of the status during audit of the Fund in 2024/2025 revealed that the following four (4) matters remained unresolved.

<b>No</b>	<b>Financial Year</b>	<b>Audit Issue</b>
1	2023/2024	Unsupported Expenditure on Committee Allowances
2	2023/2024	Unsupported Receivables from Exchange Transactions
3	2023/2024	Inaccurate Revolving Fund Balance
4	2023/2024	Unsecured Loans

### **Other Information**

The Management are responsible for the Other Information set out on page 5 to 17 which comprise of Key Entity Information and Management, The Board of Trustees, Management Team, Chairperson's Report, Report of the Fund Administrator, Statement

of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Trustees and Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

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

### **Conclusion**

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

#### **Excessive Fund Administration Expenditure**

The statement of financial performance reflects expenditure on use of goods and services amount Kshs.9,282,000 as disclosed in Note 4 to the financial statements. However, the expenditure was in excess of the three percent (3%) limit of Kshs.3,567,440 of the Fund's total Budget of Kshs.118,914,677 resulting to unauthorized expenditure of Kshs.5,714,560. This is contrary to Regulation 197(1)(d) of the Public Finance Management (County Governments) Regulations, 2015 which provides that the administration costs of the Fund shall be a maximum of three (3%) percent of the approved budgets of the Fund.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

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

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

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

Those charged with governance are responsible for overseeing the Fund's, financial reporting process, reviewing the effectiveness of how Management monitors compliance

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

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

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

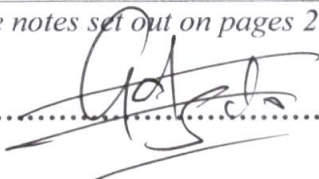
**Nairobi**

**09 December, 2025**


**14. Statement of Financial Performance For year ended, 30<sup>th</sup> June 2025**

	Note	2024-2025	2023-2024
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Transfers From the County Government	1	-	70,000,000
<b>Revenue From Exchange Transactions</b>			
Interest Income	2	6,377,004	5,956,663
Other Income	3	-	-
<b>Total Revenue</b>		<b>6,377,004</b>	<b>8,056,663</b>
<b>Expenses</b>			
Use of goods and services	4	9,282,000	7,274,997
Depreciation and Amortization Expense	5	37,500	37,500
<b>Total Expenses</b>		<b>9,319,500</b>	<b>7,312,497</b>
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets		-	-
<b>Surplus/(Deficit) For The Period</b>		<b>(2,942,496)</b>	<b>744,166</b>

*(The notes set out on pages 24 to 46 form an integral part of these Financial Statements)*

  
 .....

**Name: Galgalo Jarso Jillo**  
**Administrator of the Fund**

  
 .....

**Name: Mariam Abdalla Bunu**  
**ICPAK Member No. 20519**



***Tana River County Staff Car Loan and Mortgage Scheme Fund***  
**Annual Report & Financial Statements for the year ended June 30 2025**

**15. Statement of Financial Position as at 30th June 2025**

	Not e	2024-2025	2023-2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	6	101,268	523,014
Current Portion of Long- Term Receivables From Exchange Transactions	7	40,614,242	14,524,975
<b>Total current assets</b>		<b>40,715,510</b>	<b>15,047,989</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	8	84,375	121,875
Long Term Receivables from Exchange Transactions	7	250,171,135	188,743,652
		<b>250,255,510</b>	<b>188,865,527</b>
<b>Total Assets</b>		<b>290,971,020</b>	<b>203,913,516</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables from Exchange Transactions		-	-
Current Portion of Borrowings		-	-
<b>Non-Current Liabilities</b>			
Non-Current Employee Benefit Obligation		-	-
<b>Total Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Assets</b>		<b>290,971,020</b>	<b>203,913,516</b>
<b>Represented By:</b>			
Revolving Fund		271,600,000	184,300,000
Prior year adjustment		-	-
Reserves		-	-
Accumulated Surplus		19,371,020	19,613,516
<b>Total Net Assets and Liabilities</b>		<b>290,971,020</b>	<b>203,913,516</b>

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

A handwritten signature in black ink, appearing to read 'Galgalo Jarso Jillo', written over a horizontal dotted line.

**Name: Galgalo Jarso Jillo**  
**Administrator of the Fund**

A handwritten signature in blue ink, appearing to read 'Mariam Abdalla Bunu', written over a horizontal dotted line.

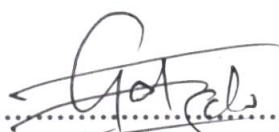
**Name: Mariam Abdalla Bunu**  
**ICPAK Member No. 20519**

***Tana River County Staff Car Loan and Mortgage Scheme Fund***  
**Annual Report & Financial Statements for the year ended June 30 2025**

**16. Statement Of Changes in Net Assets for the year ended 30 June 2025**

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July 2023</b>	116,400,000	-	3,797,944	120,197,944
Prior Year adjustment			15,071,406	15,071,406
Surplus/(Deficit) For the Period			744,166	744,166
Funds Received During the Year	67,900,000			67,900,000
Transfers	-		-	
Revaluation Gain				
<b>Balance As At 30 June 2024</b>	<b>184,300,000</b>	<b>-</b>	<b>19,613,516</b>	<b>203,913,516</b>
<b>Balance As At 1 July 2024</b>	<b>184,300,000</b>	<b>-</b>	<b>19,613,516</b>	<b>203,913,516</b>
Surplus/(Deficit) For the Period			(2,942,496)	(242,496)
Funds Received During the Year	90,000,000			90,000,000
Transfers	-		-	
Revaluation Gain				
<b>Balance As At 30 June 2025</b>	<b>274,300,000</b>	<b>-</b>	<b>16,671,020</b>	<b>290,971,020</b>

*(Provide details on the nature and purpose of reserves)*

  
 Name: Galgalo Jarso Jillo  
 Administrator of the Fund

  
 Name: Mariam Abdalla Bunu  
 ICPAK Member No. 20519

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
**Annual Report & Financial Statements for the year ended June 30 2025**

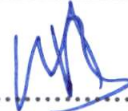
**17. Statement of Cash Flows for the year ended 30<sup>th</sup> June 2025**

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the county government		-	2,100,000
Interest received		6,377,004	5,956,663
Receipts from other operating activities		-	-
<b>Total receipts</b>		<b>6,377,004</b>	<b>8,056,663</b>
<b>Payments</b>			
Fund administration expenses		9,282,000	7,274,997
General expenses		-	-
Finance cost		-	-
Other payments		-	-
<b>Total payments</b>		<b>9,282,000</b>	<b>7,274,997</b>
<b>Net cash flows from operating activities</b>		<b>(2,904,996)</b>	<b>781,666</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and Intangible assets		-	-
Proceeds from sale of property, plant & equipment		-	-
Proceeds from loan principal repayments		10,383,250	12,971,246
Loan disbursements paid out		(97,900,000)	(85,900,000)
<b>Net cash flows used in investing activities</b>		<b>(87,516,750)</b>	<b>(72,928,754)</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		90,000,000	67,900,000
Additional borrowings		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		<b>90,000,000</b>	<b>67,900,000</b>
<b>Net increase/(decrease) in cash &amp; cash Equivalents</b>		<b>(421,746)</b>	<b>(4,247,088)</b>
Cash and cash equivalents at 1 July		523,014	4,770,102
<b>Cash and cash equivalents at 30 June</b>		<b>101,268</b>	<b>523,014</b>

.....  


Name: Galgalo Jarso Jillo

Administrator of the Fund

.....  


Name: Mariam Abdalla Bunu

ICPAK Member No. 20519

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
**Annual Report & Financial Statements for the year ended June 30 2025**

**18. Statement Of Comparison of Budget and Actual Amounts for The Period ended 30 June 2025**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
<b>Revenue</b>						
Public Contributions and Donations	-	-	-	-	-	
Transfers From County Govt.	90,000,000	-	90,000,000	90,000,000	-	100%
Interest Income	6,377,004	-	6,377,004	6,377,004	0	100%
Proceeds from Loan Principal repayments	22,014,659		22,014,659	20,414,250	1,600,409	93%
Other Income	-	-	-	-	-	0%
Bank Balance b/d		523,014	523,014	523,014	-	
<b>Total Income</b>	<b>118,391,663</b>	<b>523,014</b>	<b>118,914,677</b>	<b>117,314,268</b>	<b>1,600,409</b>	<b>99%</b>
<b>Expenses</b>						
Fund Administration Expenses	3,551,750	523,014	4,074,764	9,282,000	(5,207,236)	227%
General Expenses	-	-	-	-	-	0%
Finance Cost	-	-	-	-	-	0%
Loan Disbursements	114,839,913	-	114,839,913	97,900,000	16,939,913	
<b>Total Expenditure</b>	<b>118,391,663</b>	<b>523,014</b>	<b>118,914,677</b>	<b>117,250,500</b>	<b>1,664,177</b>	<b>99%</b>
<b>Surplus For the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63,768</b>	<b>(63,768)</b>	<b>0%</b>
					-	0%

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
**Annual Report & Financial Statements for the year ended June 30 2025**

<b>Capital expenditure</b>	-	-	-	-	-	<b>0%</b>
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**19. Notes to the Financial Statements**

**1. General Information**

Tana River Staff Car Loan and Mortgage Fund is established by and derives its authority and accountability from the Tana River County Government Staff Car Loan and Mortgage Regulations 2018. The Tana River Staff Car Loan and Mortgage Fund is wholly owned by the Tana River County Government and is domiciled in Kenya. The Fund's principal activity is issuance of Car Loan and to County.

**2. Statement of compliance and basis of preparation**

The Tana River County Staff Car Loan and Mortgage Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

**3. Adoption of new and revised standards**

**(i) Relevant new standards and amendments to published standards effective for the year ended 30 June 2023**

IPSASB deferred the application date of standards from 1<sup>st</sup> January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1<sup>st</sup> January 2023.

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report & Financial Statements for the year ended June 30 2025**

**(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022**

Standard	Effective date and impact:
<b>IPSAS 41: Financial Instruments</b>	<b>Applicable: 1<sup>st</sup> January 2023:</b> The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.
Standard	Effective date and impact:
	IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> <p><i>(State the impact of the standard to the Entity if relevant)</i></p>

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
**Annual Report & Financial Statements for the year ended June 30 2025**

<p><b>IPSAS 42: Social Benefits</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows. <i>(State the impact of the standard to the Entity if relevant)</i></p>
<p>Amendments to Other IPSAS</p>	<p><b>Applicable: 1st January 2023:</b></p>

Standard	Effective date and impact:
<p>resulting from IPSAS 41, Financial Instruments</p>	<p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <i>(State the impact of the standard to the Entity if relevant)</i></p>

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
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<p>Other improvements to IPSAS</p>	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 43</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases</p>

Standard	Effective date and impact:
	<p>have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>State the impact of the standard to the Entity if relevant</i></p>

**Tana River County Staff Car Loan and Mortgage Scheme Fund**  
**Annual Report & Financial Statements for the year ended June 30 2025**

<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>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:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><b><i>State the impact of the standard to the Entity if relevant</i></b></p>
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**(iii) Early adoption of standards**

The entity did not early – adopt any new or amended standards in year 2023.

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report & Financial Statements for the year ended June 30 2025**

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Significant Accounting Policies

**a) Revenue recognition**

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

Transfers from other government entities

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

**ii. Revenue from exchange transactions**

*Interest income*

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

**b) Budget information**

The original budget for FY 2024-2025 was approved by the County Assembly on 22/06/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. However, the Fund did not receive any additional appropriations for the FY 2024-2025.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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.

*Summary Of Significant Accounting Policies (Continued)*

**c) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Tana River County Staff Car Loan and Mortgage 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) Financial instruments**

*Financial assets Initial recognition and measurement*

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

*Summary Of Significant Accounting Policies (Continued)*

*Summary Of Significant Accounting Policies (Continued) Held-to-maturity*

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

*Impairment of financial assets*

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or an entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

*Financial liabilities Initial recognition and measurement*

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

*Loans and borrowing*

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

**f) Inventories**

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

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

**g) Provisions**

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

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

*Summary Of Significant Accounting Policies (Continued)*

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

*Contingent liabilities*

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

*Summary Of Significant Accounting Policies (Continued) Contingent assets*

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

**h) Nature and purpose of reserves**

The Tana River County Staff Car Loan and Mortgage fund creates and maintains reserves in terms of specific requirements. *Entity to state the reserves maintained and appropriate policies adopted.*

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

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

**j) Employee benefits – Retirement benefit plans**

The Tana River County Staff Car Loan and Mortgage fund provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report & Financial Statements for the year ended June 30 2025**

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to pay all employee benefits relating to employee service in the current and prior periods. The contributions to Tana River County Staff Car Loan and Mortgage fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**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) Borrowing costs**

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

**m) Related parties**

The Tana River County Staff Car Loan and Mortgage regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

**n) 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 Equity Bank Ltd. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

*Summary Of Significant Accounting Policies (Continued)*

**o) Comparative figures**

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

**p) Events after the reporting period**

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

**q) Ultimate and Holding Entity**

The Tana River County Staff Car Loan and Mortgage is a County Public Fund established by the Staff Car Loan and Mortgage regulation 2018. (*County Government Regulation*) under the Ministry of Finance and Economic Planning. Its ultimate parent is the County Government of Tana River.

**r) Currency**

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

*Summary Of Significant Accounting Policies (Continued)*

**4. Significant judgments and sources of estimation uncertainty**

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

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

**a) Estimates and assumptions** – The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes

or circumstances arising beyond the control of the Tana River County Staff Car Loan and Mortgage fund. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

**b) Useful lives and residual values**

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

- The condition of the asset based on the assessment of experts employed by the Tana River County Staff Car Loan and Mortgage fund.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

**c) Provisions**

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

*(Include provisions applicable for your organisation e.g provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)*

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report & Financial Statements for the year ended June 30 2025**

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**5. Notes To The Financial Statements**

**1. Transfers from County Government**

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfers From County Govt. –Operations	90,000,000	70,000,000
Payments By County On Behalf Of The Entity	00.00	00.00
<b>Total</b>	<b>90,000,000</b>	<b>70,000,000</b>

**2. Interest income**

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest Income From Mortgage Loans	5,774,403	4,895,448
Interest Income From Car Loans	602,601	1,061,215
<b>Total Interest Income</b>	<b>6,377,004</b>	<b>5,956,663</b>

*This is interest charged on staff mortgage and car loans are at the rate of 0.0025 per month on reducing balance.*

**3. Other income**

Description	2024-2025	2023-2024
	Kshs	Kshs
Insurance Recoveries	00.00	00.00
Income From Sale Of Tender Documents	00.00	00.00
Miscellaneous Income	00.00	00.00
<b>Total Other Income</b>	<b>00.00</b>	<b>00.00</b>

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
**Annual Report & Financial Statements for the year ended June 30 2025**

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**4. Use of Goods and Services**

Description	2024-2025	2023-2024
	Kshs.	Kshs.
General Office Expenses	1,534,000	673,000
Loan Processing Costs	-	151,600
Administration Fees	1,825,000	-
Committee Allowances	2,898,000	1,995,000
Bank Charges	-	7,697
Printing And Stationery	275,000	1,160,000
Rental Costs	-	-
Security Costs	-	-
Telephone And Communication Expenses	-	10,000
Bank Charges	-	-
Audit Fees	-	-
Provision For Doubtful Debts	-	-
Domestic travel and subsistence	2,750,000	2,527,700
Catering services	-	750,000
<b>Total</b>	<b>9,282,000</b>	<b>7,274,997</b>

**5. Depreciation and Amortization Expense**

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Property Plant and Equipment	37,500	37,500
Intangible Assets	-	-
<b>Total</b>	<b>37,500</b>	<b>37,500</b>

*Tana River County Staff Car Loan and Mortgage Scheme Fund*

**Annual Report & Financial Statements for the year ended June 30 2025**

**Notes to the Financial Statements Continued**

**6. Cash and cash equivalents**

Description	2024-2025	2023-2024
	Kshs	Kshs
Car loan and Mortgage Account	101,268	523,014
Fixed Deposits Account	00.00	00.00
<b>Total Cash And Cash Equivalents</b>	<b>101,268</b>	<b>523,014</b>

*(The amount should agree with the closing and opening balances as included in the statement of cash flows)*

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

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank		00.00	00.00
Equity Bank	1210277984993	101,268	523,014
<b>Sub- Total</b>		<b>101,268</b>	<b>523,014</b>
<b>b) Others(Specify)</b>		00.00	00.00
Cash In Transit		00.00	00.00
Cash In Hand		00.00	00.00
<b>Sub- Total</b>		<b>00.00</b>	<b>00.00</b>
<b>Grand Total</b>		<b>101,268</b>	<b>523,014</b>

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
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**7. Receivables from exchange transactions**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Current Receivables</b>		
Interest Receivable	-	-
Current Loan Repayments Due	40,614,242	14,524,975
Other Exchange Debtors	-	-
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>40,614,242</b>	<b>14,524,975</b>
<b>Non-Current Receivables</b>		
Long Term Loan Repayments Due	250,171,135	188,743,652
<b>Total Non- Current Receivables</b>	<b>250,171,135</b>	<b>188,743,652</b>
<b>Total Receivables From Exchange Transactions</b>	<b>290,785,377</b>	<b>203,268,627</b>

**Additional disclosure on interest receivable**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Interest Receivable</b>		
Interest receivable from current portion of long-term loans of previous years		-
Accrued interest receivable from of long-term loans of previous years		-
Interest receivable from current portion of long-term loans issued in the current year		-
<b>Current loan repayments due</b>		-
Current portion of long-term loans from previous years		-
Accrued principal from long-terms loans from previous periods		-
Current portion of long-term loans issued in the current year		-

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**Notes To The Financial Statements (Continued)**

**8. Property, plant and equipment**

	Land and Buildings	Motor vehicles	Furniture and fittings- 12.5%	Computers and office equipment- 33.3%	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
<b>At 1<sup>st</sup> July 2023</b>	-	-	300,000	70,000	370,000
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	300,000	70,000	370,000
<b>At 1<sup>st</sup> July 2024</b>	-	-	300,000	70,000	370,000
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	300,000	70,000	370,000
<b>Depreciation And Impairment</b>					-
<b>At 1<sup>st</sup> July 2023</b>	-	-	140,625	70,000	210,625
Depreciation	-	-	37,500	-	37,500
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	178,125	70,000	248,125
<b>At 1<sup>st</sup> July 2024</b>	-	-	178,125	70,000	248,125
Depreciation	-	-	37,500	-	37,500
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	215,625	70,000	285,625
<b>Net Book Values</b>					-
<b>At 30<sup>th</sup> June 2024</b>	-	-	121,875	-	121,875
<b>At 30<sup>th</sup> June 2025</b>	-	-	84,375	-	84,375

9. Cash generated from operations

	2024-2025	2023-2024
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year Before Tax</b>	(242,496)	744,166
<b>Adjusted For:</b>		
Depreciation	37,500	37,500
Interest income	-	0
Prior Year adjustment	-	-
<b>Working Capital Adjustments</b>		
Increase In Receivables	-	-
<b>Net Cash Flow From Operating Activities</b>	(204,996)	781,666

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**Other Disclosures**

**10. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

	2024-2025	2023-2024
	Kshs	Kshs
Transfers From Related Parties'	90,000,000	70,000,000
Transfers To Related Parties	00.00	00.00

**c) Key management remuneration**

	2024-2025	2023-2024
	Kshs	Kshs
Board Of Trustees	00.00	00.00
Key Management Compensation	00.00	00.00
<b>Total</b>	<b>00.00</b>	<b>00.00</b>

**d) Due from related parties**

	2024-2025	2023-2024
	Kshs	Kshs
Due From Parent Ministry	00.00	00.00
Due From County Government	00.00	00.00
<b>Total</b>	<b>00.00</b>	<b>00.00</b>

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**Other Disclosures Continued**

**e) Due to related parties**

	2024-2025	2023-2024
	Kshs	Kshs
Due To Parent Ministry	00.00	00.00
Due To County Government	00.00	00.00
Due To Key Management Personnel	00.00	00.00
<b>Total</b>	<b>00.00</b>	<b>00.00</b>

**11. Contingent assets and contingent liabilities**

Contingent Liabilities	2024-2025	2023-2024
	Kshs	Kshs
Court Case Against The Fund	00.00	00.00
Bank Guarantees	00.00	00.00
<b>Total</b>	<b>00.00</b>	<b>00.00</b>

*(Give details)*

**Other Disclosures Continued**

**12. Financial risk management**

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

The Tana River County Staff Car Loan and Mortgage Fund's financial risk management objectives and policies are detailed below:

**a) Credit risk**

The Tana River County Staff Car Loan and Mortgage Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in

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the statement of financial position are net of allowances for doubtful receivables, estimated by the Tana River County Staff Car Loan and Mortgage fund management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount Kshs	Fully performing Kshs
<b>At 30 June 2025</b>		
Receivables From Exchange Transactions	290,785,377	290,785,377
Bank Balances	101,268	101,268
<b>Total</b>	<b>290,886,645</b>	<b>290,886,645</b>
<b>At 30 June 2024</b>		
Receivables From Exchange Transactions	203,268,627	203,268,627
Bank Balances	523,014	523,014
<b>Total</b>	<b>203,791,641</b>	<b>203,791,641</b>

*(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)*

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

The board of trustees sets the Tana River County Staff Car Loan and Mortgage Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**b) Liquidity risk management**

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

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

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
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	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2025</b>				
Trade Payables	00.00	00.00	00.00	00.00
Current Portion Of Borrowings	00.00	00.00	00.00	00.00
Provisions	00.00	00.00	00.00	00.00
Employee Benefit Obligation	00.00	00.00	00.00	00.00
<b>Total</b>	<b>00.00</b>	<b>00.00</b>	<b>00.00</b>	<b>00.00</b>
<b>At 30 June 2024</b>				
Trade Payables	00.00	00.00	00.00	00.00
Current Portion Of Borrowings	00.00	00.00	00.00	00.00
Provisions	00.00	00.00	00.00	00.00
Employee Benefit Obligation	00.00	00.00	00.00	00.00
<b>Total</b>	<b>00.00</b>	<b>00.00</b>	<b>00.00</b>	<b>00.00</b>

**c) Market risk**

The board has put in place an internal audit function to assist it in assessing the risk faced by the Tana River County Staff Car Loan and Mortgage fund on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

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

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

There has been no change to the Tana River County Staff Car Loan and Mortgage fund exposure to market risks or the manner in which it manages and measures the risk.

**i. Foreign currency risk**

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

The carrying amount of the Tana River County Staff Car Loan and Mortgage fund foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30 June 2025</b>			
Financial Assets	00.00	00.00	00.00
Investments	00.00	00.00	00.00
Cash	00.00	00.00	00.00
Debtors/ Receivables	00.00	00.00	00.00
<b>Liabilities</b>			
Trade And Other Payables	00.00	00.00	00.00
Borrowings	00.00	00.00	00.00
Net Foreign Currency Asset/(Liability)	<b>00.00</b>	<b>00.00</b>	<b>00.00</b>

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
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**Foreign currency sensitivity analysis**

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

	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
<b>2024/25</b>			
Euro	10%	00.00	00.00
USD	10%	00.00	00.00
<b>2023/24</b>			
Euro	10%	00.00	00.00
USD	10%	00.00	00.00

**ii. Interest rate risk**

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Tana River County Staff Car Loan and Mortgage fund interest rate risk arises from bank deposits. This exposes the Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Tana River County Staff Car Loan and Mortgage Fund's deposits.

***Management of interest rate risk***

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

***Sensitivity analysis***

The Tana River County Staff Car Loan and Mortgage Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

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**d) Capital risk management**

The objective of the Tana River County Staff Car Loan and Mortgage Fund's capital risk management is to safeguard the Fund's ability to continue as a going concern. The entity capital structure comprises of the following funds:

	2024-2025	2023-2024
	Kshs	Kshs
Revaluation reserve	00. 00	00. 00
Revolving fund	271,600,000	184,300,000
Accumulated surplus	19,371,020	19,613,516
<b>Total funds</b>	<b>290,971,020</b>	<b>203,913,516</b>
Total borrowings	00.00	00.00
Less: cash and bank balances	(101,268)	(523,014)
Net debt/(excess cash and cash equivalents)	290,869,752	203,390,502
<b>Gearing</b>	<b>99%</b>	<b>99%</b>

**Tana River County Staff Car Loan and Mortgage Scheme Fund  
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**20 annexes**

**Annex 1: 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

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)
4.(i)	Unsupported Current Portion of Long-Term Receivables from Exchange Transactions	<p>The applicant has signed the offer letter in respect to the mortgage facility advanced.</p> <p>He has also issued us with an allotment letter for his property in Hola as security for the loan.</p> <p>The fund administrator is working with his advocate in ensuring a legal charge is duly registered.</p>	Resolved	
5(ii)	Unsecured Car Loan and Mortgage	<p>The loan management committee has raised the issue of the loan arrears with the principal borrower. The repayment plans are yet to be implemented.</p> <p>The current loan repayments are deducted from his</p>	Resolved	30 Sep 2025

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
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		salary and reflects on the payslip.		
	Unsupported			
7	Property Plant and Equipment Balance	The outgoing fund administrator has not accounted for the assets.	Resolved	30 Sep 2025

Fund Manager

Date.....

*30/06/2025*

**Tana River County Staff Car Loan and Mortgage Scheme Fund  
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**Annex II: Inter-Fund Confirmation Letter**

*[Insert your Letterhead]*

*[Insert name of beneficiary Fund] [Insert Address]*

The *[insert SC/SAGA/Fund name here]* wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 20xx as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by <i>[Insert name of beneficiary Fund]</i> as at 30 <sup>th</sup> June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30 <sup>th</sup> June 2025			Total (D)=(A+B+C)	Amount Received by [beneficiary Fund] (KShs) as at 30 <sup>th</sup> June 2025 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)			
	24/10/2024	1,350,000	43,650,000	-	45,000,000	45,000,000	-
	03/12/2025	1,350,000	43,650,000	-	45,000,000	45,000,000	-
<b>Total</b>		<u>2,700,000</u>	<u>87,300,000</u>		<u>90,000,000</u>	90,000,000	-

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

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

Name Godwin J. J. J. Sign [Signature] Date 30/06/2025

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

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

**Annex IV: Reporting on Disaster Management Expenditure**

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Program me	Subprogram me	Disas ter Type	Category of disaster related Activity that require expenditure-reporting (response/recovery/mitigation/preparedness)	Expendit ure item	Amo unt (Kshs )	Comme nts

*Tana River County Staff Car Loan and Mortgage Scheme Fund*  
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