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THE AUDITOR-GENERAL

ON

**KENYA INSTITUTE FOR PUBLIC POLICY
RESEARCH AND ANALYSIS (KIPPRA)**

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



KENYA INSTITUTE FOR PUBLIC POLICY RESEARCH AND ANALYSIS

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

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

Kenya Institute for Public Policy Research and Analysis (KIPPRA)
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1. ACRONYMS AND DEFINITION OF KEY TERMS

A: Acronyms

ACBF	African Capacity Building Foundation
ACET	African Centre for Economic Transformation
ACODE	Advocates Coalition for Development and Environment
AERC	African Economic Research Consortium
AGPO	Access to Government Procurement Opportunities
A-I-A	Appropriation in Aid
ASALs	Arid and Semi-Arid Lands
BETA	Bottom-UP Economic Transformation Agenda
CIDP	County Integrated Development Plan
COG	Council of Governors
CSR	Corporate Social Responsibility
ED	Executive Director
EDMS	Electronic Document Management System
EFD	Environment for Development
ERP	Enterprise Resource Planning
FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network
FAO	Food and Agriculture Organization
FY	Financial Year
GoK	Government of Kenya
GPA	Group Life Assurance
HELB	Higher Education Loans Board
ICPAK	Institute of Certified Public Accountants of Kenya
IFPRI	International Food Policy Research Institute
IPSAS	International Public Sector Accounting Standards
IRMS	Integrated Risk Management System
ISO	International Organization for Standardization
KARC	KIPPRA Annual Regional Conference
KER	Kenya Economic Report
KIPPRA	Kenya Institute for Public Policy Research and Analysis
KMPUS	KIPPRA Mentorship Programme for University Students
KPIs	Key Performance Indicators
KTMM	KIPPRA Treasury Macro Modelling
KRA	Key Results Area
Kshs	Kenya Shillings
KWS	KIPPRA Wide Survey
MDAs	Ministries, Departments and Agencies
M & E	Monitoring and Evaluation
NACOSTI	National Commission for Science, Technology and Innovation
NBV	Net Book Value
NG-CDF	National Government Constituencies Development Fund
NHIF	National Health Insurance Fund
NIPFN	National Information Platform for Food Security and Nutrition
NITA	National Industrial Training Authority
NSSF	National Social Security Fund
NUPEA	Nuclear Power and Energy Agency
OAG	Office of the Auditor General

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OSHA	Occupational Safety and Health Act of 2007
PAYE	Pay as You Earn
PC	Performance Contract
PEP	Partnership for Economic Policy
PFM	Public Finance Management
PPAD	Public Procurement and Asset Disposal
PPE	Property Plant and Equipment
PPPs	Public Private Partnerships
PPRA	Public Procurement Regulatory Authority
PS	Principal Secretary
PWDs	Persons with Disabilities
SAGAs	Semi-Autonomous Government Agencies
SAIIA	South African Institute of International Affairs
SC	State Corporation
SOs	Strategic Objectives
UN	United Nations
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNICEF	United Nations Children's Emergency Fund
USD	United States Dollars
VAT	Value Added Tax
YPs	Young Professionals

B: Definition of Key Terms

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

Comparative Year: Means the prior period.

2. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) was established under an Act of Parliament, the KIPPRA Act, CAP 112A, Laws of Kenya. The Institute is domiciled in Kenya and has no branches. At Cabinet level, the Institute is represented by the Cabinet Secretary for The National Treasury and Economic Planning, who is responsible for the general policy and strategic direction.

The Institute has three (3) Directorates, sixteen (16) Departments and two (2) Divisions.

(b) Principal Activities

The principal activity of the Institute is to develop human and institutional capacities for the Government of Kenya and other stakeholders by conducting objective research and analysis and through capacity building to contribute to the achievement of national development goals.

Mandate

Under the KIPPRA Act, the Institute is mandated to:

1. Develop capacities in public policy research and analysis and assist the Government in the process of policy formulation and implementation;
2. Identify and undertake independent and objective programmes of research and analysis, including macroeconomic, inter-disciplinary and sectoral studies on topics affecting public policy in areas such as human resource development, social welfare, environment and natural resources, agriculture and rural development, trade and industry, public finance, money and finance, and macroeconomic and microeconomic modelling;
3. Provide advisory and technical services on public policy issues to the Government and other agencies of the Government;
4. Communicate the findings and recommendations of the Institute's research programmes to the agencies of the Government concerned with the implementation of public policy;
5. Serve as a point of communication and encourage the exchange of views between the Government, the private sector and other bodies or agencies of the Government on matters relating to public policy research and analysis;
6. Collect and analyze relevant data on public policy issues and disseminate the Institute's research findings to persons it deems appropriate to publish such research findings;
7. Develop and maintain a reservoir of research resources on public policy and related issues and make these available to the Government, the private sector and learning institutions in Kenya;

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8. Undertake public policy research and analysis for the Government and for clients in the private and public sectors;
9. Control the publication and use of the Institute's research findings;
10. Organize symposia, conferences, workshops and other meetings to promote the exchange of views on issues relating to public policy research and analysis;
11. Undertake public policy research relevant to governance and its implications to development; and
12. Undertake any other business which is incidental to the performance of any of the foregoing functions.

Key Entity Information and Management (continued)

Vision

A global benchmark in public policy research and analysis

Mission

To contribute to the achievement of national development goals by providing quality public policy advice to the Government of Kenya through effective capacity building and conducting objective policy research and analysis.

Core Values

The Institute's core values and principles are;

- (i) Knowledge
- (ii) Inclusivity
- (iii) Professionalism
- (iv) Patriotism
- (v) Responsiveness
- (vi) Accountability

(c) Key Management

The Institute's day-to-day management is under the following key organs:

No.	Designation	Name
1.	Board of Directors Chair	Prof Paul Wachana
2.	Ag. Executive Director	Dr Eldah Onsomu
3.	Director Economic Management	Dr Eldah Onsomu
4.	Ag. Director Integrated Development	Dr John Karanja
5.	Director Corporate Services	Ms Irene Mithia

(d) Fiduciary Management

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

No.	Designation	Name
1.	Ag. Executive Director	Dr Eldah Onsomu
2.	Director Economic Management	Dr Eldah Onsomu
3.	Ag. Director Integrated Development	Dr John Karanja
4.	Director Corporate Services	Ms Irene Mithia
5.	Deputy Director, Finance	Mr Teddy Bett
6.	Deputy Director, Supply Chain Management	Mr Reuben Mauki
7.	Head of Strategy and Planning	Mr Nahashon Mwongera

Key Entity Information and Management (continued)

(e) Fiduciary Oversight Arrangements

The oversight role of KIPPRA is vested in the Board of Directors. The Board operates through four committees (Finance, Audit, Programmes, and Human Resource and General Purpose) and is guided by a Board Charter.

The KIPPRA Board Charter was revised and approved in December 2020 and came into assent on 5th May 2021, with a review conducted during the financial year 2024/25. It sets out the roles, functions, obligations, rights, responsibilities and powers of the Board, and the policies and practices of the Board in respect of its duties, functions and responsibilities. It guides and clarifies the roles of the Chairman, Board of Directors, Executive Director; their powers; and their involvement in the day-to-day running of the Institute; and is a point of reference. The Charter is also aimed at improving and enhancing the level of performance and effectiveness of the Board, including provision of strategic leadership and observance of high standards of corporate governance. It provides guidelines that help the Board ensure that strong leadership is in place at Board level.

Finance Committee: This is an advisory body with no executive powers. Its broad function is to assist the Audit Committee and Board in ensuring that the Institute meets the highest standards of financial management and accountability in the use of its financial resources. The Chairman of the Finance Committee shall be a person with financial background and experience. The committee is authorized to carry out its mandate in line with its terms of reference, which are to: Approve the Institute's accounting policies and principles (and any changes thereof) that are required to be reported in the notes to the annual financial statements; Review and assess the appropriateness of accounting policies and principles, including conformance with relevant accounting and reporting standards; Review annual budgets, and make recommendations to the Board; Receive and consider quarterly financial, procurement and investment reports; Review annual financial statements and recommend them to the Board for approval; Review the use of financial resources, ensuring that value for money is achieved; Review the periodic financial reports and projections, paying particular attention to critical financial and budgetary control issues, financial strategy decisions requiring a major element of judgment, making recommendations to the Board as appropriate; Provide oversight over procurement in line with the procurement law; Advise the Board on resource mobilization, and; Ensure that the finance function is appropriately resourced and meets, or exceeds, best professional practice.

Audit Committee: The duties and responsibilities of the Audit Committee are to assist, and where relevant, make recommendations to the Board on the discharge of Board's responsibilities as they relate to external financial reporting; external and internal audits; effective systems of internal control comprising financial and operational controls and compliance; and risk management.

Programmes Committee: The purpose of the Committee is to advise the Board on technical issues such as improving the Institute's research and capacity building outputs. The Programmes Committee reviews annual work plans and quarterly implementation progress reports, and recommends them for Board approval; monitors implementation of the strategic plan, annual performance contracts, and timely publication of the Kenya Economic Report and other statutory reports; assesses periodically the quality and effectiveness of the Institute's technical outputs, and advises the Board on the achievement of global benchmarks; assists the Human and General Purposes Committee in recruiting

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senior technical staff; and attends to other matters assigned by the Board, including matters that may be assigned to two or more Board Committees.

Human Resource and General Purposes Committee: The Committee advises the Board on organizational structure, administration, human resource policy and capacity enhancement; reviews salaries, benefit packages and service contracts; reviews performance management policies and procedures and makes recommendations to the Board; recruits senior staff and recommends them for Board approval; presides over disciplinary hearings/interviews for senior staff; and makes recommendations on broad guidelines that promote operational efficiency; reviews and recommends to the Board staff annual performance appraisals; recommends renewal of contracts for senior staff; handles disciplinary cases concerning senior staff; and provides oversight on administrative structures of the Institute.

(f) Institute Headquarters

P.O. Box 56445-00200
Bishops Garden Towers
2nd Floor, Bishops Road
Nairobi, KENYA

(g) Institute Contacts

Telephone: (254) 2719933/4
E-mail: admin@kippra.or.ke
Website: www.kippra.or.ke
Twitter: @kipprakenya

(h) Institute Bankers

NCBA Bank
Mama Ngina Street
P.O. Box 30437-00100
Nairobi, Kenya

Kenya Commercial Bank
Milimani Branch
P.O. Box 69695-00400
Nairobi, Kenya

(i) Independent Auditor

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

(j) Principal Legal Adviser

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

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3. THE BOARD OF DIRECTORS

Ref	Board Member	Details
1.	 Prof. Paul Wachana PhD in Economics and Urban Studies, Master of Urban and Regional Planning and a Master of Science in Economics	Prof. Paul Wachana (born in 1969) is an Assistant Professor at the Chandaria School of Business, United States International University-Africa. He teaches economics, project implementation and management courses. He has also taught at the Graduate School of Business Studies, Presbyterian University of Eastern Africa, Portland State University-USA and also at the Catholic University of Eastern Africa. He has solid experience in analysis of resource utilization in the market oriented agricultural enterprises, econometric analysis and applied microeconomics, focusing on agribusiness management, infrastructure development, urban economics, Land use, transportation and safety Analysis, project planning implementation, management, evaluation, cost benefit analysis, and projection and estimation of economic trends. Prof. Paul Wachana serves as the Board Chairperson.
2.	 Mrs Christine Wanjala MBA in Project Management and Evaluation	Mrs Christine Wanjala (born in 1968) is a lecturer at Kenya College of Accountancy University. She does part time lecturing at Masters level with the focus being Corporate Management and Human Resource Management, among others, in her capacity as a part time lecturer in undergraduate level. She holds an MBA in Project Management and Evaluation from Kenyatta University and has over 10 years of experience in this field in addition to over 20 years of experience in her profession as a teacher. Mrs Wanjala is an Independent Director and serves as the Board Vice Chairperson.
3.	 Prof. Benson A. Ateng' MBS PhD in Economics and a Masters in Economics	Prof. Benson A. Ateng' (born in 1949) is an Economist by profession and is currently a senior lecturer at the Technical University of Kenya. He has over 30 years of professional engagement as a lecturer and as an Economist. Prof. Benson A. Ateng' holds a PhD in Economics and a Masters in Economics from the University of Nairobi. He has previously served in the World Bank in his capacity as an Economist with his key roles mainly being managing World Bank's country policy dialogue, country performance portfolio review and donor coordination, among others. He has authored various journal publications and peer-reviewed reports and has over the years provided consultancy services to both local and international organizations. Prof. Ateng' is an Independent Director.

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Ref	Board Member	Details
4.	 Prof. Peter Muchiri Ngatia, EBS BSc. Rehab. Med., Occupational Therapy, M.Ed and PhD	Prof. Peter Muchiri Ngatia (born in 1950) is the Academic Director of Nyahururu Medical Training College (NMTC). He holds a PhD in Educational Administration and Curriculum Planning (University of Alberta, Canada), an MSc. in Medical Education and Public Health, and a Bachelor's in Rehabilitation Medicine and Occupational Therapy. He is a published author and has vast teaching experience at AMREF International University. An Associate Professor at AMREF International University and the Academic Director of Nyahururu Medical Training College (NMTC). Prof. Ngatia is an Independent Director and serves as the Chairperson of the Board Finance Committee.
5.	 Dr Indeje Wanyama PhD in Management Science, MSc in Economic Policy Analysis	Dr Indeje Wanyama (born in 1969) is the Alternate Director to the Principal Secretary, State Department for National Treasury in the KIPPRA Board. He is a skilled finance professional with more than 10 years of corporate finance and management. The finance guru has a PhD in Management Science, having studied in Shanghai University of Finance and Economics. Further, he holds an MSc in Economic Policy Analysis from Addis Ababa University, Ethiopia, has a BA (Economics) and is a Certified Public Accountant of Kenya. He is an expert in financial systems development, fiscal management and financial reporting, with proven record of developing and implementing financial and operational controls. He's knowledgeable in application of economic principles and procedures for analyzing financial information in relation to supply and demand, investment, industrial productivity, taxes, among other policy related issues. Alternate Director to the Principal Secretary, State Department for National Treasury
6.	 Mr Aloyce Ratemo Masters in Economic Policy Management	Mr Aloyce Ratemo (born in 1969) is the Director for Planning in the State Department for Trade. He is the designated representative of the Principal Secretary for Trade in the KIPPRA Board. He has over 28 years progressive experience in project planning, coordination, implementation and monitoring and evaluation. He is an Economist and holds a Masters degree in Economic Policy Management from Makerere University, Uganda, and a Bachelor of Arts degree in Economics from the University of Nairobi. He also holds a Diploma in Monitoring and Evaluation from the Institute of Applied Manpower Research in India and various certifications in leadership and management. He is a full member of the Economist Society of Kenya (ESK).

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Ref	Board Member	Details
		Alternate Director to the Principal Secretary, State Department for Trade
7.	 Mr Timothy Gakuu, HSC Master of Arts in Economics	Mr Timothy Gakuu (born in 1966) is the Alternate Director to the Principal Secretary, State Department for Economic Planning in the KIPPRA Board. He is the Acting Economic Planning Secretary in the State Department for Economic Planning. He holds a Master of Arts in Economics from the University of Nairobi and a Bachelor of Arts (Economics) from the same institution. Mr Gakuu has over thirty (30) years of public service experience. He was instrumental in pioneering the National Government Constituencies Development Fund Board, Served in Nuclear Power and Energy Agency (NUPEA), Geothermal Development Company (GDC), Youth Enterprise Development Fund (YEDF) Board, Uwezo Fund, Street Families Rehabilitation Fund and Ant-FGM Board. He served as PS-Alternate Director at Energy and Petroleum Regulatory Authority (EPRA). Alternate Director to the Principal Secretary, State Department for Economic Planning
8.	 Ms Anita Chepseba Bachelor of Laws (LLB) degree	Ms Anita Chepseba (born in 1981) is the designated representative of the Attorney General in the KIPPRA Board. She is the Deputy Chief State Counsel in the Office of the Attorney General. Ms Anita has over seventeen years' experience in the practice of law. She holds a Bachelor of Laws (LLB) degree from Moi University and various certifications in the field of International Trade Law, Multilateral Trade Agreements, World Trade Organization and National Biosafety. She has vast experience in vetting, interpreting, and reviewing international legal instruments, negotiating Treaties and Agreements on behalf of the Government, processing requests on international judicial cooperation and providing general legal advice to the Government. Representative of the Attorney General

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Ref	Board Member	Details
9.	 Ms Fatuma A. Hussein Masters in Community Health and Development	Ms Fatuma A. Hussein (born in 1972) is currently the Managing Director at Vision Quest, a leading regional research and capacity development advisory firm that provides evidence-based solutions for humanitarian and development actors, operating in Kenya, Somalia, South Sudan, Ethiopia, and Uganda. She holds a Masters in Community Health and Development, Great Lakes University, Nairobi. She has over twenty years' experience in the multi-sectoral work at African and devolved units in Kenya. She has continued to bring on board cumulative, multi-disciplinary expertise with professional, intuitive knowledge, passion and practical experience in investment and financial inclusion, development of PPPs, governance and social inclusion, water and environment, local economic development, agriculture, livestock and rural development in both humanitarian and development assistance contexts in various countries. As the Vice President Eastern Africa for WAELE Foundation, she had an opportunity of working with several Heads of States and governments across Africa in women economic and leadership empowerment and peace building and conflict management. She oversees WAELE activities in more than fourteen countries of the Eastern Africa region. Ms Fatuma Hussein is an Independent Director.

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10.	 Dr Boaz Kiprop Cheluget PhD Business Management and Administration Strategic Information	Dr Boaz Kiprop Cheluget (born in 1968) is a Statistician with specialization and practice in Strategic Information for National Development planning, monitoring and evaluation. He is a modern Statistical Expert and has worked on software assisted data models to inform population and economic projection, disease surveillance and monitoring, programme funding documents for Global Fund, World Bank and UN assisted SDG acceleration fund that address key government gaps in implementation of agreed development agenda. He has over 25 years' experience having served as a government Statistician in the Ministry of Health, for 6 years, Head Research, Monitoring and Evaluation in the National AIDS Control Programme, Manager Policy Research, Strategic Information and Resource mobilization in the Office of the President, National AIDS Control Council and UN Advisor and Officer in Charge on national development planning, monitoring and evaluation in South Sudan, Lesotho, South Africa, Zimbabwe, Malawi and Kenya. He holds a doctorate in Business Management and Administration Strategic Information (University of Liverpool, UK), MSc Statistics and IT (Leicester University, UK), BSc Mathematical Statistics (University of Nairobi, Kenya) and Post Graduate Diploma in Education (Egerton University, Kenya). He has teaching experience in University of Nairobi and Great Lakes University, Nairobi), Rift Valley Technical Institute and other Institutions. Dr Cheluget is an Independent Director and Chairperson of the Board Human Resource and General Purposes Committee.
11.	 Mr Joseph K. Tiampati Ole Musuni Masters in Business Administration	Mr Joseph K. Tiampati Ole Musuni (born in 1961) is an Information, Communications and Technology expert. He has over 17 years progressive experience and has had a solid and accomplished history in Banking, Finance, Social Security, Public Administration and Information, Communications and Technology. He has served in various capacities at Kenya Commercial Bank, National Social Security Fund and the Government of Kenya as the Principal Secretary at the Ministry of Information Communications and Technology. Mr Musuni holds a Masters degree in Business Administration from ESAMI/ Maastricht School of Management and a Bachelor of Science in Mathematics and Computer Science degree from the University of Nairobi. He also holds various certifications in leadership and management. Mr Musuni is an independent director and Chairperson of the Board Audit Committee.

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12.	 Prof. Peter Kibet Koech PhD Philosophy	Prof. Peter Kibet Koech (born in 1967) is a Professor of Education, is an Associate Professor and the Director for Open Distance and E-learning at Machakos University. He has over 20 years progressive experience and professional engagement in university teaching, research and consultancy in Curriculum Development and pedagogical issues in Early Childhood Education. He has served in various capacities in universities as Registrar and Associate Dean. He has also served as the Chairman, Uasin Gishu County Education Board. He Professor of Education and holds a Doctorate in Philosophy from Kenyatta University and a Master of Arts degree in Education (Early Childhood Education) from the University of Northern Iowa, Cedar Falls (USA). He also holds a bachelors degree in education (Arts) from Moi University, Eldoret. Prof. Koech is an independent director and Chairperson of the Board Programs Committee.
13.	 Ms Monica Mukayagi BSc. in Food Science & Technology	Ms Monica Mukayagi (born in 1969). She is a seasoned Human Resources Professional and Certified Coach with over 15 years of diverse experience leading people and performance functions in top-tier organizations, including Housing Finance, Safaricom Ltd, and The Mater Hospital. Her expertise spans Competency-Based Recruitment, Learning & Development, Performance Management, Organizational Development, Job Evaluation (JESS & Hay Methodology), Competency Mapping, and HR Policy Development. Before transitioning into HR, she spent nearly a decade in the food industry, holding technical roles at Best Foods Kenya Ltd (now part of Unilever) and Brookside Dairy, where she built a foundation in food science and quality systems. A certified ICF Associate Certified Coach (ACC) and Genos International Emotional Intelligence Practitioner, she is passionate about helping individuals overcome limiting beliefs and unlock their full potential. She also served as a trainer, performance consultant, and coach with the Kenyan franchise of Dale Carnegie and Associates, equipping individuals and teams with confidence, communication, and leadership skills. Beyond the corporate arena, she serves on the boards of Nairobi Hospice and Greenpark Estate Management and has previously served on the Kenya Shipyard Ltd Board & Nairobi Baptist Church Board of Administration, where she chaired the HR Committee. Deeply committed to youth mentorship, she currently supports Kenyatta Trust and Rise and Learn Global as

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		an Executive mentor & trainer, and motivational speaker. Ms. Monica holds a BSc. in Food Science & Technology from the University of Nairobi, a Higher National Diploma in HRM, and certifications in Entrepreneurship (Sinapis Group and Strathmore Business School), Job Evaluation, and Assessment Centre methodologies, among others. She is also a former Dale Carnegie Certified Trainer Ms Monica Mukayagi is an independent Director.
14	 Dr Eldah Onsomu PhD in Economics; Masters in Economics	Dr Eldah Onsomu (born in 1971) is the Ag. Executive Director of the Kenya Institute for Public Policy Research and Analysis (KIPPRA) and serves as the Secretary to the Board. She provides technical guidance and capacity building on policy and strategy formulation to the Government of Kenya and other stakeholders, with the overall aim of contributing to the achievement of national development goals. She is also the Director, Economic Management at KIPPRA. Dr Onsomu's research interests are in education, labour markets, health, poverty, public finance management and socio-economic policy analysis. She has published in various peer reviewed journals, book chapters and in policy analysis series in these thematic areas. She holds a PhD and a Masters Degree in Economics from the University of Nairobi and a Bachelors Degree in Economics and Sociology from Egerton University, Kenya. Ag. Executive Director/Secretary to the Board
15.	 CS Irene Mithia Masters in Business Administration; Bachelor of Science International Business, CPS(K).	Ms Irene Mithia (born in 1980) is the Director, Directorate of Corporate Services and Ag. Corporation Secretary and Legal Officer. She holds a Master's degree from the United States International University, Bachelor of Business from United States International University with experience spanning over 18 years. She is member of the Institute for Certified Secretaries. She is also a Certified Human Resource Business Professional and a member of the Institute of Human Resource Management. Ag. Corporation Secretary, Corporation Secretary and Legal Services Department

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4. KEY MANAGEMENT TEAM

Ref	Management	Details
1.	 Dr Eldah Onsomu PhD in Economics; Masters in Economics	Ag. Executive Director and Director, Directorate of Economic Management
2.	 CS Irene Mithia Masters in Business Administration; Bachelor of Science International Business, CPS(K), Certified Human Resource Business Professional; A member of the Institute of Human Resource Management and the Institute of Certified Secretaries of Kenya	Director, Directorate of Corporate Services and Ag. Corporation Secretary and Legal Officer
3.	 John G. Karanja PhD Finance; MBA (Finance)	Ag. Director, Directorate of Integrated Development and Principal Policy Analyst, Trade and Foreign Policy Department

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Ref	Management	Details
4.	 Prof. Joseph Kieya MA., JD., PhD, EBS PhD in Economics and Juris Doctorate (JD) in Law from University of Connecticut and University of Iowa College of Law respectively	Deputy Director, Private Sector Development Department Chairman of Coffee Subsector Reforms Implementation Standing Committee
5.	 CPA Teddy Bett Masters in Business Administration (Finance); Bachelor of Commerce (Finance); Certified Public Accountant of Kenya - CPA(K), Financial Analyst (FA), Certified Secretary - CS(K) and Diploma in Contemporary Public Administration (GIMI). A member of Institute of Certified Public Accountants of Kenya (ICPAK), Institute of Certified Secretaries (ICS), Institute of Certified Investments and Financial Analyst (ICIFA) and Centre for Corporate Governance Alumni Network.	Deputy Director, Finance Department
6.	 Mr Felix Murithi MPhil in Publishing Studies; BSc Information Sciences; Diploma in Contemporary Public Administration (GIMI)	Deputy Director, Knowledge Management Department

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Ref	Management	Details
7.	 Mr Reuben M. Mauki Master of Business Administration; Bachelor of Commerce - Procurement and SCM option; Contemporary Public Administration Diploma (GIMI) and Professional Diploma in Procurement and Supply (CIPS)	Deputy Director, Supply Chain Management Department
8.	 Ms Monica Musumba MBA (Human Resources); Bachelor of Education; Higher National Diploma from the Institute of Human Resource Management and a published author	Deputy Director, Human Resource Management and Administration Department
9	 CPA Faith Musya MBA Finance, CPA(K)	Deputy Director, Internal Audit Department
10.	 Dr Eliud Moyi PhD Economics; M.A (Economics)	Deputy Director, Partnerships Department

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Ref	Management	Details
11.	 Mr Boaz Munga Master of Arts in Economics	Ag. Principal Policy Analyst, Social Sector Department
12.	 Dr Moses Njenga PhD in Economics	Principal Policy Analyst, Private Sector Development Department
13.	 Dr Humphrey Njogu PhD in Computer Science	Ag. Deputy Director, Infrastructure and Economic Services Department
14.	 Dr Nancy Nafula PhD Economics; MA (Economics)	Ag. Deputy Director, Governance Department

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Ref	Management	Details
15	 Dr Ngenoh Evans Ph.D. in Agricultural Economics, MSc in Agricultural and Applied Economics.	Principal Policy Analyst, Productive Sector Department
16.	 Mr. Victor Mose MA (Economics); B. ED (Arts, Maths/Econ)	Ag. Principal Policy Analyst, Capacity Building Department
17.	 Mr Nahashon M. Mwongera MA (Economics); BA (Economics and Mathematics)	Principal Planning and Strategy Officer, Strategy and Planning Department
18.	 Ms Jane Kenda MA Communication Studies; BA Languages and Literary Studies	Principal Corporate Communications Officer, Corporate Communication and Media Division

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Ref	Management	Details
19.	 Mr Kennedy Chongwo MSc (Information Systems); Bachelor of Science (Mathematics and Physics); Microsoft Certified Professional (MCP), Oracle Certified Associate (OCA)	Principal ICT Officer, Information and Communication Technology Division

5. CHAIRMAN'S STATEMENT

As a think tank for the Government of Kenya, the Kenya Institute for Public Policy Research and Analysis (KIPPRA) continues to develop capacities for policy formulation, implementation and evaluation; undertake relevant and timely policy research and analysis that informs evidence-based public policy formulation; and engaging strategic stakeholders to debate emerging policy issues. KIPPRA recorded tremendous achievement in its work plan for the financial year 2024/25 despite limitation in resources. The entire Board of Directors and I continue to work towards supporting the Institute, through the Executive Director, in achieving KIPPRA's mandate and strategic objectives.

The Institute continued to pursue diversification of its sources of funding and, this year, it generated Ksh. 130.9 million through research conducted on behalf of local and international organizations and government agencies; capacity building programmes delivered to Ministries, Counties, Departments and Agencies and other stakeholders; and interest income. The Institute collaborated with other organizations such as the International Food Policy Research Institute (IFPRI), International Potato Centre (CIP), the United Nations International Children's Emergency Fund (UNICEF), Kenya National Bureau of Statistics (KNBS), Partnership for Economic Policy (PEP), the Council of Governors (COG), among others. The Institute will continue forging strategic partnerships with both domestic and international organizations to support delivery of its mandate.

KIPPRA has maintained a culture of quality and rigour in production of policy research and analysis outputs that continues to inform policy debate. This year, the Institute completed 451 thematic research outputs focused on theme of job creation, including policy research papers, policy briefs, county briefs, quarterly policy monitors, E-newsletters and market analysis reports; 3 interdisciplinary research outputs including the Kenya Economic Report 2025; 69 policy analysis outputs; and 6 indices to support policy analysis. The Institute will continue supporting in delivery of the government development priorities stipulated in the Bottom-up Economic Transformation Agenda. Through KIPPRA's capacity building programmes, over 4,900 officers were capacity-built through five (5) broad programmes, namely: the Young Professionals Programme, the KIPPRA Mentorship Programme for Universities and TVETs (KMPUT), the Commercialized capacity building programme, Youth in Climate Change Action, and the Central Planning and Project Monitoring Directorate (CPPMD) programme. The Institute has also continued to provide policy advisory and technical services by providing support to 34 institutions.

In adherence to the presidential directive on tree planting and tree growing, the Institute planted 135000 trees in 6 Counties (i.e., Baringo, Bungoma, Busia, Kericho, Nakuru and Nyandarua) in collaboration with the Kenya Forest Service, County Governments and communities. The Institute also developed Board Charters and reviewed several internal policies including the Research Strategy and the resource mobilization policy.

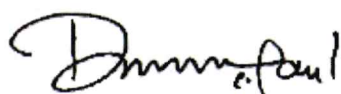
During the year under review, a number of key activities were not completed, which will be prioritized in the following year. Development of a data management system / data repository; acquisition of a Customer Relationship Management system; development of portal for the KIPPRA Virtual Policy Center; and acquisition of a data center at Konza Technopolis were not completed due to inadequacy of funds. The Institute did not finalize the acquisition of land for construction of its proposed KIPPRA research centre (which will be prioritized in FY2025/26); and did not finalize amendment of the KIPPRA Act (although

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the document was updated with further input from the Board and is ready to proceed to public participation stage).

The Institute will embark on a number of initiatives to resolve the setbacks faced, including scaling up resource mobilization efforts to augment allocation from the government, through forging strategic partnerships with various organizations that will support delivery of its mandate. This will facilitate achievement of resource-intensive targets such as the data management system and the KIPPRA Virtual Policy Center. The Institute will finalize acquisition of land to construct the KIPPRA research centre; finalizing public participation and amendment of the KIPPRA Act, CAP 112A, Laws of Kenya; and expanding research focused on emerging regional and global policy and socio-economic development issues.

KIPPRA's achievements must be acknowledged in the context of those that supported us through the year. The Government of Kenya, our parent Ministry, the National Treasury and Economic Planning, the County Governments other development partners and most importantly recognizing the staff that continue to rise to the challenge of making KIPPRA a global benchmark in public policy research and analysis.



Prof. Paul Wachana
Chairperson
Board of Directors

Date: 20th August 2025

6. REPORT OF THE EXECUTIVE DIRECTOR

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) was established to support the government in strengthening the public policy process by developing human and institutional capacity and providing evidence-based policy advice through objective research and analysis. This is in recognition that objective policy formulation, implementation and evaluation plays a critical role in the achievement of the national long-term development agenda. The Institute has completed implementing the second-year targets in its Strategic Plan for 2023/24–2027/28, whose activities were incorporated in the FY2024/25 workplan.

During the year, in delivery of Capacity Development programmes for effective and inclusive Public Policy, the Institute delivered 5 capacity building programmes, namely: Young Professionals (28 YP completed); KIPPRA Mentorship Programme for Universities and TVETS (6 main events conducted under which 3,453 persons were capacity built); Commercialized Capacity building (916 persons capacity-built); Youth in Climate Change Action (316 youths capacity built); and CPPMD programme (198 officers capacity built). The Institute developed a policy on flexible capacity-building programmes, a block release programme, and standardized all training manuals.

The Institute's policy research and analysis activity is guided by the KIPPRA Act, CAP 112A, Laws of Kenya, prevailing government development agenda and emerging domestic, regional and international phenomenon. In the year under review, the Institute's thematic and interdisciplinary research work was packaged in the form of research projects based on the theme of 'Job Creation' to generate multiple outputs which were disseminated during the 8th KIPPRA Annual Regional Conference (KARC) in May 2025. Thematic research outputs focused on the following sub-themes, which reflect on the key priorities of the BETA: Sustaining macroeconomic stability for Job creation; Securing job creation through human capital development; Re-engineering public sector for future of work; Promoting job creation through trade; Generating blue and green jobs in support of BETA; Exploiting creative economy for productive jobs; Catalyzing opportunities for job creation through infrastructural services; Leveraging on economic modeling to identify opportunities for job creation; Shaping nutrition systems for productive jobs. The focus of interdisciplinary research was on 'Future of Jobs for the Youth' (KIPPRA-wide Survey 2025 them); 'Creating Decent Jobs for Prosperity' (KER 2025 theme); 'Development Aspirations Beyond 2030: Future of Cities and Urban Areas for Economic Growth' (Vision 2030 research project theme).

The Institute submitted 5 policy memoranda; published 451 thematic research outputs; 3 inter-disciplinary research outputs; completed 69 policy analysis outputs; and 2 policy survey reports. The Institute also developed 6 indices to support policy analysis and corresponding county policy briefs, namely the County Climate Change Preparedness Index; Digital Economy Index; Digital Divide Index; Public Affairs Index; Fintech Index; and the Devolution index.

To promote dialogue with stakeholders on emerging public policy issues and to sharpen ongoing research and policy analysis work, the Institute organized 32 policy roundtables and 31 monthly policy seminars to sharpen ongoing research work. The Institute convened 70 research dissemination workshops; and provided 34 advisory and technical support to Ministries, Departments and Agencies including: State Department for Parliamentary Affairs; Ministry of Environment and Forestry; State Department for Agriculture; The National Treasury & Economic Planning; State Department for the ASALs and Regional Development; State Department for Wildlife; County Government of Nyamira; National

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Drought Management Authority; State Department for Lands and Physical Planning; Ministry of Water, Sanitation and Irrigation; County Government of Kiambu; State Department for ASALs and Regional Development; State Department for Investment Promotion; Council of Governors; National Social Protection Secretariat; Council of Governors; Nursing Council of Kenya; State Department for Economic Planning; Kenya Universities and Colleges Central Placement Service; Ministry of Public Service, Performance and Delivery Management; State Department for ICT and Digital Economy; Regional Center on Groundwater Education, Training & Research; County Government of Nairobi; State Department for Higher Education and Research; State Department for Tourism; The National Counter Terrorism Centre; and the Kenya Port Authority.

In supporting institutional development and sustainability, during the year, the Institute reviewed its resource mobilization policy and developed a corresponding resource mobilization strategy aimed at attracting both financial and non-financial resources from strategic partners. The Institute generated Ksh.130.9 million through A-I-A comprising of Capacity Building Programmes (8.54%), demand-driven research projects (50.64%), and financial and other income (35.61% and 5.21% respectively). Regarding demand-driven projects, the Institute implemented 32 projects in collaboration with regional and international Institutions of which 14 were completed, and 18 were ongoing at different stages of completion. The projects that were completed included: NUPEA; African Centre for Economic Transformation (ACET); IFPRI/KIPPRA; Nyandarua and Nairobi Counties capacity building projects; Training of Youth in Climate action; IWMI/CGIAR ClimBeR Project; NSSF; Tanzania Communication Regulatory Authority; UNICEF; UNDP/COG; and FAO/WBG MAFAP Project.

To enhance operational efficiency and business continuity, the Institute continued implementing 19 Policies / strategies currently in use (not due for review), reviewed 25; and developed 21 new ones. The new ones include: Environmental Sustainability Policy; Criteria for Employee of the Year Award; Sexual Harassment Policy; KIPPRA Doctoral Training Program; Staff Training and Development Policy; Crisis Communication Plan; Gender and Specialized Groups Strategy; Primary Data Collection Policy and Procedure; KIPPRA Public Policy Repository Strategy; KIPPRA Policy Hub Strategy; Workshops and Retreats guidelines; Legal Compliance Policy; Intellectual Property Rights Policy; Alternative Dispute Resolution Policy; Resource Mobilization Strategy; Policy on Flexible Capacity Building Programme; Block Release Programme / Policy; Risk Management Strategy; Coordination and reliance framework; Data Protection Framework. These will be finalized for approval in the first quarter of FY2025/26.

During the year under review, the Institute continued reviewing its human resource instruments and documentation, to be finalized in the first quarter of FY2025/26. In February 2025, the Institute transitioned all eligible staff (within the KP/3 to KP/10 cadres) to permanent and pensionable status and operationalized the staff pension scheme. No new staff were recruited in the year under review. However, the Institute received approval to recruit staff. This process will be completed in FY2025/26. The Institute commenced on deliberations on the reviewed, expanded KIPPRA organizational structure, to be completed in the first quarter of FY2025/26. The enhanced staff numbers will greatly facilitate delivery of the Institute's mandate.

Due to budgetary constraint, the Institute did not acquire and implement the envisaged Data Management System / data repository, Customer Relationship Management system; a portal for the KIPPRA Virtual Policy Center; and acquisition of a data center at Konza Technopolis. These activities will be undertaken in FY2025/26 subject to availability of

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financial resources. The management will scale up mobilization of A-I-A from demand-driven capacity building programmes and research and policy analysis projects to supplement allocation from the Exchequer. In addition, the Institute did not finalize the acquisition of land for construction of its proposed KIPPRA research centre. By the end of the year, the process of acquisition of land was at advanced stage in collaboration with the parent Ministry and other key Government agencies, to be finalized in FY2025/26). Finally, the Institute updated amendment of the KIPPRA Act through input from the Board, ready to proceed to public participation stage in FY2025/26.



Dr Eldah Onsomu
Ag. Executive Director, KIPPRA

Date: 20/8/2025

7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2024/2025

KIPPRA has 5 key results areas (KRA) and respective strategic objectives in the current Strategic Plan 2023/24–2027/28: (i) Capacity Development for Effective and Inclusive Public Policy; (ii) High Quality, Relevant and Responsive Policy Research and Analysis; (iii) Policy Engagement and Outreach; (iv) Institutional Sustainability; and (v) Good Governance and Effective Leadership. The 5 KRAs are delivered through 14 Strategic Objectives (SO) and 43 Strategies.

The Institute's annual work plan for 2024/2025 was aligned to the above 5 KRAs. In addition, the Institute's Performance Contract (PC) for 2024/2025 was aligned to the approved annual work plan for the year. The targets in the core mandate section of the PC were drawn from the annual workplan. Implementation of AGPO, local content in procurement and the 4 cross-cutting indicators in the PC were also implemented through the work plan. The Institute also delivered the core-mandate programmes and re-aligned the PC targets with the government priorities under the Bottom-up Economic Transformation Agenda (BETA). A summary of KIPPRA's performance on delivery of its FY 2024/2025 workplan is highlighted in table 7.1.

Table 7.1: Key Achievements Made in the FY 2024/2025

KRAs, SOs and KPIs	Activities	Achievements
KRA 1: Capacity Development for effective and inclusive Public Policy		
SO1: Enhance the Scope of the Capacity Building Programmes		
No. of reports produced	4 conducted CBNAs for target market segments (National; County; Private Sector)	The activity is ongoing to be completed in 2025/2026.
No. of policies developed	- Policy for flexible capacity-building programmes developed - Block release programme developed	- Advanced draft of the policy on flexible capacity building programme developed. - Advanced draft of the block release programme developed
No. of capacity building programmes implemented	Deliver 5 capacity building programmes	Delivered 5 capacity building programmes, namely: Young Professionals; KIPPRA Mentorship Programme for Universities and TVETS; Commercialized Capacity Building; Youth in Climate Change Action; and CPPMD programme
SO2: Enhance Tools for Delivery of the Capacity Building Programmes		

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No. of training manuals, schemes of work and trainers' guidelines developed	Develop 4 training manuals Develop 4 schemes of work Develop 4 training guidelines for trainers	Developed 4 training manuals and corresponding curricular and trainers' guides (PPMP; Governance; CPPMD; CEEP)
Training of Trainers Standardization (modules) delivered:	Standardized 6 modules	4 modules standardized namely: Public Policy Making Process (PPMP); Monitoring, Evaluation, Reporting and Learning (MERL); Pedagogy; Gender
SO3: Increase Uptake of Capacity Building Programmes		
No. of capacity building partnerships	Establish 4 partnerships for capacity development	Established 3 partnerships with the International Potato Centre, and the International Food Policy Research Institute (IFPRI); GiZ
No. of YPs capacity built	Engage 10 YPs through flexible learning approach and 30 YPs through the physical one-year programme	Engaged 31 YPs through the physical one-year programme, of which 28 completed the programme by 30 th June 2025. The YPs completed 15 information notes; 30 blogs; 14 discussion papers and 14 policy briefs Graduation programme for 2023/2024 YP cohort was held in December 2024
Supported KMPUT club research activities	Support policy research activities of KMPUTs clubs	6 KMPUS events held at 4 universities (Taita Taveta, Kenyatta, Great Lakes, KCA); and 2 TVETS (Molo; NYS Gilgil) 1 youth side event held at KIPPRA Annual Regional Conference at KSG Lower Kabete Campus in May 2025 51 training sessions to KMPUTs (through physical and virtual sessions) whereby 3453 participants were capacity built. 10 University Lecturers presented research papers at KIPPRA weekly internal seminar; 39 University lecturers participated as peer reviewers for KIPPRA policy research papers.

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No. of capacity building sessions delivered	Deliver 93 capacity building sessions through 5 programmes	Delivered 119 sessions: YP (9); Commercialized programme (42); KMPUT (51); Youth in Climate Change Action (9); CPPMD programme (8)
No. of persons capacity built	Strengthen capacity of 4,428 persons through 5 programmes	Capacity built 4,911 persons: YP (28); Commercialized programme (916); KMPUT (3453); Youth in Climate Change Action (316); CPPMD programme (198)
Targeted marketing / outreach events	Conduct 5 events	5 events achieved: International Potato Centre; Senate, GiZ, NIS, Public benefit Organizations Regulatory Authority
Outdoor activities organized by other institutions (Conferences, County; Universities; National)	Organize 3 events	Marketed capacity building programmes to all 47 counties in Q1 - Q2
Funding proposals prepared and submitted to support the 5 capacity building programmes	7 proposals developed and submitted	4 achieved namely: proposal submitted to NSSF; ACBF; PEP; ACBF-AfDB
KRA 2: High Quality, Relevant and Responsive Policy Research and Analysis		
SO4: Undertake Timely, Relevant and Responsive Policy Research		
No. of policy memorandum	Prepare and submit 7 policy memoranda	Prepared and submitted 5 policy memoranda
No. of thematic research reports produced	Publish 423 thematic research outputs (42 Discussion papers, 42 policy briefs, 329 county briefs, 4 quarterly policy monitors, 4 E-newsletters, 4 quarterly market analysis reports)	Completed and published 451 thematic research outputs (55 Discussion papers, 55 policy briefs, 329 county briefs, 4 quarterly policy monitors, 4 E-newsletters, 4 quarterly market analysis reports)

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No. of interdisciplinary research reports produced	• To produce the Kenya Economic Report (KER) 2025 • To conduct KIPPRA-Wide Survey (KWS) 2025 • Produce the Kenya Vision 2030 review research report	• The KER 2025 under the theme “<i>Creating Decent Jobs for Prosperity</i>” was finalized by 31st March 2025 • The KER 2024 was published and launched. • The KWS 2024 under the theme “<i>The Future Jobs for the Youth</i>” was completed. Findings from its 19 Special Research Papers were discussed during the KIPPRA Annual Regional Conference in May 2025, at KSG Lower Kabete Campus. • Vision 2030 research report for 2024 on the theme “<i>The Future Cities and Urban Areas for Economic Growth</i>” was prepared.
No. of policy analysis outputs published	Publish 91 policy analysis outputs (15 media; 32 blogs; 16 lead policy monitor articles; 24 Directorate policy surveillance reports; 4 quarterly reports on BETA)	Completed 69 policy analysis outputs (7 media; 18 blogs; 16 lead policy monitor articles; 24 Directorate policy surveillance reports; 4 quarterly reports on BETA)
No. of activities carried out for the indices	Develop 6 indices for policy analysis	Developed and disseminated 6 indices to the 47 counties: (i) County Climate Change Preparedness Index (CCPI): a report and 47 County Briefs; (ii) Digital Economy Index; (iii) Digital Divide Index; (iv) Public Affairs Index (PAI), report and 47 County Briefs; (v) Fintech Index and 47 County Briefs; (vi) Devolution index and 47 County Briefs.
No. of reviews carried out on Research Strategy	Review the research strategy	Completed review of the research strategy, to be approved in FY2025/26.
SO5: Diversify Coverage of Policy Research and Analysis		

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No. of research reports with a county focus produced	Undertake 10 county-based research and analysis	Carried out 9 county-based research and analysis: (i) County Climate Change Preparedness Index (CCPI); (ii) Digital Economy Index; (iii) Digital Divide Index; (iv) Public Affairs Index (PAI); (v) Fintech Index; (vi) Devolution index; (vii) County Child budget and poverty briefs; (viii) Nutrition Briefs (ix) County Economic Outlook.
County database developed and updated	Develop and update 1 county databases	Updating database on implementation of the County Integrated Development Plans (CIDP); Developed County Economic Outlook.
No. of research outputs produced Regional database developed and updated	Undertake 1 research on emerging regional and global developments Build and maintain 1 regional and global database	Updated the database on AfCFTA following research carried out in FY2023/24.
Centre for Gender and Specialized Groups established No. of gender-focused research outputs produced % of staff capacity built on gendered research approach and tools	- Set up the Centre for Gender and Specialized Groups (CGSG). - Produce 1 research report on emerging gender agenda - Build capacity of 50% of staff on gendered research tools	- Completed setting up the CGSG research unit who implemented a workplan in Fy2024/25. and prepared its work plan for 2024/25 - Completed production of the gender book, which was launched in May 2025. - Delivered 1 capacity building session to staff on gender-related aspects during the year
SO6: Enhance Quality in Policy Research and Analysis		
No. of outputs generated from the Economic Modelling Hub	- Computable General Equilibrium (CGE) Modelling: Develop the Kenya Tax Model to facilitate simulation of tax scenarios. - Futures Foresight Modelling Framework: Develop a framework to	- CGE Modelling: Kenya Tax Model and VAT simulation results completed; policy brief on Kenya Tax Model published. - Future Foresight Modelling Framework completed. 7 policy briefs based on the Kenya Fiscal Incidence Analysis Framework completed.

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	guide research methodology on Futures Foresight in KIPPRA. • Institutionalize Kenya Fiscal Incidence Analysis Framework; Produce 7 Policy Briefs using Fiscal Incidence Analysis. • Finalize County Revenue Forecasting framework and report for Kenya. • Develop KTMM Supply Side model. • Report the KTMM annual forecasts in Kenya Economic Report (KER) 2025.	• County Revenue Forecasting framework and report for Kenya completed in Quarter 4. • KTMM Supply Side model completed. Incorporated KTMM annual forecasts in the Kenya Economic Report (KER) 2025 in March 2025.
KRA 3: Policy Engagement and Outreach		
S07: Enhance Visibility and Access to Products and Services		
• No. of visits to KIPPRA website • No. of downloads from the website • No. of publications distributed to stakeholders	• Revamped KIPPRA website • Achieve 1 million visits • Distribute 20,000 hard copies of KIPPRA publications to stakeholders	• Revamped website was launched in Quarter 2. • Achieved 148,556 visits on the website during the year. • Shared 4,299 hard copy publications with stakeholders • Recorded 2,194,558 new downloads in the KIPPRA Public Policy Repository
• No. of dissemination forums organized • No. of conferences convened	• Organize 35 workshops • Organize the 8th KIPPRA Annual Regional Conference (KARC) • Organize Kenya Think Tanks Forum. • Organize You in Climate Change Symposium	• Organized 70 research dissemination workshops and validation events, of which 47 were held in all counties in Q1 and Q2. • Convened the 8th KARC on 21st to 23rd May 2025, themed "<i>Shaping Pathways to Future Jobs: Unlocking Opportunities for the Youth</i>". An average of 326 delegates attended each of the 3 days.

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		• Kenya Think Tanks Symposium was held in April 2025. • Youth in Climate Action Symposium was held in Quarter 2.
No. of trainings/ capacity building Media engagement	1 capacity building event for staff on research communication / media engagement	The Institute built capacity of staff on research communication during the researchers' workshop held in Quarter3.
• No. of policy seminars convened • No. of roundtable meetings convened	• Convene 30 roundtable meetings and 30 policy seminars to promote exchange of views on emerging policy issues	Convened 32 roundtable meetings and 31 policy seminars, most of which were held through online platforms
• No. of policy taskforces and working groups engaged in • No. of strategic partnerships at national and county level • No. of KIPPRA Open Days organized	• Participate in policy taskforces and working groups to provide advisory and technical support • Organize 1 KIPPRA Open Day	• Participated in 34 taskforces / working groups of which 11 completed their mandate and 23 others were ongoing as of 30th June 2025. • Held KIPPRA Open Day in Quarter 2.
No. of CSR events organized	Organize 4 impactful CSR activities	• Held 3 CSR events as follows: Distribution of Sanitary Towels to St. Michael Mixed Day Secondary School in Mukuru, Nairobi on 27th September 2024; Donation of Toiletries at Kamiti Maximum Prison on 15th October 2024; visit to Baraka Children's Home in Kayole, Nairobi on 20th January 2025. • 10 events held in collaboration with stakeholders (KFS, County Governments, Communities to plant a total of 135000 trees in 5 Counties: i.e., Cheptais Forest, Bungoma; WRTI Game Reserve, Naivasha; Katimok Forest, Baringo; Nasewa, Busia; Sorget Forest, Kericho; Cheptais Forest, Bungoma; Katimok Forest, Baringo; Olbolossat

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		Forest, Nyandarua; and Sorget Forest, Nyandarua.
Customer satisfaction survey index	Conduct customer satisfaction survey	Customer satisfaction survey was conducted. A score of 76.01% was achieved.
SO8: Build Sustainable Networks and Partnerships		
Strategic partnerships established	Establish 2 strategic partnerships	During the year, the Institute explored partnership with Frontier Counties Development Council
No. of staff participating in exchange programme	- Develop and implement guidelines for staff exchange programme - Facilitate 4 staff to participate in the exchange programme	- A staff exchange programme policy was developed. 5 external staff hosted at KIPPRA during the year from International University of Japan; Smith College, North Hampton; New York University; University of Copen Hagen.
KRA 4: Institutional Sustainability		
SO9: Enhance Productivity Through Human Capacity Development and Welfare Improvement		
- No. of in-post staff - No. of interns and industrial attachees engaged - Gender mainstreaming ratio	- Recruit additional staff to achieve the approved establishment of 171 - Engage 23 interns and 32 industrial attachees - Achieve 50:50 gender balance	- The Institute did not recruit new staff during the year. This is planned for in FY2025/26; closed the year with in-post staff of 86. - Achieved 9.47% of in-post staff who are PWD - Engaged 25 interns (of which 3 PWD) and 32 attachees. - During the year, 57% of in-post staff were male while 43% were female
Human resource instruments reviewed	Review the human resource instruments	The institute prepared a draft of the reviewed instruments to be finalized in 2025/2026.
Annual productivity index report	Implement productivity improvement measurement programme	The Institute implemented the productivity improvement measurement metrics and achieved an index of 1.724 against target of 1.70 for FY2024/25.

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% of compliance with annual health and safety audits	Implement OSHA health and safety activities; achieve 85%	The institute achieved 80% on implementation of OSHA requirements
% of eligible staff transitioned to permanent and pensionable	Transition 100% of all eligible staff to permanent and pensionable terms	86 eligible staff were transitioned to Permanent and pensionable terms in February 2025
• % of staff rewarded, recognized and sanctioned • No. of staff who received Presidential awards / commendation	• 100% eligible staff rewarded / recognized and/or sanctioned • 1 staff receiving Presidential awards / commendation	• Implemented the approved policy on rewards, recognition and sanctions. All eligible staff were recognized on in December 2024 • No staff or Board member received presidential commendation during the year.
employee satisfaction survey index	Conduct employee satisfaction survey	Staff satisfaction survey was conducted. A score of 59.40% was achieved.
Administrative management	Partition 2 nd and 5 th floors	Partitioning of 2 nd and 5 th floor completed to provide additional conducive working space
SO10: Enhance and Strengthen the Financial Sustainability of The Institute		
• Strategic partners for institutional funding • Institutional funding • A-I-A generated through commercialized capacity building programme; demand driven research projects; and other sources. • % of acquisition of land for KIPPRA research centre	• Increase collaborations with strategic partners • Raise Ksh 165 million A-I-A from capacity building programmes (KSh.50 million); demand-driven research projects (Ksh 80 million); and other incomes (Ksh 35 million). • 100% acquisition of land for KIPPRA research centre achieved	• The Institute raised Ksh.134.6 million through A-I-A from commercialized capacity building programme (13.57%); demand-driven research projects (51.00%); and financial income (35.41%). • The Institute did not have pending bills by 30th June 2025. • Implemented 32 demand-driven projects of which 14 were completed and 18 were ongoing at different stages. • The Institute is exploring various options for establishing the proposed research centre
SO11: Institutional efficiency and effectiveness		
• Operational ICT systems	• Quarterly reports on utilization / Optimized ICT systems	• Finalized the data protection policy. • All modules in the ERP were optimized during the year to

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• % of ERP modules operational • Approved data protection policy	• Develop a data protection policy	enhance workflow processed and operational efficiency • Enhanced security of the Institute's ICT network
• Reports on monitoring implementation of the strategic plan and workplan • Approved, reviewed M&E framework	• Develop the Monitoring and Reporting System (MRS) • Update the M&E Framework	• The workplan monitoring module of the MRS was developed and was utilised from 1st July 2024 • The Institute completed review of its M&E framework
• Updated supplier register • Quarterly reports on implementation of the procurement and asset disposal plans	• Implement procurement, asset management and disposal plans • Award contracts worth Ksh. 52,619,304 through Access to Government Procurement Opportunities (AGPO) • Award contracts worth Ksh. 70,159,072 through promotion of local content in procurement	• Prepared quarterly reports and procurement tracker on implementation of the procurement plan • Awarded contracts worth Ksh 53,765,430.9 to AGPO group (Youth, Women and PWDs) • Awarded contracts worth Ksh 127,979,963.8 through promotion of local content in procurement • The Institute continued registering suppliers through the automated supplier registration portal • Disposed obsolete, surplus and unserviceable assets in Q4.
• No. of service delivery systems automated • Implementation of Citizen's Service Delivery Charter	• Automate workflows and optimize the ERP system • Quarterly reports on implementation of commitments in the Citizens Service Delivery Charter	• The Institute automated developed a module in the ER on staff performance appraisal to be used from Q1 of FY2025/26. • Prepared 4 quarterly reports on service delivery
SO12: Integrate Knowledge Management Practices in KIPPRA Processes and Activities		
• No. of reports on Knowledge Management practices • No. of knowledge sharing forums	• Quarterly reports on building capacity for Knowledge Management • Build and maintain inventory of knowledge assets	• Quarterly reports on knowledge management produced. To develop the knowledge management self-service portal in FY2025/26. • No new COP established. • The Institute continued putting in place structures and guidelines for

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• No. of Communities of Practice (COP) established • No. of reports on knowledge processes mapped	• Conduct 1 knowledge management capability assessment • Publish 1 yearbook	- establishment of its public policy journal • A concept for development of the yearbook was prepared
• No. of uploads to the KIPPRA Public Policy Repository (KPPR)	• Upload 500 policy documents to KPPR • Quarterly KPPR usage metrics	• As at 30th June 2025 the KPPR had 4119 policy documents (National, County and KIPPRA, following uploading of 486 new policy documents during the year.
KRA 5: Good Governance and Effective Leadership		
SO13: Promote Good Corporate Governance		
Legal and regulatory compliance policy and strategy	• Conduct governance audit • Develop legal and regulatory compliance policy and strategy	• To conduct governance audit in 2025/26. • Legal compliance policy developed. The strategy will be developed in FY2025/26.
KIPPRA Amendment Bill	Finalize KIPPRA Amendment Bill	The amendment bill was revised. Stakeholder participation will be held in FY2025/26.
External Quality Assessment (EQA) No. of peer reviews conducted	Conduct 1 peer review	The peer review process will be conducted in 2025/26.
Systems Audit report	Conduct Systems Audit and monitor implementation of recommendations	Conduct of a systems audit done; the report will be finalized in 2025/26
No. of risk management reports Risk assurance report	• 4 Quarterly risk management reports • Training for risk management champions • Carry out risk assurance of the Institute	• 4 quarterly risk management reports were produced; • Thee training for risk management champions will be done in FY2025/26 • Risk assurance conducted and report completed; implementing recommendations
Full Board in place	Ensure KIPPRA has a full Board in place	Full Board was in place throughout the year

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SO14: Entrench National Values and Principles of Governance		
Annual presidential report prepared and submitted	Prepare the annual Presidential report on National Values and Principles of Governance and submit to the Directorate of National Cohesion and Values by 15th July 2025.	Implemented 4 commitments on mainstreaming national values and principles of governance under the PC indicator in line with PC guidelines for 2024/25; submitted the annual report by 15th July 2025 in the prescribed format
% of staff sensitized on National Values and Principles of Governance	Create awareness amongst staff on National Values and Principles of Governance	All staff were sensitized on National values and Principles of Governance each quarter of the year.
Compliance report prepared and submitted to PSC	Participate in annual evaluation by the PSC on Public Service values	Annual report prepared on compliance with Public Service Values and submitted to PSC in Quarter 1. The Institute received a score of 72.57%.

**KRA = Key Result Area; SO = Strategic Objective; KPI = Key Performance Indicator

8. CORPORATE GOVERNANCE STATEMENT

KIPPRA practices good corporate governance to achieve the best possible level of organizational performance. Effective governance is the most fundamental among imperatives for successful, effective and sustainable think tanks. It was recognized from the onset of KIPPRA's establishment that for the Institute to support policy formulation within the Government of Kenya, both operational autonomy and an effective governance framework were requisite for the Institute to effectively achieve its mandate. The Institute adhered to the Mwongozo Code of Governance for State Corporations in its use of public resources. The Institute relied on the leadership and guidance of the Board of Directors, who gave the Institute strategic direction, safeguarded the Institute's resources, and monitored corporate performance.

Board charter

The Board Charter was reviewed and aligned to the Mwongozo Code of Governance and approved by the Board in December 2020. A further review of the Charter was conducted in the financial year 2024/25 to address emerging issues and strengthen governance and oversight. It is expected that in FY 2025/2026, the Board will approve the Charter. The Board is governed by the terms of the Board Charter, ensuring that its role is independent from that of Management and that there is no conflict of interest affecting the duties of the Directors to the Institute. The Board has delegated the responsibility for the day-to-day business of the Institute to the Executive Director.

Process of appointment and removal of Directors

Pursuant to section 7 of the KIPPRA Act, members of the Board are appointed by the Cabinet Secretary, National Treasury and Economic Planning while the Chairperson of the Board is appointed by the President through a Gazette Notice.

During the financial period 2024/2025, the KIPPRA Board was fully constituted. As at 30th June 2025, the Board had a membership of thirteen (13) excluding the Executive Director. The members of the Board of Directors who served during the year are shown on page x to xvi.

During the year, the term of office for Prof. Benson Ateng' MBS, Prof. Harrison Maithya, Ms Fatuma Hussein, Dr Kevin Wangwe Ongeti, Ms Christine Wanjala, and Mr Aloyce Ratemo expired on 5th, 6th October, and 17th September 2024 respectively. Prof. Paul Wachana was appointed *vide* Gazette Notice No. 13402 published on 18th October 2024 with effect from 17th October 2024. Prof. Peter Muchiri Ngatia was appointed *vide* Gazette Notice No. 12637 published on 4th October 2024 with effect from 3rd October 2024. Ms Christine Wanjala was re-appointed to the Board *vide* Gazette Notice No. 13908 published on 25th October 2024. Ms Fatuma Hussein and Prof. Benson Ateng' MBS were re-appointed to the Board *vide* Gazette Notice No. 14803 published on 15th November 2024. Ms Monica Mwaniga Mukayagi was appointed to the Board *vide* Gazette Notice No. 6471 published on 23rd May 2025. Mr Aloyce Ratemo was re-appointed to the Board as the Alternate to the PS, State Department for Trade with effect from 17th October 2024.

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Table 8.1 (1): Composition of Board and Board Committees.

S/No.	Members	Full Board	Programs Committee	Human Resource and General Purposes Committee	Finance Committee	Audit Committee
1.	Prof. Paul Wachana	✓ *				
2.	Ms Christine Wanjala	✓	✓	✓		
3.	Prof Benson A Ateng'	✓	✓			
4.	Ms Fatuma Hussein	✓	✓	✓		
5.	Prof Peter Kibet Koech	✓	✓ *		✓	
6.	Mr Joseph Musuni	✓		✓		✓ *
7.	Dr Boaz Cheluget	✓		✓ *	✓	
8.	Dr Indeje Wanyama	✓			✓	✓
9.	Prof. Peter Muchiri Ngatia	✓	✓		✓ *	
10.	Mr Aloyce Ratemo	✓		✓	✓	
11.	Mr Timothy Gakuu, HSC	✓	✓		✓	✓
12.	Ms Anita Chepseba	✓		✓		✓

* Chairperson

Roles and Functions of the Board Members.

The roles and responsibilities of boards are outlined in chapter1 of Mwongozo, the code of governance for state corporations; Section 1.2. Organizational goals and values of the Institute are stated and articulated in the Institute's Strategic Plan, Annual Work Plans, and Service Charter. The Institute is running a five-year strategic plan that is implemented through annual work plans. The Strategic Plan is reviewed mid-way, while annual work plans are reviewed on a quarterly basis. Implementation of the Strategic Plan, Work Plan, and Service Charter is monitored through the annual Performance Contract agreement signed between the Board and the Government (parent Ministry), between the Executive Director and the Board, and between the Executive Director and Heads of Departments.

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Table 8.2 (2): Number of Board meetings held.

S/No.	Description	No. of meetings held
1	Full Board	12*
2	Human Resource & General-Purpose Committee	9**
3	Programs Committee	5
4	Finance Committee	5
5	Audit Committee	5
Total		36

*The Board held six (6) special meetings in the year. One meeting relating to the legal compliance and five (5) meetings on the recruitment of the Executive Director

**The Committee held five (5) special meetings relating to the recruitment of the Executive Director.

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

The Board and Board Committees are required to meet at least quarterly or as required. The Committees have been set up with clear terms of reference to facilitate efficient and effective decision making of the Board in discharging its duties, powers and authorities.

a) Board Meetings

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Prof. Paul Wachana	12	10 out of 12
2.	Ms Christine Wanjala	12	12 out of 12
3.	Prof Benson Ateng'	12	8 out of 12
4.	Prof. Peter Muchiri Ngatia	12	9 out of 12
5.	Ms Fatuma Hussein	12	10 out of 12
6.	Prof Peter Kibet Koech	12	12 out of 12
7.	Mr Joseph Musuni	12	12 out of 12
8.	Dr Boaz Cheluget	12	12 out of 12
9.	Dr Indeje Wanyama	12	8 out of 12
10.	Prof. Harrison Maithya	12	2 out of 12
11.	Dr Kevin Ongeti	12	2 out of 12
12.	Ms Monica Mukayagi	12	2 out of 12
13.	Mr Aloyce Ratemo	12	11 out of 12
14.	Mr Timothy Gakuu	12	12 out of 12
15.	Ms Anita Chepseba	12	8 out of 12

* The term of office for Prof. Harrison Maithya and Dr Kevin Ongeti expired on 06th October 2024. Prof. Paul Wachana, and Prof. Peter Muchiri Ngatia were appointed to the Board on

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18th October 2024, and 4th October 2024 respectively. Mr Aloyce Ratemo and Ms. Christine Wanjala, were re-appointed to the Board on 18th October 2024, and 25th October 2024 respectively. Prof. Benson Ateng', and Ms Fatuma Hussein were re-appointed to the Board on 15th November 2024. Ms. Monica Mukayagi was appointed on 23rd May 2025. There were six (6) additional special meetings.

b) Programmes committee

The Programmes Committee is charged with the review of annual and quarterly work plans, and Performance Contracts.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Prof Harrison Maithya	5	1 out of 5
2.	Ms Christine Wanjala	5	5 out of 5
3.	Dr Kevin Ongeti	5	1 out of 5
4.	Ms Fatuma Hussein	5	3 out of 5
5.	Prof Peter Kibet Koech	5	2 out of 5
6.	Prof Benson Ateng'	5	2 out of 5
7.	Prof. Peter Muchiri Ngatia	5	3 out of 5
8.	Mr Timothy Gakuu	5	5 out of 5

**Ms. Christine Wanjala exited the Committee upon expiry of her term on 6th October 2024; she was re-appointed to the Committee in the Board meeting held on 31st October 2024. Prof Benson Ateng' was appointed to the Committee during the Board meeting held on 24th January 2025. Ms Fatuma Hussein exited the Committee upon expiry of her term on 6th October 2024; she was re-appointed to the Committee in the Board meeting held on 24th JJanuary2025. Prof. Peter Muchiri Ngatia was appointed to the Committee on 31st October 2024. Prof. Harrison Maithya and Dr Kevin Ongeti exited the committee upon expiry of their terms in the Board on 6th October 2024.*

c) Human Resource and General-Purpose Committee

The Human Resource and General-Purpose Committee advises the Board on organizational structure, administration, human resource policy and capacity enhancement/ building, reviews the salaries, benefit packages and service contracts, recruitment of senior staff ensuring that these are competitively structured and linked to performance. The Committee also makes recommendations for broad guidelines that promote operational efficiency.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Ms Anita Chepseba	9	7 out of 9
2.	Prof. Harrison Maithya	9	1 out of 9
3.	Dr Boaz Cheluget	9	9 out of 9
4.	Mr Aloyce Ratemo	9	9 out of 9

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5.	Mr Joseph Musuni	9	9 out of 9
6.	Ms Fatuma Hussein	9	6 out of 9
7.	Ms Christine Wanjala	9	7 out of 9

**Prof. Harrison Maithya and Dr Kevin Ongeti exited the committee upon expiry of their terms in the Board on 6th October 2024. Ms Christine Wanjala was appointed to the Committee in the Board meeting held on 31st October 2024.*

d) Finance Committee

The Finance Committee reviews annual budgets and procurement plans, quarterly and annual financial reports.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Dr Kevin Ongeti	5	2 out of 5
2.	Dr Boaz Cheluget	5	4 out of 5
3.	Mr Aloyce Ratemo	5	3 out of 5
4.	Prof. Muchiri Ngatia	5	2 out of 5
5.	Prof. Peter Kibet Koech	5	5 out of 5
6.	Mr Timothy Gakuu	5	1 out of 5
7.	Dr Indeje Wanyama	5	3 out of 5

**Dr Kevin Ongeti exited the committee upon expiry of his term in the Board on 6th October 2024. Prof. Muchiri Ngatia and Mr Timothy Gakuu was appointed to the Committee in the board meeting held on 31st October 2024.*

e) Audit Committee

The Audit Committee works closely with the internal audit unit and plays a critical role in reviewing financial information and ensuring that the system of internal controls is effectively administered. It considers significant audit findings identified by the Institute's internal and external auditors. The Committee maintains oversight on internal controls, and makes recommendations on financial information, risk management, policies and audit issues.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Mr Joseph Musuni	5	5 out of 5
2.	Ms Christine Wanjala	5	2 out of 5
3.	Ms Anita Chepseba	5	3 out of 5
4.	Prof. Benson Ateng'	5	1 out of 5
5.	Mr Timothy Gakuu	5	5 out of 5
6.	Dr Indeje Wanyama	5	4 out of 5

**Prof. Benson Ateng' was appointed to the Committee on 24th January 2025. Ms Christine Wanjala exited the Committee on 31st October 2024.*

f) Ad-hoc Committees

An ad hoc legal committee was constituted on 10th February 2025 to review and fast-track legal compliance in the Institute. The committee was wound up on 29th April 2025.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Mr Joseph Musuni	1	1 out of 1
2.	Prof. Muchiri Ngatia	1	1 out of 1
3.	Prof. Peter Koech	1	1 out of 1
4.	Dr Boaz Cheluget	1	1 out of 1
5.	Ms Anita Chepseba	1	1 out of 1
6.	Mr Timothy Gakuu	1	1 out of 1

**The committee was wound up on 29th April 2025, having completed the assignment, and the function was transferred to the Board Programs Committee.*

Induction, training and development

The Board underwent an induction programme for board members facilitated by the Institute for Certified Secretaries from 9th – 12th December 2024.

Board and Board Member's Performance

The Board undertakes an annual evaluation of its performance and effectiveness to identify the areas for improvement and addresses them. Performance evaluation is conducted with the assistance of SCAC, an independent party. Board Evaluation for the FY 2023/24 was conducted on 21st August 2024. The Board received and adopted the Board Performance Evaluation Report for FY 2023/24 on 12th November 2024. The Corporate Board's performance stood at a score of 92.70%.

Succession plan

The Board reviewed, evaluated, and approved the overall Institute structure, the assignment of senior management responsibilities and plans for senior management development and succession. The KIPPRA Succession Management Policy was approved by the board on 26th October 2023.

Policy to Manage Conflict of interest

The Board continued to implement the KIPPRA Conflict of Interest Policy. A conflict-of-interest register was maintained and filled before start of all Board meetings.

Board remuneration

Board members were remunerated for their services in accordance with the prevailing relevant legislative provisions and/or guidance from the relevant authority. The breakdown of the board remuneration is captured in note number thirty-twos (Note No.32)

Ethics and Conduct

The Board adopted, implemented, and monitored compliance with the Institute's Code of Conduct and Ethics.

Governance Audit

On governance audit, the Institute initiated the governance audit in the fourth quarter of the financial year and is expected to conclude in the 1st quarter of FY 2025/2026.

Communication Policy

KIPPRA has developed communication policy and procedures, which provide guidelines on internal and external communication. They outline what should be communicated to internal and external stakeholders as well as the specific channels to be used for each type of communication.

The Institute also has a communication strategy to enhance awareness and effective communication of its products and services to stakeholders. The strategy identifies categories of stakeholders and their specific communication needs, their preferred channels of communication and specific timeliness when they are to receive the information. The communication strategy has key performance indicators that can be measured and evaluated to ensure KIPPRA's communication goals are met.

The Institute's citizens' delivery charter is another tool that ensures timely provision of services and products to customers. This includes promptly responding to enquiries and timely resolution of complaints. Tools have also been developed to monitor the implementation of the charter.

The Institute conducts regular internal and external customer surveys to determine satisfaction levels among the Institute's customers and to identify areas of improvement.

The Board approved the KIPPRA Communication Strategy (2023/24 – 2025/26) and Stakeholder Engagement Policy on 28th March 2024.

Terms of Reference of Committees

The terms of reference for the Committees are captured in the Board Charter, and separate Committee Charters were developed to enhance and align the Committees' charters.

Policy on Related Party transactions

The policy on related party transactions is captured under note 4 (t) on the Summary of Significant Accounting Policies. Further, a disclosure of the related party is made in Note. 32.

9. MANAGEMENT DISCUSSION AND ANALYSIS

Section A

KIPPRA's operational and financial performance

KIPPRA is supported by the National Government through the State Department of Economic Planning by way of transfer of funds for operational use. These funds are channelled to the Institute through its bank account after this has been budgeted for and approved by the Board of Directors. During the year, the State Department for Economic Planning transferred a total of Ksh 384.545 million. The institute earned Ksh 134.604 million in Appropriations in Aid (A.I.A); Ksh 66.330 million from research consultancies, Ksh 14.800 million from capacity building programmes and Ksh 46.648 million from bank interest. Other Incomes (KIPPRA Regional Conference, Sale of KIPPRA Publications, gain on disposal of motor vehicle and reimbursements from ACBF for administration costs incurred.) accounted for Ksh 6.828 million.

Summary of financial results.

i. Revenue

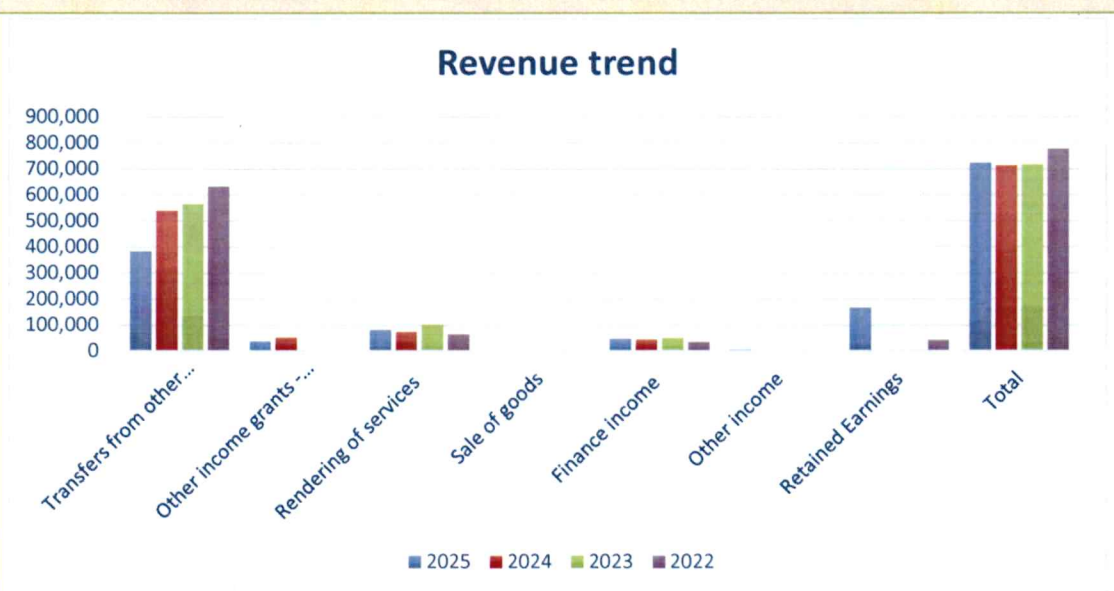
a. Tabulated revenues "Ksh 000"

S/No.	Description	2025 Ksh '000'	2024 Ksh '000'	2023 Ksh '000'	2022 Ksh '000'
1	Transfers from other government entities	384,545	547,176	563,968	633,607
2	Other income grants – NIPFN	44,034	52,796	-	-
3	Rendering of services	81,130	74,398	100,691	63,892
4	Sale of goods	59	59	147	61
5	Finance income	46,648	46,316	50,203	34,433
6	Other income	6,768	777	2,806	1,498
7	Retained Earnings	161,236	-	-	43,769
	Total	724,420	721,522	717,815	777,260

b. Trend

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KIPPRA's operational and financial performance



The graph above provides a trend of revenues realized in FY 2024/25. From the graph exchequer releases accounted for 53% of the revenues realized, Appropriations in Aid (A.I.A) 19%, while retained earnings used to fund ingoing research consultancies and commitments' accounted for 23%.

ii. Expenditure

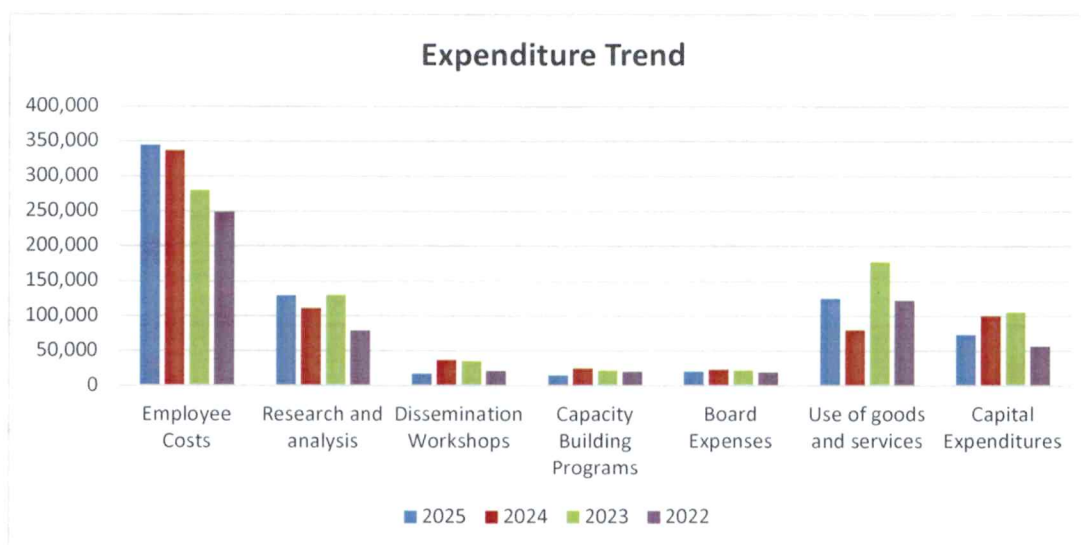
The Graph below provides a comparison between expenditures incurred in FY 2024/25, FY 2023/24, FY 2022/23 and FY 2021/22. From the graph there was an overall 2% increases in spending in FY 2023/24.

a. Tabulated Expenditure "Ksh 000"

S/No.	Description	2025	2024	2023	2022
1	Employee Costs	345,389	336,918	279,817	249,053
2	Research and analysis	129,363	110,687	129,769	78,779
3	Dissemination Workshops	16,965	33,028	35,078	20,993
4	Capacity Building Programs	14,416	24,925	21,264	20,190
5	Board Expenses	20,408	23,165	21,892	19,384
6	Use of goods and services	126,847	83,849	177,639	122,212
7	Capital Expenditures	73,490	100,594	105,839	56,899
	Total	726,878	713,165	771,298	567,510

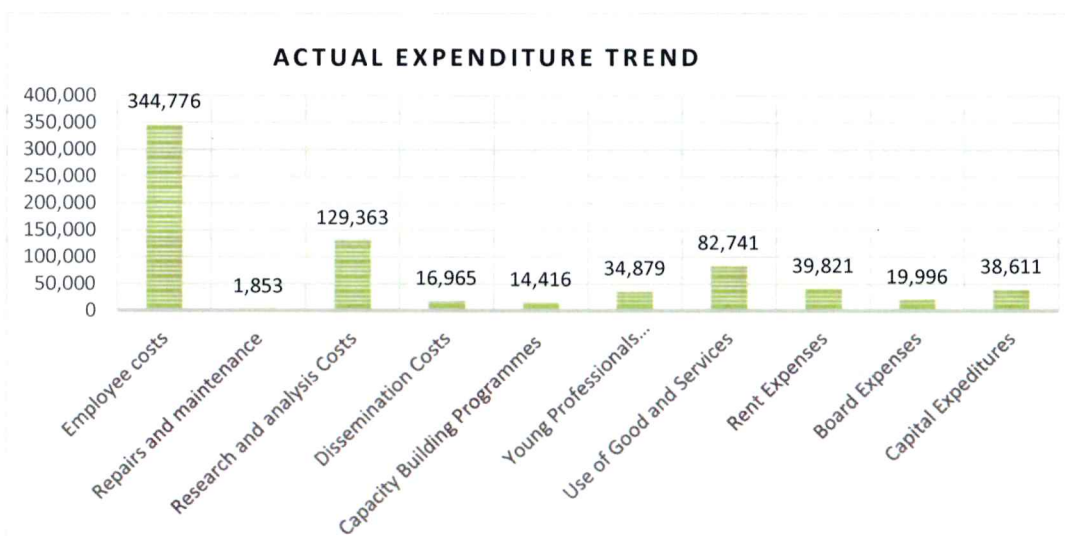
KIPPRA's operational and financial performance

b. Trend



FY 2024/2025 Actual expenditure Trend

In fulfilment of its mandate, the Institute incurred expenses on various line items. Personnel emoluments accounted for 48%, use of goods accounted for 11% with Board allowances accounting for 3% of total expenses. Research and Analysis costs accounted for 18%, dissemination costs 2%, and capacity building programmes costs 2% of the total expenses. Capital expenditure accounted 10% with 5% representing the Young Professionals programme costs and purchase of fixed assets 5 % of the total expenses.



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Section B

Institute's compliance with statutory requirements

The Institute has complied with PFM Act 2012 and PPAD Act 2015 and their respective regulations. It has also complied with other legal requirements such as submission of statutory deductions i.e. timely remittance of NHIF, NSSF, PAYE, NITA, HELB, VAT withholding and Income tax withholding. There is no major non-compliance that may expose the Institute to potential contingent liabilities.

Access to Government Procurement Opportunities (AGPO)

As provided by the PPAD Act 2015, in the FY 2024/25, the Institute awarded a total of Ksh 53,765,430.91 to the AGPO in line with 30% AGPO allocation surpassing the target of Ksh 49,975,275.20 (107.58%). Women were awarded 55.54% of the AGPO contracts amounting to Ksh 29,861,645 the Youth were awarded 40.81% of AGPO contracts amounting to Ksh 21,942,255.91 and 3.65% of AGPO contracts were awarded to PWDs amounting to Ksh 1,961,530 which surpassed the 2% target of Ksh 1,052,386.

Local Content in Procurement

The Institute also in compliance to awarding at least 40% of the total value of the procurement budget to goods and services produced locally awarded Ksh 127,979,963.80 against an annual target of Ksh 63,967,033.60 (200%).

Court Cases

The following are ongoing court cases and respective exposure:

Sno.	Description	Ksh.
1	Nicholas Ogola's Case	21,794,904
2	Prof. Mwangi Kimenyi's Case	45,000,000
3	Manaseh Otieno Oiro	3,175,517
4	Josim Instantaneous Consultium (K) Ltd	4,164,864
	Total	74,135,285

Section C

Key projects and investment decisions the entity is planning/implementing

The Institute did not implement any project in FY2024/25

Section D

Major risks facing the Institute

KIPPRA has committed to a process of risk management that is aligned to the principles of best practice of corporate governance. This is reflected in the approved Integrated Risk Management Policy Framework (IRMPF) - implemented since FY2022/23 - that supports the implementation of an enterprise-wide approach to risk management. The approved IRMPF provides guidelines on quarterly reporting on how the Institute is managing risks within its risk Universe (i.e., Financial, Operational, Compliance, and Financial Risks). The institute has a risk register that is embedded in the web-based Integrated Risk Management System, a tool that the management has utilised since FY2022/23 to monitor and generate quarterly risk management status. During FY2024/25, eight risks (7 Operational and 1 Strategic) had been

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documented as high. None was documented in the Financial or Compliance categories. The following table provides details including risk mitigation status:

Risk Name	Risk Category	Risk Action Plan	Mitigation Status
Breakdown of Photocopier Machines or Printer (OP-63)	Operational	• Fast-track procurement of a service provider to repair and/or service photocopiers and printers. • Ensure the broken-down photocopiers / printers are repaired.	• Service provider was engaged and repaired 2 printers at cost of Ksh.40,600. • Repair of 2 other printers is pending due to budget constraint; requires Ksh. 692,000.
Resource Adequacy risks (OP-143)	Operational	• Request for supplementary budget from Exchequer	• Completed. • The Management submitted supplementary budget estimate to SDEP on 7/1/2025 requested Ksh.276 M in recurrent and Ksh.68 M in development budget (Total of KSh.344 M). • Received additional Ksh.135 M to cater for the period to June 2025 - to facilitate personnel emoluments; and workplan activities.
		• Collect all pending payments from finalized demand driven projects to achieve A-I-A target in the workplan	• Ksh. 12,901,769.72 from 8 projects that was pending at E-Citizen was received. • Cumulatively for the year, achieved 81.58% on the targeted Ksh.165M A-I-A
		• Mobilize Institutional funding from strategic partners	• Ongoing activity. • Review of the resource mobilization policy completed in Q4. • To finalize developing the resource mobilization strategy in FY2025/26.
		• Seek approval to replace staff who exit and to recruit additional staff	• Pending; to recruit once approval and funding available • Recruitment of ED is ongoing.
		• Deliver on pending training sessions under commercialized capacity building programme to generate targeted A-I-A.	• 102.4% achieved for the year; Cumulatively delivered 42 sessions against target of 41. • However, generated Ksh.14.80 million against Ksh. 50.00 million targeted for the year (i.e., 29.60%)

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Project Closure Risk (OP-172)	Operational	Finalize documentation to guide project owners to initiate project closure; and sensitize the Management /project owners on the same.	- Documentation was completed. - sensitization to management / project owners is pending.
		Officially close all completed projects	As at 30/06/2025, the Institute had 32 demand driven projects of which 14 projects completed and are undergoing closure; 18 projects are ongoing hence final payments to KIPPRA not yet done.
		Finalize and implement the Project Management Module in the ERP	- Pending activity due to budget constraint. - The Institute will utilise inhouse ICT staff / programmer to develop the module in FY2025/26.
Physical Office Security Risks (OP-198)	Operational	Repair and upgrade faulty biometric access during installation of new replacement of 6th and 7th floor doors.	Repair and upgrade of biometric access system in all floors was completed.
Planning risks (S-142)	Strategic	Monitor and report on implementation of the carried-over workplan activities	The Management piloted the newly developed workplan Monitoring and Reporting System in July - December 2024 and implemented fully in January - June 2025.
		Implement remedial measures to ensure completion of previous year workplan activities carried over to FY2024/25.	- RRI was conducted in December 2024 – February 2025 through a committee. - Majority of carry over activities from previous years completed. - Most of research papers and policy briefs for FY2024/25 not completed hence carried over to FY2025/26.
		Fast-track implementation of year 2 Strategic Plan targets in respective departmental workplans for FY2024/25	As at 30/06/2025, 12% of year 2 activities had not been implemented, mainly due to budget constraints. These will be implemented in FY2025/26 subject to availability of funds.

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		• Fast-track completion of previous year workplan activities carried over to FY2024/25.	• Majority of carry over activities from previous years completed. • Most of research papers and policy briefs for FY2024/25 not completed hence carried over to FY2025/26.
Data risk (OP-28)	Operational	• Acquire and implement the Data Management System and interactive data portal • Finalize review of the Research Data Management Policy • Finalize development of the Primary Data Collection Policy and Procedure	• This action plan is targeted for closure by 30th June 2026
Submission risk (OP-31)	Operational	• Fast-track completion of FY2024/25 carry-over policy research papers	• This action plan is targeted for closure by 31st December 2025.
Custodian Risk (OP-93)	Operational	• Acquire and install an access control system in the library.	• This action plan is targeted for closure by 30th June 2026; subject to availability of funds.

Section E

Material arrears in statutory and Other financial obligations

KIPPRA does not have loan default, pending bills, tax default, outstanding staff & pension obligations/actuarial deficit on pension schemes and non-payment of dividends & loan redemption to the National Exchequer.

Section F

The Institute's Financial probity and serious governance issues

There is no financial improbity reported by internal audit/Board audit committee, external auditors, or other National Government Agencies providing oversight and there are no governance issues among the Board of directors and senior management including conflict of interest.

Section G

Future Developments and other information

KIPPRA intends to construct its own headquarters once the land is acquired. This will also host the KIPPRA Campus where capacity building of young professionals and public officers will be carried out.

10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

KIPPRA aims to deliver on its mandate sustainably while prioritizing customer and citizen needs through relevant services and operational excellence.

i) Sustainability strategy and profile

The KIPPRA's Strategy Plan for 2023/24-2027/28, titled "driving inclusion through transformative processes," is founded on values like knowledge, inclusivity, professionalism, patriotism, responsiveness, and accountability. Recognized among the top five think tanks in Sub-Saharan Africa over the past five years, KIPPRA's success is attributed to its impactful capacity development programs, timely policy research and analysis, advisory support in evidence-based public policy formulation, and stakeholder engagement.

The strategic plan aligns with the Kenyan Constitution, KIPPRA Act, policy priorities in the fourth Medium Term Plan, the Bottom-up Economic Transformation Agenda (BETA), and various global commitments, including the African Union Agenda 2063, Sustainable Development Goals, and climate change frameworks. Annual work plans, developed in consultation with various stakeholders, ensure implementation. Key results include:

1. Capacity Development for Effective and Inclusive Public Policy
2. High-Quality, Relevant, and Responsive Policy Research and Analysis
3. Policy Engagement and Outreach
4. Institutional Sustainability
5. Good Governance and Effective Leadership

The institute is ISO 9001:2015 certified, and high-quality, customer-focused services. With 86 staff members out of an approved 171, efforts are ongoing to achieve full staffing for efficient delivery mandate.

KIPPRA enjoys substantial government support, receiving 75% of its budget from the exchequer. Additional resources are mobilized through demand-driven research projects and commercialized capacity-building programs. Plans to construct its own premises within the strategic plan period are part of KIPPRA's long-term sustainability strategy.

ii) Environmental performance

KIPPRA is committed to environmental sustainability, implementing recommendations from the Environmental Impact Assessment Report. Measures include:

- Quarterly reports to the National Environmental Management Authority (NEMA)
- Well-labeled waste bins for recycling
- Encouraging energy and water conservation through reminder stickers
- Installing and annually servicing fire extinguishers
- Sensitization of staff members on office hygiene
- Conducting monthly refrigerators and microwaves cleaning
- Conducting quarterly office fumigation and cleaning

To enhance biodiversity, in support of the H.E. the President tree growing campaign, KIPPRA has engaged in various tree-planting initiatives, contributing to Kenya's goal of increasing forest cover to 10% by 2032. Over the review period, KIPPRA planted 135,000 trees, participating in events across various locations. Key activities include:

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Date	No. of seedlings planted	Stakeholder/Partner	Venue
7/11/2024	1,500	- Kenya Forest Service - Cheptais Community Forest Association	Cheptais Forest, Bungoma
01/10/2024	1,000	Wildlife Research and Training Institute (WRTI)	WRTI Game Reserve, Naivasha
21/03/2025	3,000	- Kenya Forest Service - County Government of Baringo - Kabarnet Community Forest Association	Katimok Forest, Baringo
16/05/2025	5,000	- Kenya Forest Service - County Government of Busia - State Department for Economic Planning	Nasewa, Busia
16/05/2025	3,000	- Kenya Forest Service - State Department for Economic Planning	Sorget Forest, Kericho
16/05/2025	2,000	- Kenya Forest Service - State Department for Economic Planning	Olbolossat Forest, Nyandarua
17/05/2025	2,500	- Kenya Forest Service - State Department for Economic Planning	Cheptais Forest, Bungoma
31/05/2025	20,000	- Kenya Forest Service - Kabarnet Community Forest Association	Katimok Forest, Baringo
20/06/2025	20,000	Kenya Forest Service	Olbolossat Forest, Nyandarua
20/06/2025	77,000	Kenya Forest Service	Sorget Forest, Nyandarua
Total	135,000		

These efforts demonstrate KIPPRA's commitment to environmental conservation, contributing to a sustainable future for generations to come.

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For the Year Ended 30 June 2025



iii) Employee welfare

Recruitment at the Institute is based on fair competition and merit, ensuring representation from Kenya's diverse communities and equal opportunities for all genders, youths, ethnic groups, persons with disabilities, and minorities. It emphasizes affirmative action, gender balance, and inclusion of persons with disabilities, with at least a third of employees being of either gender. External recruitment advertisements are widely shared, including with the Public Service Commission, County Assemblies, Council of Governors, and NCPWD fuzu portal. Recruitment is guided by the KIPPRA HR Policy & Procedure Manual 2020 and the PSC HR Policy Manual 2016. Recruitment policies are reviewed annually through the ISO process and in line with government guidelines.

Career progression follows approved guidelines reviewed every three years, prioritizing internal promotions and detailing procedures for internal and external recruitment. Policies for succession, talent management, mentorship, and coaching are in place to build staff capacity.

Staff performance is managed through annual work plans, quarterly reviews, and end-of-year evaluations, aiming to reward performance fairly and support organizational objectives. The Institute recognizes exemplary performance through commendation letters, recognition certificates, and various awards. The KIPPRA Reward, Recognition, and Sanctions Policy outlines levels of recognition and types of rewards.

The KIPPRA Occupational Health and Safety policy promotes a safe work environment to reduce accidents and improve productivity. The Health and Safety Committee leads awareness activities and ensures compliance with safety standards, including training staff in first aid and maintaining appropriate insurance covers.

iv) Market place practices

a) Responsible Competition Practice

KIPPRA ensures that the suppliers are accorded opportunities without discrimination. This is done through rotation of registered suppliers when issuing requesting for quotations as well as ensuring that procurement that are done through open tender are advertised through media with wide coverage. The bidding documents used have clauses on fraud and corruption whereby bidders are required to certify that they have taken steps to ensure that no person acting for them or on their behalf engages in any type of Fraud and Corruption. The bidders are also required to sign the certificate of independent tender determination to confirm that there has been no consultation, communication, agreement or arrangement with any competitor that would lead to bid collusion.

b) Responsible Supply chain and supplier relations

Suppliers' payments are processed without delay once delivery and inspection of goods is concluded. This is done through coordination between Supply Chain Management and Finance departments. They are also given feedback after the procurement process is finalized through notification of award or regret letters stating reasons why they were unsuccessful in the tendering process. Suppliers are also sensitized on Public Procurement and Asset Disposal Act and Regulations to offer them capacity building on the legal framework guiding procurement in public sector.

c) Responsible marketing and advertisement

The institute allows continuous registration of eligible suppliers, contractors and service providers through the supplier portal (<https://procurement.kippira.or.ke/>). Further all tenders are advertised in the Public Procurement Information Portal and the institute's website to reach a wide scope of interested bidders.

d) Product stewardship

KIPPRA which is ISO certified has in place policies and Procedures on Control of Non-conforming Outputs which covers the detection of non-conforming products and services within KIPPRA's operations and taking the necessary corrective or preventive actions to avoid unintended use or delivery. The non-confirming outputs may be identified during production, inspection, testing, verification, or outputs returned by customers, during service delivery, during internal and external quality audits, after service delivery, and through customer feedback.

KIPPRA ensures that outputs (both products and services) that do not conform to requirements of the customers are identified and controlled to prevent their unintended use or delivery. Where non-conformity is detected during processing, it is suspended until action is taken to eliminate the detected non-conformity.

v) Corporate Social Responsibility / Community Engagements

KIPPRA seeks to be a good corporate citizen in all aspects of its operations and activities. To this end, the institute's commitment to be social and economic responsible has been seen through implementation of various impactful Corporate Social Responsibility / Community Engagements as a way of giving back to the community. In the FY 2024/2025, KIPPRA implemented the following CSR activities.

a) Distribution of Sanitary Towels to St. Michael Mixed Day Secondary School in Mukuru, Nairobi

On 27th September 2024, CSR team in partnership with Kenya Works donated Makini Pads reusable to 273 total population of St. Michael Mixed Day Secondary School in Mukuru. The team was received by the school officials and the students had an opportunity to be trained how to use the pads.

The school is under the management of Mukuru Promotion Centre (MPC), a faith based, non-profit organization founded in 1985 by the Sisters of Mercy. The Centre has expanded to meet the needs of a growing population and operates multiple projects in education, health, social welfare, social rehabilitation and environmental change.

Kenya Works provides holistic programming to eliminate barriers and amplify human rights across Kenya. Makini Pad initiative employs 35 women who create the pad kits. Each kit contains (8 ultra-absorbent soft-fiber pads, 2 leak-proof winged holders, 2 bags of securely store soiled pads, 1 drawstring bag) certified by KEBs can possibility of lasting for 18 months.



b) Donation of Toiletries at Kamiti Maximum Prison

On 15th October 2024, the Institute in partnership with the Institute of Certified Secretaries participated in a CSR event at Kamiti Prison, dubbed 'Kamiti Prison Chapati Forum.' The Forum provided networking opportunities for inmates and interaction with other key stakeholders.



c) Baraka Children's Home in Kayole, Nairobi
KIPPRA staff visited Baraka children's home in Kayole, Nairobi and donated charitable items on January 20th 2024. Further, staff also interacted with the children, engaging the children through songs



11. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Institute's affairs.

i) Principal activities

The principal activity of the Institute is to provide quality public policy advice to the Government of Kenya and other stakeholders by conducting objective research and analysis and through capacity building to contribute to the achievement of national development goals.

ii) Results

The results of the Institute's Financial Performance for the year ended 30th June 2025 are set out on page 1.

iii) Directors

The members of the Board of Directors who served during the year are shown on page x to xvi. During the year, the term of office for Prof. Benson Ateng' MBS, Prof. Harrison Maithya, Ms Fatuma Hussein, Dr Kevin Wangwe Ongeti, Ms Christine Wanjala, and Mr Aloyce Ratemo expired on 5th, 6th October and 17th September 2024 respectively. Prof. Paul Wachana was appointed *vide* Gazette Notice No. 13402 published on 18th October 2024 with effect from 17th October 2024. Prof. Peter Muchiri Ngatia was appointed *vide* Gazette Notice No. 12637 published on 04th October 2024 with effect from 3rd October 2024. Ms Christine Wanjala was re-appointed to the Board *vide* Gazette Notice No. 13908 published on 25th October 2024. Ms Fatuma Hussein and Prof. Benson Ateng' MBS were re-appointed to the Board *vide* Gazette Notice No. 14803 published on 15th November 2024. Ms Monica Mwaniga Mukayagi was appointed to the Board *vide* Gazette Notice No. 6471 published on 23rd May 2025. Mr Aloyce Ratemo was re-appointed to the Board as the Alternate to the PS, State Department for Trade with effect from 17th October 2024 and the members were successfully onboarded

iv) Auditors

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

By Order of the Board



Dr Eldah Onsomu
Ag. Executive Director/Secretary to the Board

Date: 20/8/2025

12. STATEMENT OF DIRECTORS RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Directors to prepare financial statements in respect of the Institute, which give a true and fair view of the state of affairs of the Institute at the end of the financial year and the operating results of the Institute for that year. The Directors are also required to ensure that the Institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the Institute. The Directors are also responsible for safeguarding the assets of the Institute.

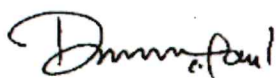
The Directors are responsible for the preparation and presentation of the Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate 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 Institute; (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 Institute; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Directors are of the opinion that the Institute's financial statements give a true and fair view of the state of Institute's transactions during the financial year ended June 30, 2025, and of the Institute's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the Institute, which have been relied upon in the preparation of the Institute's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the Institute's ability to continue as a going concern. Nothing has come to the attention of the Directors to indicate that the Institute 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 Institute's financial statements were approved by the Board on 1st August 2025 and signed on its behalf by:



Prof. Paul Wachana.
Chairperson of the Board

Date: 20th August 2025

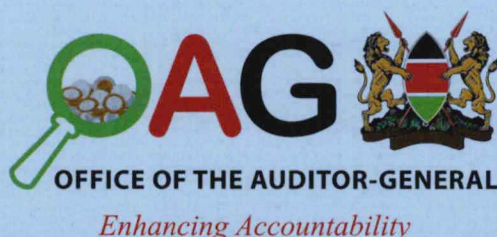


Dr Eldah Onsomu
Ag. Executive Director/
Secretary to the Board

Date: 20/8/2025

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 KENYA INSTITUTE OF PUBLIC POLICY RESEARCH ANALYSIS (KIPPRA) FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on Financial Statements 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.
- 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 Kenya Institute for Public Policy Research and Analysis (KIPPRA) set out on pages 1 to 42, which comprise of the

Report of the Auditor-General on Kenya Institute of Public Policy Research Analysis (KIPPRA) for the year ended 30 June, 2025

statement of financial position as at 30 June, 2025, the statement of financial performance, the statement of changes in net assets, the statement of cash flows, and the 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 Kenya Institute for Public Policy Research and Analysis as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and comply with the Kenya Institute for Public Policy Research and Analysis Act, 2006 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Misstatement of Property, Plant and Equipment

The statement of financial position reflects property plant and equipment balance of Kshs.366,028,200 as disclosed in Note 22 to the financial statements which includes land valued at Kshs.250 million measuring 2.57 hectares in Upper Kabete allocated to the Institute and issued with a title deed. The land was meant for construction of the Institute's Headquarters. However, as previously reported, the Director of Veterinary Services (DVS) wrote to the KIPPRA Management informing them that the land was among other irregularly allocated parcels of land which were hived off from the Veterinary land at Kabete and its development would curtail the operations of Central Veterinary Laboratories. The issue was referred to the National Land Commission and the DVS disallowed any development thereon.

In 2016, the Institute initiated the construction of offices on the land, but the State Department of Livestock proposed an alternative piece of land on the basis that the current land was not ideal as it is within the Kabete Veterinary Bio-Facilities and drainage. The construction project was therefore halted. Further, Appendix I to the financial statements indicated that the Board approved the surrender of the title deed (Ownership document) of the disputed land as an alternative is being processed. In addition, the Cabinet Secretary, The National Treasury and Economic Planning, wrote a letter to the National Lands Commission (NLC) via letter dated 19 June, 2025 requesting for the surrender and transfer of the title deed of the land in question to KIPPRA. However, as at 30 June, 2025, the Institute had not been allocated an alternative piece of land and could not also access the allocated parcel of land as the Department of Veterinary Services had fenced it off.

In the circumstances, the ownership, accuracy and fair statement of property, plant and equipment balance of Kshs.366,028,200 could not be confirmed.

2. Long Outstanding Receivables

The statement of financial position reflects receivables from exchange transactions balance of Kshs.18,832,207 as disclosed in Note 21 to the financial statements. However, included in the balance are receivables amounting to Kshs.11,023,650 or 59% of the balance which had been outstanding for over three (3) years. There was no provision for bad and doubtful debts made for the same even though the recoverability of the balance was clearly uncertain.

In the circumstances, the accuracy, completeness and fair statement of receivables from exchange transactions balance of Kshs.18,832,207 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Institute of Public Policy Research Analysis 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 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 Matter

In the audit report of the previous year, an issue was raised under the Report of Financial Statements. However, Management had not resolved the issue as at 30 June, 2025.

Other Information

The Directors are responsible for the other information set out on page v to lxi which comprise of Key Entity Information and Management, the Board of Directors, Key Management Team, Chairman's Statement, Report of the Executive Director, Statement of Performance against Predetermined Objective, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Institute's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit

or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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 of 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 the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Institute'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.

The Board of Directors are responsible for overseeing the Institute'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, SBS
AUDITOR-GENERAL

Nairobi

29 September, 2025

Kenya Institute for Public Policy Research and Analysis (KIPPRA)
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For the Year Ended 30 June 2025

14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2024-2025 Kshs	2023-2024 Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6 (a)	384,545,102	547,175,767
		384,545,102	547,175,767
Revenue from exchange transactions			
Rendering of services	7	77,516,323	74,398,910
Sale of goods	8 (a)	58,500	59,100
Finance income	9	46,647,992	46,316,669
Other income	8 (b)	6,767,726	777,465
Total Revenue from exchange transactions		130,990,541	121,552,144
Total revenue		515,535,643	668,727,911
Expenses			
Use of goods and services	11	271,981,253	334,141,151
Employee costs	12	345,389,193	337,246,188
Board Expenses	13	20,407,874	23,165,094
Depreciation and amortization expense	14	35,911,753	34,295,854
Repairs and maintenance	15	1,852,640	2,542,958
Bank Charges	16	839,117	934,810
Total expenses		676,381,830	732,326,056
Other gains/losses)			
Gain/Loss on foreign exchange transactions	10	(28,649)	(6,028,865)
Surplus/ (deficit) before tax		(160,874,836)	(69,627,010)
Taxation	17	12,918,136	15,462,752
Surplus/(deficit) for the period/year		(173,792,972)	(85,089,762)
Remission to National Treasury		-	-
Net Surplus for the year		(173,792,972)	(85,089,762)
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling Entity		-	-

The notes set out on pages 7 to 41 form an integral part of these Financial Statements.
The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:


Dr Eldah Onsomu
Ag. Executive Director


CPA Teddy Bett
Deputy Director, Finance
ICPAK M/No. 11072


Prof. Paul Wachana
Board Chairperson

Date: 20/8/2025

Date: 20/08/2025

Date: 20th August 2025

Kenya Institute for Public Policy Research and Analysis (KIPPRA)
Annual Report and Financial Statements
For the Year Ended 30 June 2025

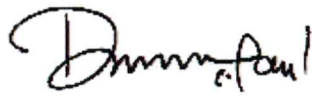
15. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	19	512,988,357	835,372,383
Receivables from Exchange Transactions	21	18,832,207	28,974,797
Total Current Assets		531,820,564	864,347,180
Non-Current Assets			
Property, Plant and Equipment	22	366,028,200	363,717,645
Intangible Assets	23	8,886,834	8,565,481
Total Non- Current Assets		374,915,034	372,283,127
Total Assets		906,735,598	1,236,630,307
Liabilities			
Current Liabilities			
Trade and Other Payables	24	2,597,128	73,590,152
Current Provision	25	8,400,000	8,400,000
Deferred Income	27	104,411,457	132,134,618
Total Current Liabilities		115,408,585	214,124,770
Non-Current Liabilities			
Non-Current Employee Benefit Obligation	28	1,368,331	58,753,883
Total Non- Current Liabilities		1,368,331	58,753,883
Total Liabilities		116,776,916	272,878,653
Financed By.			
Accumulated Surplus		202,442,155	449,724,832
Capital Fund		347,597,526	274,107,822
Reevaluation Reserve		239,919,000	239,919,000
Total Net Assets		789,958,682	963,751,654
Total Net Assets and Liabilities		906,735,598	1,236,630,307

The financial statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:


Dr Eldah Onsomu
 Ag. Executive Director


CPA Teddy Bett
 Deputy Director, Finance
 ICPAK M/No. 11072


Prof. Paul Wachana
 Board Chairperson

Date: 20/8/2025

Date: 20/08/2025

Date: 20th August 2025

Kenya Institute for Public Policy Research and Analysis (KIPPRA)
Annual Report and Financial Statements
For the Year Ended 30 June 2025

16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/ Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2023	-	239,919,000	-	576,500,781	-	173,513,783	989,933,564
Issued new capital	-	-	-	(41,686,187)	-	41,686,187	-
Revaluation gain / loss	-	-	-	-	-	-	-
Surplus/ deficit for the year	-	-	-	-	-	-	-
Drawings from Reserves	-	-	-	(85,089,762)	-	-	(85,089,762)
Capital/development grants received	-	-	-	-	-	58,907,852	58,907,852
Dividends paid	-	-	-	-	-	-	-
Interim dividends paid	-	-	-	-	-	-	-
Proposed final dividends	-	-	-	-	-	-	-
As at June 30, 2024	-	239,919,000	-	449,724,832	-	274,107,822	963,751,654
As at July 1, 2024	-	239,919,000	-	449,724,832	-	274,107,822	963,751,654
Transfer of retained earnings to capital fund.	-	-	-	(73,489,705)	-	73,489,705	-
Issue of new share capital	-	-	-	-	-	-	-
Revaluation gain / loss	-	-	-	-	-	-	-
Surplus/ (deficit) for the year	-	-	-	(173,792,972)	-	-	(173,792,972)
Capital/development grants received	-	-	-	-	-	-	-
Transfer of depreciation/amortization from capital fund to retained earnings	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-
Interim dividends paid	-	-	-	-	-	-	-
Proposed final dividends	-	-	-	-	-	-	-
As at June 30, 2025	-	239,919,000	-	202,442,155	0	347,597,526	789,958,682

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17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

		2024-2025	2023-2024
	Notes	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6 (a)	384,545,102	527,965,000
Development partners grants	6	0	52,795,767
Rendering of services	7 (b)&(c)	79,180,249	70,872,751
Other income	8 (b)	6,204,156	777,465
Sale of goods	8 (a)	58,500	59,100
Total receipts		469,988,007	652,470,083
Payments			
Use of goods and services	11(b)	268,531,714	302,556,865
Employee costs	12(b)	345,389,193	336,782,083
Board Expenses	13(a)	19,996,375	21,814,584
Repairs and maintenance	15(a)	1,852,640	852,079
Total payments		635,769,922	662,005,611
Net cash flows from/ (used in) operating activities		(165,781,915)	(9,535,528)
Cash flows from investing activities			
Purchase of PPE and Intangible assets	18 (b)	(38,610,924)	(36,786,187)
Proceeds from sale of PPE	8 (b)	563,570	-
Finance income	9	46,647,992	46,316,669
Young Professionals Programme Costs	18 (a)	(34,878,780)	(55,768,294.00)
Net cash flows from/ (used in) investing activities		(26,278,143)	(46,237,812)
Cash flows from financing activities			
Proceeds from borrowings		0	0
Net cash flows from financing Activities		0	0
Net increase/(decrease) in cash & Cash equivalents		(192,060,058)	(55,773,340)
Cash and cash equivalents on 1 July		835,372,383	897,174,587
Adjusted for:			
Gain/Loss on foreign exchange transactions	10	(28,649)	(6,028,865)
Funds b/f to finance NIPFN and Ongoing projects' activities	20	(56,705,167)	-
Accrued expenses settled during the year	20	(73,590,152)	-
Cash and cash equivalents at 30 June	19	512,988,357	835,372,383

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18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs'000'	Kshs'000'	Kshs'000'	Kshs'000'	Kshs'000'	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year	111,659,221	49,577,000	161,236,221	161,236,221	0	100%
Revenue						
Recurrent Grant	249,545,102	135,000,000	384,545,102	384,545,102	0	100%
Development Grant	0	0	0	0	0	0%
Other Capital Grant (Deferred Income)	40,000,000	4,034,000	44,034,000	44,034,000	0	100%
Rendering of Services	115,000,000	0	115,000,000	86,006,475	28,993,526	75%
Finance Income	50,000,000	0	50,000,000	46,647,992	3,352,008	93%
Total Income	566,204,323	188,611,000	754,815,323	722,469,790	32,345,533	
Expenses						
Use of Goods and Services	258,209,221	31,057,816	289,267,037	255,613,578	33,653,459	88%
Employee costs	249,545,102	99,423,251	348,968,353	345,389,193	3,579,160	99%
Remuneration of Directors	8,250,000	12,850,397	21,100,397	19,996,375	1,104,022	95%
Taxation	6,250,000	7,000,000	13,250,000	12,918,136	331,864	97%
Repairs and Maintenance	1,500,000	650,000	2,150,000	1,852,640	297,360	86%
Total Recurrent Expenditure	523,754,323	150,981,464	674,735,787	635,769,922	38,965,865	
Capital Expenditure						
Young Professionals Program	40,000,000	0	40,000,000	34,878,780	5,121,220	87%
Fixed Assets & Operating System Costs	2,450,000	37,629,536	40,079,536	38,610,924	1,468,612	96%
Total Capital Expenditure	42,450,000	37,629,536	80,079,536	73,489,705	6,589,831	
Total Expenditure (Recurrent & Capital)	566,204,323	188,611,000	754,815,323	709,259,627	45,555,696	
Surplus for the period				13,210,163	(13,210,163)	

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Reconciliation of comprehensive income and Surplus for the period

Description	Amount "Kshs"
Actual Surplus Amounts as per the statement of Budget	13,210,163
Adjusted for:	
i) Drawings from retained Earnings	205,270,223
ii) Deferred Income (Capital)	104,411,457
iii) Ongoing Research Project Commitments	19,898,884
iv) Foreign Exchange Loss	28,649
v) Accumulated funds used to finance NIPFN Project commitments	56,705,167
vi) Prior year accrued expenses settled during the year	73,590,152
vii) Discharged capital commitments	33,629,536
viii) AMREF project refund	6,244,126
Closing Cash and Cash Equivalent as per the statement of Cash flows	512,988,357

Budget notes

1. Revenue

- a) Budget carryovers from the previous year relate to the following:
 - European Union (NIPFN) and grants: The Institute received project funds in April 2024 from the development partners and continued funding the implementation of project workplan activities until December 2024 when the project came to an end.
 - The projection was to fund commitments through withdrawal from retained earnings.
- b) Rendering of Services: The Institute had committed to putting more effort into generation more appropriations in Aid in FY 2024/25 Performance Contract. Although there was some improvement in revenue realized during the year compared to last year, the Institute could not realize the projected revenue. The Institute will fast track the implementation of the resource mobilization strategy to ensure project revenues are realized in future.
- c) Finance Income: The Institute performed well in realizing the income earned from bank deposits.
- d) Other incomes: The planned projects were finalized during the year; leading to the absorption of the projected earnings.

2. Operating Costs

- a) Use of goods: Variance resulted from unrealized projected research consultancy work which also affected the incomes realized from A.I.A.
- b) Fixed Assets & Operating System Costs: During the year the Institute completed partitioning of the office space that was committed in the previous year. The contract was complete and the retention funds released to the contractor, hence the improved absorption level in the budget line.

19. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Kenya Institute for Public Policy Research and Analysis (KIPPRA) is established by and derives its authority and accountability from KIPPRA Act, CAP 112A, Laws of Kenya. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is to develop human and institutional capacities for the Government of Kenya and other stakeholders by conducting objective research and analysis and through capacity building to contribute to the achievement of national development goals.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Institute. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>The Institute have lease for its rental premises. The standard will have an impact in reporting the same going forward.</i>

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Standard	Effective date and impact:
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 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. <i>The Institute does not have Non- Current Assets Held for Sale hence the standard does not have an impact to the Institute.</i>
IPSAS 45- Property Plant and Equipment	Applicable 1st January 2025 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. <i>The standard will have an impact in the Institute's reporting going forward.</i>
IPSAS 46 Measurement	Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. <i>The standard will have an impact in the Institute's reporting going forward.</i>

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Standard	Effective date and impact:
IPSAS 47- Revenue	Applicable 1st January 2026 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. <i>The Institute has revenues from non-exchange transactions; therefore, the standard will have an impact in the Institute's reporting going forward.</i>
IPSAS 48- Transfer Expenses	Applicable 1st January 2026 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. <i>The Institute does not have transfers to other entities hence the standard will not have an impact to the Institute's reporting.</i>
IPSAS 49- Retirement Benefit Plans	Applicable 1st January 2026 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. <i>The Institute provides for the retirement of its employees. The standard will have an impact in the Institute's reporting going forward.</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	Applicable 1st January 2027 The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

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Standard	Effective date and impact:
	<i>The Institute does not undertake Exploration For & Evaluation of Mineral Resources hence the standard will not have an impact to the Institute's financial reporting.</i>

iii. Early adoption of standards

The Institute did not early – adopt any new or amended standards in the financial year 2024/2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

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

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Dividends

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

Rental income

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

b) Budget information

The original budget for the Current FY 2024/2025 was approved by the National Assembly on May 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 Institute upon receiving the respective approvals to conclude the final budget. Accordingly, the Institute recorded additional appropriations April 2025 budget following the governing body's approval.

The Institute's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 5 of these financial statements.

c) Taxes

Current income tax

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

Deferred tax

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

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

Sales tax

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

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

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

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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 derecognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Institute 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.

Depreciation on other assets is calculated on the straight-line balance basis to write down the cost of each asset, or the re-valued amount, to its residual value over its estimated useful life using the following annual rates:

S/No.	Description	Rate %
1.	Computers	33.3
2.	Motor vehicles	25.0
3.	Office Furniture and Fittings	12.5
4.	Office Equipment's	12.5

f) Leases

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

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

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated

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amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

h) Research and development costs

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

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

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

i) Financial instruments

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

A financial instrument is any contract that gives rise to a financial asset of one Institute and a financial liability or equity instrument of another Institute. At initial recognition, the Institute measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

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

an Institute 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 Institute classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

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 Institute manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The Institute 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 Institute recognizes a loss allowance for such losses at each reporting date.

b) Financial liabilities

Classification

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

j) Inventories

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

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

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

k) Provisions

Provisions are recognized when the Institute 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 Institute expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l) Social Benefits

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

m) Contingent liabilities

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

n) Contingent assets

The Institute 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 Institute in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset

and the related revenue are recognized in the financial statements of the period in which the change occurs.

o) Nature and purpose of reserves

The Institute creates and maintains reserves in terms of specific requirements. The Institute retains reserves meant to be utilized to fund its mandate.

p) Changes in accounting policies and estimates

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

q) Employee benefits

Retirement benefit plans

The Institute provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (KIPPRA Pension Scheme) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

r) Foreign currency transactions

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

s) Borrowing costs

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

t) Related parties

The Institute 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 Institute, or vice versa. Members of key management are regarded as related parties and comprise the Board of Directors, the Executive Director and senior managers.

u) Service concession arrangements

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

v) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at 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 NCBA Bank and Kenya Commercial Bank (KCB) at the end of the financial year.

w) Comparative figures

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

x) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Institute'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.

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 Institute 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 Institute. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

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Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 25. 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.

In the process of applying the Institute's accounting policies, management has made judgments in determining:

- Whether assets are impaired
- The classification of financial assets and leases
- Provisions and contingent liabilities

6. a) Transfers from Other Government entities

Description	FY 2024-25	FY 2023-24
	Kshs	Kshs
Unconditional grants		
Operational grant	384,545,102	481,965,000
Operational grant – Receivable	-	12,415,000
Other grants	-	52,795,767
Development Grant	-	46,000,000
Total Unconditional Grants	384,545,102	593,175,767
Unconditional grants	-	
Other Organizational Grants (specify)	-	-
Total government grants and subsidies	384,545,102	593,175,767

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

Name of the Entity sending the grant	Amount recognized to Statement of Financial performance Kshs	Amount deferred under deferred income Kshs	Amount recognized in capital fund. Kshs
State Department for Economic Planning	384,545,102	-	384,545,102
Total	384,545,102	-	384,545,102

c) Transfers from Ministries, Departments and Agencies (MDAs) - Reconciliation

Unconditional grants	FY 2024-25	FY 2023-24
Operational grant	384,545,102	481,965,000

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Other grants	-	52,795,767
Operational grant – Recurrent grant receivable	-	12,415,000
Total Recurrent Grant (to statement of financial performance)	384,545,102	547,175,767
Development Grant	-	46,000,000
Total government grants and subsidies	384,545,102	593,175,767

d) Breakdown as captured in Cashflow statement

Unconditional grants	FY 2024-25	FY 2023-24
Operational grant	384,545,102	481,965,000
Development Grant	-	46,000,000
Total transfers from other governments entities	384,545,102	527,965,000
Other grants – Development partners grants	-	52,795,767

7. Rendering Of Services – Appropriations in Aid (A.I.A)

Description	FY 2024-25	FY 2023-24
	Kshs	Kshs
Training Fees- Capacity Building courses	11,186,709	16,260,587
Service Fees (Research consultancy)	66,329,613	58,138,323
Total Appropriations in Aid (A.I.A)	77,516,323	74,398,910

a) Research Consultancy Schedule

Description	2024-2025	2023-2024
	Kshs	Kshs
AERC - GPIR Grant	-	186,935
Mastercard - PEP study on empirical review of youth employment policies and their impact in Kenya.	-	3,995,600
FAO - An Assessment of Cash- Plus Option for Social Protection for Agriculture-dependent households and training Government Officers on Applied Research Methods.	-	728,633
World Resource Institute Analyzing existing economic models used by the Government in assessing green transition	-	3,055,033
SAIIA - Consultancy services for the preparation of a policy brief	-	402,616
FANARPAN - Ukana Ustawi and ClimBer Initiatives in Kenya	-	1,069,470
IFPRI - Development of Public Spending Datasets, and Public Spending Analysis in 2022	-	5,580,271
Kenya Roads Board - Development of KRB Strategic Plan for 2023-2027	1,922,444	2,642,102
AERC - Leveraging on special drawing rights for sustaining economic recovery	-	276,243
KIPI - Consultancy for Development of Strategic Plan 2023-2027	-	1,723,537
State Department for Youth	-	17,580,952
AERC Grant_ Data Governance -RC23521	-	766,440
AERC - GPIR Grant	-	1,200,000
Development Initiatives - Support to progress GPI to the next level; Localize GPI in the National Context	11,105	938,700
FAO - Analyzing Public Expenditure towards Food and Agriculture in Kenya	1,277,975	1,088,645
AERC - GPIR Grant	-	2,010,695

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AERC -Identifying Institutional Structures for Data Policy and Governance Frameworks in Kenya.	-	441,725
PEP - Develop a National Engagement Report-Earth4all Kenya Report	4,601,923	737,550
AERC - Data collection Grant	-	1,185,693
FARA - Strengthening Evidence-Based Policy Practice for Sustainable Food Systems under the EU-AU Partnership	-	7,809,796
AERC - Leveraging on special drawing rights for sustaining economic recovery	-	803,795
AERC - Experimental Economics Research Pilot Survey	-	87,165
Vital Strategies- RESET Project	-	3,826,724
IWMI - Building Systemic Resilience Against Climate Variability and Extremes Country of Assignment: Kenya	2,619,159	-
AMREF - USAID Health Governance and Strategic Partnerships. Uongozi wa Afya Thabiti project	456,185	-
EU - Strengthening Evidence-Based Policy & Practice for Sustainable Food Systems	2,413,800	-
AERC - GPIR Grant	112,500	-
Nakuru County Housing Project (FSD)	5,582,510	-
KIPI - Development of Strategic plan 2023-2027	2,298,051	-
YARA – Mi-Crop Survey	9,303,690	-
MAFAO - Public Expenditure Data set and PE trends	3,424,135	-
AERC - GPIR Grant	424,160	-
World Bank - Public Expenditure (PE Data Set and Trends Reports	670,500	-
UNEP- Circularity and Used Textiles Trade (CUTT)	4,693,500	-
IFPRI - CGE Training and Tax Model	9,496,157	-
Gain - Review of the current National Food and Nutrition Security Policy (NFNSP)	2,709,863	-
National baseline survey on the existing numbers of engine	5,767,331	-
AERC - Institutional partnership BMGF	1,507,820	-
JRC - Modelling Forest Rehabilitation in Kenya	1,903,823	-
UFAA - National Survey on holding of Unclaimed Financial Assets in Kenya	2,274,260	-
MSEA -Contribution of Micro and Small Enterprises in Kenya	1,480,309	-
CETO - Launch of Kenya Country Economic Transformation Outlook (CETO)	1,378,414	-
Total revenue from research consultancy	66,329,613	58,138,323

(b) Revenue from Research Consultancy

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Revenue earned from Research Consultancy	66,329,613	58,138,323
Less: Research Consultancy fees receivable	(1,950,000)	(3,526,159)
Total Revenue realized during the year	64,379,613	54,612,164

c) Capacity Building Programmes

Source	2024-2025	2023-2024
	Kshs	Kshs
Makueni County	-	107,219
Bungoma County	-	109,100
Fish Levy Trust Fund	-	56,800

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Kenya Academy of Sports	-	109,100
Business Registration Service Board	-	284,000
NuPEA	-	568,000
Central Bank of Somali	-	1,461,958
Kenya Industrial Estates	-	218,200
Kenya National Comm for Human Rights	-	107,218
Institute of Economic Affairs	-	109,100
International Development Law Organization	-	2,454,000
KASNEB	-	109,100
Cooperative Bank	-	30,100
Nandi County	-	107,219
Energy and petroleum Regulatory Authority	-	756,176
State Department for Cabinet Affairs	-	214,438
U.S. Disbursing Officer Symbol	-	53,100
Masinde Murilo University	-	3,014,800
Hellen Muriithi	-	61,400
Finn Church Aid	-	61,400
Parliamentary Service Commission	-	654,600
CARE Kenya	-	2,087,400
IGRTC	1,420,000	1,420,050
Tanzania Communication Regulatory Authority (TCRA)	2,193,876	2,106,109
Damaris Musembi	307,146	-
National Council Law for Reporting	423,000	-
Baringo County	1,451,338	-
Henry Maina & John Akoten	218,200	-
Unclaimed Financial Assets Authority	2,274,260	-
International Centre for Tropical Agriculture	109,100	-
Kenya Development Corporation	109,100	-
Client Services	218,200	-
Client Services	34,900	-
Client Services	181,100	-
Kenya Development Corporation	109,100	-
State Law Office and Dept. of Justice	141,450	-
National Campaign Against Drug Abuse (NACADA)	4,313,641	-
National Intelligence Service (NIS)	1,296,224	-
Total revenue from Capacity Building Programmes	14,800,635	16,260,587

(d) Revenue from Capacity Building Programmes- Reconciliation

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Revenue earned from Capacity Building Programmes	14,800,635	16,260,587
Less: Training fees receivable for the year	0	(3,526,159)
Less: Prior year receivables realized during the year	(3,613,926)	0
Total Revenue Earned during the year	11,186,709	12,734,428

8. Other Income

(a) Sale of Goods

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Sale of KIPPRA Publications	58,500	59,100
Total other Income	58,500	59,100

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(b) Other Miscellaneous Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
KIPPRA Regional Conference	5,115,688	710,365
Disposal of Assets	563,570	-
Other income (ACBF Reimbursements)	1,088,468	67,100
Total Other Miscellaneous Income	6,767,726	777,465

9. Finance Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Interest from Bank deposits	46,647,992	46,316,669
Total finance income	46,647,992	46,316,669

NB: *This is interest earned on our current bank account balances.*

10. Other Gains

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Foreign exchange gain/(loss)	(28,649)	(6,028,865)
Total other gains	(28,649)	(6,028,865)

(a) Computation of foreign exchange gain

Description	FY 2024-2025	FY 2023-2024	Gain / Loss
	Rate @129.2343	Rate @129.5270	
Exchange Rate Adjustment of USD 97,777.92	12,636,231.71	12,664,880.64	(28,649)
Total	12,636,231.71	12,664,880.64	(28,649)

11. Use of Goods and Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Professional Services	7,257,821	10,763,303
Audit Fees	900,000	900,000
Research and Capacity Building Costs	160,743,881	168,639,997
Insurance	1,753,349	1,275,268
Legal Expenses	4,241,665	2,947,187
Postage	142,715	713,605
Printing and Stationery	4,887,200	4,974,907
Rent expenses	39,355,495	39,820,711
Training	4,150,376	11,222,667
Travel, Subsistence & Other Allowances	6,070,024	18,534,901
Other General Expenses*	42,478,727	74,348,607
TOTALS	271,981,253	334,141,152

a) Other General Expenses Include

Description	2024-2025	2023-2024
	Kshs	Kshs
Motor vehicle expenses	3,484,144	3,274,058

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Telephone	2,304,132	1,477,479
Internet	3,468,320	2,395,598
Library	1,762,483	4,520,623
Monitoring & Evaluation Expenses	4,269,270	10,917,270
Other expenses	15,981,678	37,000,614
ICS (PFM) Costs	1,862,000	1,974,916
ICS (Internal Audit Quality Assurance) Costs	946,700	4,388,049
Tax Provision	7,500,000	7,500,000
Provision for Audit Fees	900,000	900,000
TOTALS	42,478,727	74,348,607

b) Use of Goods and Services Reconciliation

Description	2024-2025	2023-2024
	Kshs	Kshs
Total of Use of Good & Services (Less Rent expense and Research costs)	71,881,877	125,680,445
Tax Paid	12,918,136	15,462,752
Rent Paid during the year (Note 11c)	32,780,009	31,193,952
Research Costs paid during the year (Note 11e)	160,743,881	157,107,516
Accrued Expenses – (Use of Good & Services)	(1,392,189)	(18,487,799)
Less: Provisions (Note 26)	(8,400,000)	(8,400,000)
Actual Payment for Use of Goods & Services	268,531,714	302,556,866

c) Rent Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Prepaid rent b/f	5,782,046	5,735,736
Rent paid during the year (c/flow)	38,562,055	31,193,952
(Prepaid) rent c/f	(5,782,046)	2,891,023
Accrued Parking bays c/f	793,440	-
Actual Rent expense for the year	39,355,495	39,820,711

d) Research and Capacity Building Costs breakdown

Description	2024-2025	2023-2024
	Kshs	Kshs
Research and analysis	126,641,749	101,626,023
Dissemination Workshops	16,965,413	33,027,645
Capacity Building Programs	14,415,799	24,925,427
Research Publications	2,720,920	9,060,901
Total Research Costs	160,743,881	168,639,997

e) Research and Capacity Building Costs Reconciliation

Description	2024-2025	2023-2024
	Kshs	Kshs
Total Research Costs	160,743,881	168,639,997
Accrued Costs	-	(11,532,481)
Actual Research & Capacity Building Costs Paid during the year	160,743,881	157,107,516

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12. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Basic Salaries	163,949,885	159,654,187
House Allowances	43,021,424	42,791,442
Commuter Allowances	9,565,629	9,438,688
Telephone Allowances	1,309,750	1,350,927
Other Remunerative Benefits*	16,750,085	15,421,401
NSSF Employer Contribution	4,166,396	1,777,680
Pension Employer Contribution	12,071,148	-
Housing Levy Employer Contribution	3,755,008	3,227,717
Employer contribution to health insurance schemes	33,826,016	35,073,581
Gratuity	30,685,546	48,548,294
Other employee-related costs *	26,288,307	19,962,271
Employee costs	345,389,193	337,246,188

*** a) Other Remunerative Benefits include:**

Description: Other Employee-related costs breakdown	2024-2025	2023-2024
	Kshs	Kshs
Responsibility Allowance	4,395,000	4,443,257
Leave Allowance	6,039,378	6,127,663
Special Duty Allowance	848,399	1,495,570
Acting Allowance	2,206,861	1,335,163
Salaries for staff on deployment	17,036	17,587
Entertainment Allowance	817,742	455,000
Salary Arrears	1,975,637	1,547,161
Extraneous Allowances	241,000	0
Personal Guide Allowance	209,032	0
Total other employee-related costs	16,750,085	15,421,401

***Other employee-related costs include:**

Description	2024-2025	2023-2024
	Kshs	Kshs
Recruitment Costs	836,238	1,466,290
Group Life Insurance	2,781,208	2,409,345
Casual wages	22,474,411	16,086,637
Other Staff Costs – NITA;	196,450	0
Total other employee related costs	26,288,307	19,962,272

b) Employment Costs Reconciliation

Description	2024-2025	2023-2024
	Kshs	Kshs
Total Employment Costs	345,389,193	337,246,187
Accrued costs	0	(464,104)
Actual Payment for Employment Costs	345,389,193	336,782,083

13. Board Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman/Directors' Honoraria	1,020,000	1,020,000
Sitting allowances	7,217,876	6,211,743

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Medical Insurance	651,454	605,287
Induction and Training	1,680,000	2,826,900
Other allowances (Related expenses e.g., Mileage claims, Per diems)	9,838,543	12,501,164
Total	20,407,874	23,165,094

a) Board Expenses Reconciliation

Description	2024-2025	2023-2024
	Kshs	Kshs
Total Board Expenses	20,407,874	23,165,094
Accrued Expenses	(411,499)	(1,350,510)
Actual Payment for Board Expense	19,996,375	21,814,584

14. Depreciation and Amortization Expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	31,149,180	29,790,199
Intangible assets	4,762,573	4,505,656
Investment property carried at cost	-	-
Total depreciation and amortization	35,911,753	34,295,855

15. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Property & Equipment	1,852,640	2,542,958
Other repairs and maintenance	-	-
Total repairs and maintenance	1,852,640	2,542,958

a) Repair and Maintenance Costs Reconciliation

Description	2024-2025	2023-2024
	Kshs	Kshs
Total Repair and Maintenance Costs	1,852,640	2,542,958
Accrued Costs	-	(1,690,879)
Actual Repair and Maintenance Costs	1,852,640	852,079

16. Finance Costs/ Bank Charges

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Charges	839,117	934,810
Total Bank Charges	839,117	934,810

17. Taxation

Description	2024-2025	2023-2024
	Kshs	Kshs
WH Tax Paid	7,031,175	6,555,465
Tax Paid	5,886,961	8,907,287
Tax paid during the year	12,918,136	15,462,752

18. Capital Expenditure

(a) Young Professionals Programme

Description	2024-2025	2023-2024
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	Kshs	Kshs
Monthly Allowances	25,101,935	35,143,226
Medical	2,484,407	634,230
Research and operating costs	7,292,438	23,130,396
Total Young Professionals Program costs	34,878,780	58,907,852

i) Young Professionals Programme Cost Reconciliation

Description	2024-2025	2023-2024
	Kshs	Kshs
Total Young Professionals Programme Costs	34,878,780	58,907,852
Accrued Costs	-	(3,139,558)
Actual Young Professionals Programme Costs	34,878,780	55,768,294

b) Fixed Assets & Operating Systems

Description	2024-2025	2023-2024
	Kshs	Kshs
Furniture & Fittings	31,433,359	12,543,747
Computers	897,840	1,693,600
Office Equipment's	1,195,800	8,533,200
Motor Vehicles	-	13,518,000
Intangible Assets	5,083,925	5,397,640
Total Fixed Assets & Operating Systems Costs	38,610,924	41,686,187

i) Fixed Assets & Operating Systems' Cost Reconciliation

Description	2024-2025	2023-2024
	Kshs	Kshs
Total Fixed Assets & Operating Systems Costs	38,610,924	41,686,187
Accrued Costs	-	(4,900,000)
Actual Fixed Assets & Operating Systems Costs	38,610,924	36,786,187

19. Cash & Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current account	512,988,357	835,372,383
Savings account	-	-
On - call deposits	-	-
Others – Cash in hand	-	-
Total cash and cash equivalents	512,988,357	835,372,383

Detailed Analysis of the Cash and Cash Equivalents

Financial institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current account			
1) NCBA Bank (USD)	6433060047	12,636,232	71,013,573
2) NCBA Bank	6433060052	2,069,764	824,114
3) NCBA Bank	6433060073	-	1,102,402
4) NCBA Bank	6433060094	479,534	(1,317,254)
5) NCBA Bank	6433060115	489,846,862	652,294,543
6) NCBA Bank	6433060107	1,368,331	58,753,883
9) Kenya Commercial bank	1254842756	6,587,634	52,701,123
Sub- total		512,988,357	835,372,383
b) On - call deposits	-	-	-

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Sub- total	-	-	-
c) Fixed deposits account	-	-	-
Sub- total	-	-	-
d) Staff car loan/ mortgage	-	-	-
Sub- total	-	-	-
e) Others(specify)	-	-	-
Cash in transit	-	-	-
Cash in hand	-	-	-
Mobile money accounts	-	-	-
Sub- total	-	-	-
Grand total		512,988,357	835,372,383

Conversion of USD to KES

Account Name	Account No.	Currency	Amount	
KIPPRA -Projects @129.234	6433060047	USD	97,777.92	12,636,232
Account Name	Account No.	Currency	Amount	
KIPPRA -Projects @129.527	6433060047	USD	548,253.05	71,013,573

20. Accumulated funds used to finance NIPFN activities & discharge accrued expenses

Descriptions	2024-2025	2023-2024
	Kshs	Kshs
Staff Salaries	1,471,952	-
Research Costs	25,042,823	-
Publication Costs	1,557,800	-
Support for KIPPRA Conference	28,632,592	-
GoK Payables	73,590,152	-
Total Financing	130,295,319	-

21. Receivables from Exchange Transactions

(a) Receivables from Exchange Transactions (Current)

Descriptions	2024-2025	2023-2024
	Kshs	Kshs
Current receivables		
Project Income receivable	8,426,325	8,120,707
Recurrent Grant Receivable	-	12,415,000
Training fees receivable	-	3,526,159
Rent deposit	4,215,465	4,215,465
ACBF Receivables	122,885	365,606
Prepaid Rent	5,735,672	-
Car park deposits	331,860	331,860
Total current receivables	18,832,207	28,974,797

(b) Ageing analysis for Receivables from exchange transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	7,808,557	41%	16,306,765	56%
Between 1- 2 years	-	-	-	-
Over 3 years	11,023,650	59%	12,668,032	44%
Total (a+b)	18,832,207		28,974,797	

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22. Property, Plant and Equipment

Description	Land	Motor Vehicles	Furniture & Fittings	Office Equipment	Computer Equipment	Total
Cost	Ksh'	Ksh'	Ksh'	Ksh'	Ksh'	Ksh'
As of 1 st July, 2024	250,000,000	30,907,483	112,053,238	50,455,416	40,414,293	483,830,430
Additions during the Year	-	-	31,433,359	1,195,800	897,840	33,526,999
Disposal during the Year	-	-	(329,488)	(13,500)	-	(342,988)
Revaluation Adjustments	-	-	-	-	-	0
As of 30th June, 2025	250,000,000	30,907,483	143,157,108	51,637,716	41,312,133	517,014,441
Additions during the period	-	-	-	-	-	0
Disposal during the period	-	-	-	-	-	0
As of 30th June, 2025	250,000,000	30,907,483	143,157,108	51,637,716	41,312,133	517,014,441
Depreciation						
As of 1 st July, 2024	-	16,216,233	47,571,964	25,346,010	30,969,240	120,103,447
Depreciation for the year	-	5,867,000	14,494,593	4,699,283	6,088,303	31,149,180
Disposal for the period	-	-	(252,886)	(13,500)	-	(266,386)
As of 30th June, 2025	-	22,083,233	61,813,672	30,031,793	37,057,543	150,986,241
Net Book Values						
As of 30th June, 2025	250,000,000	8,824,250	81,343,437	21,605,923	4,254,590	366,028,200
As of 30th June 2024,	250,000,000	14,691,250	64,471,936	25,109,407	9,445,053	363,717,645

N/B: KIPPRA was allocated land measuring 2.570 hectares by Government of Kenya in August 2010 situated in Kabete – Kangemi. In October 2011, the parcel of Land was valued at Ksh 64 million by Ministry of Lands. The land's utilization was disputed by the Ministry of Agriculture, Livestock & Fisheries and proposed an alternative that has never materialized to date. On 24th August 2016, KIPPRA Land was valued at Kes. 250 million by Ministry of Lands and Physical Planning and these amounts were adopted by the Institute on 30th June 2023.

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

Description	Cost or valuation
	Kshs
Plant and Machinery	-
Motor Vehicles including Motorcycles	17,389,482
Computers and Related Equipment	22,016,526
Office Equipment, Furniture and Fittings	32,710,850
Total	72,116,858

23. Intangible Assets – Software Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At the beginning of the year	32,518,440	27,120,800
Additions	5,083,925	5,397,640
At end of the year	37,602,365	32,518,440
Additions—internal development	-	-
At end of the year	37,602,365	32,518,440
Amortization and impairment		
At the beginning of the year	23,952,959	19,447,303
Amortization	4,762,573	4,505,656
At end of the year	28,715,532	23,952,959
Impairment loss	-	-
At end of the year	28,715,532	23,952,959
NBV	8,886,834	8,565,481

24. Trade and Other Payables

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade payables	2,597,128	73,590,152
Total trade and other payables	2,597,128	73,590,152

Ageing analysis: (Trade and other payables)	2024-2025	% of the	2023-2024	% of the
	Kshs	Total	Kshs	Total
Under one year	2,597,128	100%	73,590,152	100%
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (tie to above total)	2,597,128	100%	73,590,152	100%

25. Current Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	Kshs	Kshs	Kshs	Ksh
Balance b/d (1.07.2024)	-	-	8,400,000	8,400,000
Additional Provisions		-	-	-
Provision utilized		(-)	-	(-)
Total provisions as at 30.6.2025	-	-	8,400,000	8,400,000

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NB: Other provision comprises of Tax and Audit fees provision for at Kshs. 7,500,000 and Kshs. 900,000

26. Finance Lease Obligation

Description	2024-2025	2023-2024
	Kshs	Kshs
At the start of the year	28,139,000	28,139,000
Additional provision	-	-
Paid during the year	(-)	(-)
At end of the year	28,139,000	28,139,000

Maturity Analysis

Period	Amount (Kshs)
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and onwards	28,139,000
Less: Unearned Interest	(-)
Total	28,139,000

Analysed as:

Description	Amount (Kshs)
Current	28,139,000
Total	28,139,000

NB: Finance lease represents the rent obligation.

27. Deferred Income

Description	2024-2025	2023-2024
	Kshs	Kshs
National government (GoK)	104,411,457	132,134,618
International funders	-	-
Public contributions and donations	-	-
Total deferred income	104,411,457	132,134,618

NB: Represents receipts of development grant from 2010 to 2019 ear marked for the construction of KIPPRA Research Centre and capital commitments at the end of the year.

The deferred income movement is as follows:

Description	National government	International funders	Public contributions and donations	Total
Balance brought forward	132,134,618	-	-	132,134,618
Additions	(27,723,161)	-	-	(27,723,161)
Transfers to Capital fund	-	-	-	-
Transfers to income statement	-	-	-	-
Other transfers	-	-	-	-
Balance carried forward	104,411,457	-	-	104,411,457

28. Employee Benefit Obligations

Retirement benefit Asset/ Liability

The Institute operates a gratuity scheme for qualifying employees which qualifies as a defined benefit scheme. Under the plan, the employees are entitled to 31% of their monthly basic salary for every month of service. The monthly gratuity is paid to a separate gratuity bank account maintained internally by the Institute from where gratuity is paid out from whenever a staff contract comes to an end or whenever an employee leaves employment.

Description	Defined benefit plan (Gratuity)	Post-employment medical benefits	Other Benefits:	2024-2025	2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current benefit obligation	1,368,331	-	-	1,368,331	58,753,883
Non-current benefit obligation	-	-	-	-	-
Total employee benefits obligation	1,368,331	-	-	1,368,331	58,753,883

Recognition of Retirement Benefit Asset/ Liability

a) Amounts recognised in the Statement of Financial Position

Description	2024-2025	2023-2024
	Kshs	Kshs
Present value of internally funded obligations	58,753,883	80,633,260
The movement in the defined benefit obligation over the year was as follows:		
At start of year	58,753,883	80,633,260
Utilized during the year	(88,071,098)	(70,427,731)
Charge to profit or loss	30,685,546	40,339,583
Less: Current accrued provision	-	(8,208,711)
At end of year	1,368,331	58,753,883

The Institute also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Institute's obligation under the scheme is limited to specific contributions legislated from time to time. Other than NSSF the Institute operates a pension and gratuity scheme for qualifying employees which qualifies as a defined benefit scheme. Under the pension plan, the employees are entitled to 20% employer contribution; and 31% of their monthly basic salary for every month of service. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

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29. Non-Current Provisions

Description	Long service leave	Bonus Provision	Gratuity provisions	Other Provisions	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at the beginning of the year	-	-	58,753,883	-	58,753,883
Additional Provisions	-	-	30,685,546	-	30,685,546
Provision utilised	(-)	(-)	(88,071,098)	-	(88,071,098)
Change due to discount and time value for money	-	-	-	-	-
Less: Current accrued provision	(-)	(-)	-	(-)	-
Balance at the end of the year	-	-	1,368,331	-	1,368,331

30. Cash Generated from Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus for the year before tax	(173,792,972)	(84,761,551)
Adjusted for:		
Depreciation	31,149,180	29,790,199
Non-cash grants received	(-)	(-)
Contributed assets	(-)	(-)
Impairment / Amortization	4,762,573	4,505,656
Gain /(Loss) on foreign exchange transactions	28,649	6,028,865
Contribution to provisions	8,400,000	8,400,000
Contribution to impairment allowance	-	-
Finance income	(46,647,992)	(46,316,669)
Finance cost	-	-
Working Capital adjustments		
Increase in inventory	-	-
Increase in receivables	10,142,590	16,278,275
Increase in deferred income	(27,723,161)	(33,966,533)
Increase in payables	8,000,334	70,699,129
Increase in payments received in advance (Ongoing Projects)	19,898,884	7,952,725
Net cash flow from operating activities	(165,781,915)	(21,389,904)

31. Financial Risk Management

The Institute's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Institute'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 Institute 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 Institute's financial risk management objectives and policies are detailed below:

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i) Credit risk

The Institute 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 the statement of financial position are net of allowances for doubtful receivables, estimated by the Institute's 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 Institute's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Receivables from exchange transactions	18,832,207	-	-	18,832,207
Receivables from non-exchange transactions	0	-	-	0
Bank balances	512,988,357	-	-	512,988,357
Total	531,820,564	-	-	531,820,564
As at 30 June 2024				
Receivables from exchange transactions	28,974,797	-	-	28,974,797
Receivables from non-exchange transactions	0	-	-	0
Bank balances	835,372,383	-	-	835,372,383
Total	864,347,180	-	-	864,347,180

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 Institute has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Institute has significant concentration of credit risk on amounts due from county governments and MDAs. The board of directors sets the Institute's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Institute's directors, who have built an appropriate liquidity risk management framework for the management of the Institute's short, medium and long-term funding and liquidity management requirements. The Institute manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Institute 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.

	Less than 1 month	Between 1-3 months	Over 5 months
	Ksh'	Ksh'	Ksh
As at 30 June 2025			

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Trade payables	2,597,128	-	-
Current portion of borrowings	-	-	-
Provisions	-	-	8,400,000
Deferred income	-	-	104,411,457
Employee benefit obligation	-	-	1,368,331
Total	2,597,128	-	114,179,788
As at 30 June 2024			
Trade payables	73,590,152	-	-
Current portion of borrowings	-	-	-
Provisions	-	-	8,400,000
Deferred income	-	-	132,134,618
Employee benefit obligation	-	-	58,753,883
Total	73,590,152	-	199,288,501

iii) Market risk

The Institute has put in place an internal audit function to assist it in assessing the risk faced by the Institute 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 Institute'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 Risk Management Committee. The Institute's Strategy and Planning Department is responsible for the development of detailed risk management policies (subject to review and approval by Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Institute's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The Institute 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 Institute manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

The carrying amount of the Institute's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

FY 2024/2025

Description	In Ksh	Other currencies	Total
	Ksh	Ksh	Ksh
As at 30th June 2025			
Financial Assets			
Investments	-	-	-
Cash	12,636,232	-	12,636,232

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Debtors	1,950,000	-	1,950,000
Total Financial Assets	14,586,232	-	14,586,232
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	14,586,232	-	14,586,232

Foreign currency sensitivity analysis

FY 2024/2025

Description	In Ksh	Other currencies	Total
	Ksh	Ksh	Ksh
As at 30th June 2025			
Financial Assets			
Investments	-	-	-
Cash	(1,263,623)	-	(1,263,623)
Debtors	(195,000)	-	(195,000)
Total Financial Assets	(1,458,623)	-	(1,458,623)
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	(1,458,623)	-	(1,458,623)

The following table demonstrates the effect on the Entity's statement of comprehensive income 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.

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs

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FY 2025			
Euro	10%	-	-
USD	10%	1,458,623	1,458,623
FY 2024			
Euro	10%	-	-
USD	10%	7,101,357	7,101,357

b) Interest rate risk

Interest rate risk is the risk that the Institute's financial condition may be adversely affected as a result of changes in interest rate levels. The Institute's interest rate risk arises from bank deposits. This exposes the Institute to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Institute's deposits.

Management of interest rate risk

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

Sensitivity analysis

The Entity 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. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates decrease by one percentage point as a decrease of Ksh 14,586,232 (Current FY: Ksh 145,862). A rate decrease of 5% would result in a decrease in profit before tax of Ksh14,586,232 (Current FY – Ksh 729,312)

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Institute's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Institute considers relevant and observable market prices in its valuations where possible.

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Financial Risk Management

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted equity investments	-	-	-	-
Non- financial Assets				
Investment property	-	-	-	-
Land and buildings	-	-	-	-
	-	-	-	-
As at 30th June 2024				
Financial Assets				
Quoted equity investments	-	-	-	-
Non- financial Assets				
Investment property	-	-	-	-
Land and buildings	-	-	-	-
	-	-	-	-

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the Institute's capital risk management is to safeguard the Institute's ability to continue as a going concern. The Institute capital structure comprises of the following funds:

Description	2024-2025	2023-2024
	Kshs	Kshs
Revaluation reserve	239,919,000	239,919,000
Retained earnings – realized during the year	202,442,155	450,053,043
Capital reserve	-	-
Total funds	442,361,155	689,972,043
Total borrowings	-	-
Less: cash and bank balances	512,988,357	835,372,383
Net debt/ (excess cash and cash equivalents)	70,627,202	145,400,340
Gearing	14%	17%

32. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

Other related parties include:

- i) The Parent Ministry; The National Treasury & Economic Planning, State Department for Economic Planning
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Board of directors.

Description	2024-2025	2023-2024
	Kshs	Kshs
Transactions with related parties		
Sales to related parties		
Total	-	-
B) purchases from related parties		
Total	-	-
Grants /transfers from the government		
Grants from national govt	384,545,102	593,175,767
Grants from county government	-	-
Total	384,545,102	593,175,767
Expenses incurred on behalf of related party		
Total	-	-
Key management compensation		
Directors' emoluments*	20,407,874	23,165,094
Compensation to key management	89,501,213	98,506,677
Total	494,454,189	714,847,538

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Breakdown of Director's emoluments

S/No	Name	Honoraria	Sitting Allowances	DSA	Mileage/ Lunch Allowance	Board Induction / Training	Board Medical Cover / GPA	FY 2024-25 Kshs
1	Prof. Paul Wachana	765,000	680,000	928,200	704,000	-	-	3,077,200
2	Ms Anita Chepseba	-	400,000	72,800	26,000	-	-	498,800
3	Dr Indeje Wanyama	-	400,000	72,800	31,410	-	-	504,210
4	Ms Christine Wanjala	-	720,000	1,092,000	776,328	-	-	2,588,328
5	Ms Fatuma Hussein	-	380,000	236,600	140,090	-	-	756,690
6	Mr Timothy Gakuu	-	640,000	182,400	280,357	-	-	1,102,757
7	Prof. Peter Muchiri Ngatia	-	420,000	182,000	409,728	-	-	1,011,728
8	Prof. Benson Ateng'	255,000.00	440,000	72,800	57,739	-	-	825,539
9	Mr Aloyce Ratemo	-	600,000	72,800	44,000	-	-	716,800
10	Dr Boaz Cheluget	-	600,000	1,019,200	934,825	-	-	2,554,025
11	Mr Joseph T. Musuni	-	620,000	546,000	782,492	-	-	1,948,492
12	Prof. Peter Kibet	-	620,000	887,600	816,251	-	-	2,323,851
13	Ms Monicah Mukayagi	-	40,000		128,000	-	-	168,000
14	Board Induction / Training	-	-	-	-	1,680,000	-	1,680,000
15	Board Medical Cover / GPA	-	-	-	-	-	651,454	651,454
16	Total	1,020,000	6,560,000	5,365,200	5,131,219	1,680,000	651,454	20,407,874

33. Contingent Assets and Contingent Liabilities

Contingent Liabilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case against the Institute	74,135,285	71,127,954
Bank Guarantees in Favour of Subsidiary	-	-
Contingent Liabilities arising from contracts Including PPPs	-	-
Total	74,135,285	71,127,954

Court Cases & Contracts

Description	2024-2025	2023-2024
	Kshs	Kshs
Court case Mr. Nicholas Ogola's against KIPPRA	21,794,904	21,794,904
Court case Prof. Mwangi Kimenyi's against KIPPRA	45,000,000	45,000,000
Court case Manaseh Otieno Oiro against KIPPRA	3,175,517	168,186
Arbitration case Josim Instantaneous Consortium (K) Ltd against KIPPRA	4,164,864	4,164,864
Total	74,135,285	71,127,954

N/B: The court cases are all Employment and Labour related.

34. Capital Commitments

Capital Commitments	2024-2025	2023-2024
	Kshs	Kshs
Authorised for	-	-
Authorised and contracted for	-	33,629,536
Total	-	33,629,536

(NB: Capital commitments will be carried out in the next financial year disclosed in accordance with IPSAS 17. They represent commitments that were authorised, contracted and those already contracted for and ongoing).

35. Events after the Reporting Period

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

36. Ultimate And Holding Entity

The Kenya Institute of Public Policy Research and Analysis is a State Corporation under the National Treasury and Economic Planning, State Department for Economic Planning. Its ultimate parent is the Government of Kenya.

37. Currency

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

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36. Appendices

APPENDIX I: IMPLEMENTATION STATUS OF AUDITOR-GENERAL'S RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	KIPPRA Land	The board approved the surrender of the title deed (Ownership document) of the disputed land, as an alternative is being processed. The Cabinet Secretary, National Treasury and Economic Planning, wrote a letter to the National Lands Commission (NLC) on the surrender of the title deed. This has now been removed from the Institute's books.	Resolved	30 th June 2025


 Ag. Executive Director

Date: 20/8/2025

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APPENDIX II: PROJECTS IMPLEMENTED BY THE INSTITUTE

Projects implemented by the Institute Funded by development partners and/ or the Government.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
KIPPRA Young Professional Programme		GoK	One year Program – Continuous in Cohorts	N/A	No	Yes

Status of Projects completion

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	KIPPRA Young Professional Programme	34,878,780	34,878,780	100%	34,878,780	34,878,780	GoK

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APPENDIX III: INTER-ENTITY TRANSFERS

	ENTITY NAME:	Kenya Institute for Public Policy Research and Analysis (KIPPRA).		
	Breakdown of Transfers from the State Department for Economic Planning for FY 2024/2025			
a.	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (Ksh)</u>	<u>Indicate the FY to which the amounts relate</u>
		07/31/24	20,795,425	FY 2024/25
		09/11/24	30,248,633	FY 2024/25
		09/16/24	11,342,218	FY 2024/25
		10/31/24	62,386,276	FY 2024/25
		12/17/24	62,882,228	FY 2024/25
		12/31/24	30,441,114	FY 2024/25
		02/07/25	31,449,209	FY 2024/25
		04/07/25	61,343,048	FY 2024/25
		05/09/25	30,671,524	FY 2024/25
		06/11/25	30,671,524	FY 2024/25
		06/19/25	12,313,904	FY 2024/25
		Total	384,545,102	

	ENTITY NAME:	Kenya Institute for Public Policy Research and Analysis (KIPPRA).		
Breakdown of Transfers from the State Department for Economic Planning for FY 2024/2025				
b.	Development Grants			
		<u>Bank Statement</u> <u>Date</u>	<u>Amount (Ksh)</u>	<u>Indicate the FY to which the</u> <u>amounts relate</u>
		Total	-	

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APPENDIX IV: TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/D evelopment/ Others	Total Amount - KShs	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific	
State Department for Economic Planning	Various as Appendix v	Recurrent	384,545,102	384,545,102	-	-		-	384,545,102
State Department for Economic Planning	Various as Appendix v	Development	-	-	-	-	-	-	-
Total			384,545,102	384,545,102	-	-	-	-	384,545,102

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APPENDIX V: INTER-ENTITY CONFIRMATION LETTER



REPUBLIC OF KENYA
THE NATIONAL TREASURY
STATE DEPARTMENT FOR ECONOMIC PLANNING

Telegrams "PLANNING" Nairobi
 Fax No: 2218475
 Telephone: 2252299/ 0207873000
 Mobile : 0709259000/ 0730837000
 E-mail : ps@planning.go.ke
 When replying please quote

Treasury Building
 P. O. Box 30006 - 00100
NAIROBI

Ref: TNTEP/SDEP/17/79(29)

15th July, 2025

Kenya Institute for Public Policy Research and Analysis
 Bishop Garden Towers, Bishop Road
 P O Box 56445-00200
Nairobi

CONFIRMATION OF AMOUNTS DISBURSED AS AT 30th JUNE, 2025

The State Department for Economic Planning wishes to confirm the amounts disbursed to you as at 30th June, 2025 as indicated in the attached table.

Please compare the amounts disbursed to you with the amounts you received during the FY 2024/2025 and populate them in column E in the table. Then please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Kenya Institute for Public Policy and Research Analysis as at 30th June, 2025							
Amounts Disbursed by State Department for Economic Planning as at 30th June, 2025							
Reference Number	Date Disbursed	Recurrent (Kshs) (A)	Development (Kshs) (B)	Inter-ministerial (Kshs) (C)	Total (KShs) (D) = (A+B+C)	Amount Received by SAGA as at 30th June, 2024 (KShs) (E)	Differences (Kshs) (F) = (D-E)
FT2431352689	31/07/2024	20,795,425.00	-	-	20,795,425.00	20,795,425.00	-
FT242551YVPQ	11/09/2024	30,248,632.50	-	-	30,248,632.50	30,248,632.50	-
FT24260PB58P	16/09/2024	11,342,218.00	-	-	11,342,218.00	11,342,218.00	-
FT24305MC2M68	31/10/2024	62,386,276.00	-	-	62,386,276.00	62,386,276.00	-
FT24352XBRWL	17/12/2024	62,882,228.00	-	-	62,882,228.00	62,882,228.00	-
FT24366CSPGS	31/12/2024	30,441,114.00	-	-	30,441,114.00	30,441,114.00	-
FT250389WXM	07/02/2025	31,449,208.50	-	-	31,449,208.50	31,449,208.50	-
FT250948HY8S	04/04/2025	30,671,524.00	-	-	30,671,524.00	30,671,524.00	-
FT250944KG4V	04/04/2025	30,671,524.00	-	-	30,671,524.00	30,671,524.00	-
FT25129H1VM8	09/03/2025	30,671,524.00	-	-	30,671,524.00	30,671,524.00	-
FT25162YK2XX	11/06/2025	30,671,524.00	-	-	30,671,524.00	30,671,524.00	-
FT251700865C	19/06/2025	12,313,904.00	-	-	12,313,904.00	12,313,904.00	-
Total		384,545,162.00	-	-	384,545,162.00	384,545,162.00	-

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

Finance Director of the beneficiary entity:

Name: ELIJAH GATHUTHI Signature: [Signature] Date: 21/07/2025

KENYA INSTITUTE FOR PUBLIC POLICY RESEARCH AND ANALYSIS
 (KIPRA)
 P.O. Box 56445 - 00200
 NAIROBI

Yours Sincerely,

[Signature]
Elijah Gathuthi
HEAD, ACCOUNTING UNIT

Copy to: Director General Accounting Services and Quality Assurance, the National Treasury

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APPENDIX VI: REPORTING OF CLIMATE RELEVANT EXPENDITURES

Project Name	Project Description	Project Objectives	Project Activities	Quarter "Ksh"				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Youth in climate change	Youth in climate change action	Bring together youth in Climate change arena and provide a	Youth climate change symposium	-	762,500.00	-	-	GoK	KIPPRA
Corporate Social Responsibility	Corporate Social Responsibility	Environmental conservation	Tree planting activities	37,850	326,007	-	4,623,607	GoK	KIPPRA
	TOTALS			37,850	1,088,507	-	4,623,607		

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APPENDIX VII: REPORTING ON DISASTER MANAGEMENT EXPENDITURE

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster-related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
<i>– The Institute did not have any expenditure on disaster to report on.</i>						

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