


REPUBLIC OF KENYA



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**REPORT
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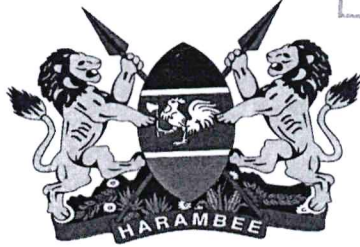
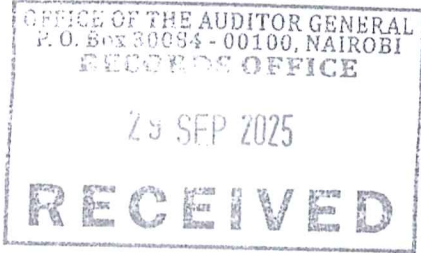
THE AUDITOR-GENERAL

ON

**KENYA PRIMARY EDUCATION EQUITY
IN LEARNING PROJECT IDA
GRANT NO. D991-KE AND
CREDIT NO. 7067-KE AND
GRANTS NOS. TF C306-KE AND TF C307-KE**

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

**STATE DEPARTMENT FOR BASIC
EDUCATION**



PROJECT NAME: KENYA PRIMARY EDUCATION EQUITY IN LEARNING PROGRAM

IMPLEMENTING ENTITY: STATE DEPARTMENT FOR BASIC EDUCATION

PROJECT NUMBER: P176867-KE

PROGRAM

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

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

Kenya primary education equity in learning program (P176867-KE)
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Acronyms and Definition of Terms

NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
Comparative FY CBK	Financial year preceding the current financial year. Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
PSASB	Public Sector Accounting Standards Board
WB	World Bank
Comparative FY DLR	Financial year preceding the current financial year. Disbursement Linked Results
IPF	Investment Project Financing
PforR	Program for Results
DLI	Disbursement linked indicator
JSS	Junior Secondary School
MED	Master's in Education
PAD	Program Appraisal Document
GPE	Global Partnership for Education
GOK	Government of Kenya
POM	Program Operation Manual
SAGA's	Semi-Autonomous Government Agencies

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AIE's	Authority to Incur Expenditure
SIP	School Improvement Plan
RBSG	Result Based School Grants
TSC	Teachers Service Commission
EACC	Ethics and Anti-corruption Commission
SOE	Statement of Expenditure
CPU	Project Co-ordination Unit
KICD	Kenya Institute of Curriculum Development
KEMI	Kenya Education Management Institute
KISE	Kenya Institute for Special Education
EGF	Equity Group Foundation
JKF	Jomo Kenyatta Foundation
BOM	Board of Management
KNEC	Kenya National Examination Council
CBC	Competency Bases Curriculum
CBA	Competency Bases Assessment
NASMLA	National Assessment/Monitoring Learner Achievement
PP1	Pre-primary Education 1
NEMIS	National Education Management Information System
ECDE	Early Childhood Development Education

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Project Information and Overall Performance

2.1 Name and registered office

The project's official name is Kenya Primary Education Equity in Learning (KPEELP) Program.

Objective

The key objective of the project is to reduce regional disparities in learning outcomes, improve the retention of girls in upper primary education, and strengthen systems for delivering equitable education outcomes.

Address

The project headquarters offices are in the Ministry of Education headquarters office in Nairobi, Kenya.

The address of its registered office is:

P.O. Box 30040-00100 Nairobi, Kenya.

Telephone: (254) 724744777

The project also has offices/branches as follows:

- Teachers Service Commission Headquarters, Nairobi
- Kenya Education Management Institute
- Kenya Institute of Curriculum development, Nairobi
- Kenya National Examinations Council, Nairobi.
- Jomo Kenyatta Foundation
- NACONEK
- County Education offices across the Country

Contacts: The following are the project contacts

P.O. Box: 30040-00100 – Nairobi Kenya

Telephone: (254) 724744777

E-mail: ekirapa.martha@education.go.ke

Website: www.education.go.ke

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	5 August 2022
Project End Date:	31 December 2026
Project Coordinator:	Mrs. Martha Ekirapa
Project Development Partner:	World Bank

2.3 Project Overview

Line Ministry and State Department	The project is under the supervision of the, State department for Basic Education.
Project number IDA Credit number IDA Grant Number GPE Grant number GPE Grant number	P176867-KE 7067-KE D991-KE TF C0306-KE TF C0307-KE
Strategic goals of the project	The strategic goals of the project are as follows: (i) To reduce regional disparities in learning outcomes, (ii) improve the retention of girls in upper primary education, and iii) Strengthen systems for delivering equitable education outcomes.
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: Results Area 1 - Equalize learning opportunities: improve learning outcomes in target counties and for refugee populations. Results Area 2 - Improve girls' participation in schooling, including in refugee hosting counties. Results Area 3 - Strengthen Reform Implementation capacity
Other important background information of the project	The KPEEL Program is funded by the World Bank through the International Development Association (IDA) with a credit/ grant amount of 200 million Dollars, the Global Partnership For Education with a grant of 117.1 Million dollars and GOK Contribution of 128 Million dollars. The total Program amount is therefore 445.1 million dollars. The KPEEL Program implementation will run for 5 years (2022 -2026). The State Department and Teachers Service Commission are the main

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	implementing agencies, whereas KICD, KNEC, KEMI, KISE and KIB are the sub implementing agencies. The KPEEL Program is a hybrid of the Program for Results (PforR) component which is Results Based and the Investment Financing Project Component (IPF) which is input based.
Areas that the project was formed to intervene	<p>The project was formed to intervene in the following areas:</p> <ul style="list-style-type: none"> (i) Disparities in learning outcomes between Schools in high performing counties and low performing counties. (ii) Inequity in share of students achieving high order proficiency level in numeracy and literacy at grade 3 based on the 2018 NASMLA. (iii) Insufficient inputs in schools in lagging regions (iv) High drop-out rate for girls in upper primary (v) Completion of the Primary education cycle (vi) Transition to secondary school for poor and vulnerable populations (vii) Gaps in the implementation of initiated reforms (Competency Based Curriculum (CBC), Formative assessments, pre-service teacher training and teacher management) (viii) Low utilization of NEMIS data for planning and decision making in primary education (ix) Gaps in the quality of pre-service teacher training in the implementation of CBC (x) Low Quality preschool services that negatively impact the foundational learning <p>Insufficient school infrastructure in target counties</p>
Project duration	The project started on 5 th August, 2022 and is expected to run until 31 st December, 2026

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the project:

- (i) Central Bank of Kenya DLI A/c no 1000622296

(ii) Various commercial banks held by Five SAGA's and forty-seven Counties

2.5 Independent Auditor

The project is audited by the:

Office of the Auditor- General
 Anniversary Towers
 Monrovia Street
 P.o Box 30084-00100
 Nairobi

2.6 Roles and Responsibilities

The following personnel employed by the state department for basic education have been appointed to work in the program:

No	Names	Title designation	Key qualification	Responsibilities
1	Amb. (Prof.) Julius K. Bitok, CBS	PS. Ministry of Education, State Department for Basic Education	PhD	Provides overall oversight to the Program
2	Elijah Mungai	Head- Directorate of Projects Coordination and Delivery	MED	Provides overall oversight to day to day implementation of the Project
3	Martha Ekirapa	National Coordinator, KPEEL Program	MED	Oversees the coordination of the Program Coordination team and Agencies Program Implementation Units and in charge of the day to day implementation of the Program.
4	CPA. Maurice A. Ochieng'	Accountant KPEEL Program	Mba- Finance BBM- Accounts CPA(K)	Oversees the overall accounting operation of the program.
5	Kenneth Ojwang	Project Safeguards Officer	Degree - Education	Oversee the project safeguards

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6	Maureen Githinji	Supply chain management officer	Bachelor's degree – Supply chain management	Oversee Procurements
7	Peter Gachathi	Results area 1 lead	MED	In charge of coordinating Implementation of activities under the Results Area 1.
8	Beth Kitoo	Results area 2 Lead	MED	In charge of coordinating Implementation of activities under the Results Area 2.
9	Dr.Hellen Boruett	Results area 3 Lead	PhD	In charge of coordinating Implementation of activities under the Results Area 3.
10	Juma M. Munyiri	Monitoring and Evaluation Lead	Msc. Pure Mathematics	In charge of coordinating the program team on all aspects of Program Management, coordination, Monitoring and evaluation.

2.7 Funding summary

The Program is for duration of **Five** years from **2022 to 2026** with an approved budget of **USD 404.891Million** equivalent to Kshs **49,943,304,850** as highlighted in the table below:

Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment			Amount received to date – (30 th June 2025)			Undrawn balance to date		
	<i>Donor currency USD</i>	<i>Donor currency EUR</i>	<i>Kshs</i>	<i>Donor currency USD</i>	<i>Donor currency EUR</i>	<i>Kshs</i>	<i>Donor currency USD</i>	<i>Donor currency EUR</i>	<i>Kshs</i>
	(A)	(A)	(A')	(B)	(B)	(B')	(A)-(B)	(A)-(B)	(A') - (B')
(i) IDA									
D991-KE(Grant)	56,400,000	53,016,000	6,956,940,000	-	27,022,019	3,671,980,769		25,993,981	3,284,959,231
7067-KE(Credit)	131,600,000	123,704,000	16,232,860,000	-	80,631,274	11,332,221,469	123,704,000	43,072,726	4,900,638,531
	188,000,000	176,720,000	23,189,800,000	-	107,653,293	15,004,202,238	123,704,000	69,066,707	8,185,597,762
(ii) GOK									
Government of Kenya	118,400,000	-	14,604,640,000	-	-	-	118,400,000	-	14,604,640,000
Total DLR Parent	306,400,000	176,720,000	37,794,440,000	-	107,653,293	15,004,202,238	242,104,000	69,066,707	22,790,237,762
(iii) GPE (IPF AF)									
TFC0306/307	98,491,000	-	12,148,864,850	98,491,000		13,256,892,484	0	-	(1,108,027,634)
Total	404,891,000	176,720,000	49,943,304,850	98,491,000	107,653,293	28,261,094,723	242,104,000	69,066,707	21,682,210,127

Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30th June 2025)			Cumulative amount paid to date – (30th June 2025)		Unutilised balance to date (30th June 2025)
	<i>Donor currency USD</i>	<i>Donor currency EUR</i>	<i>Kshs</i>	<i>Donor currency USD</i>	<i>Donor currency EUR</i>	<i>Kshs</i>
	<i>(A)</i>	<i>(A)</i>	<i>(A')</i>	<i>(B)</i>	<i>(B')</i>	<i>(A') - (B')</i>
(i) IDA						
D991-KE(Grant)	-	27,022,019	3,671,980,769			
7067-KE(Credit)	-	80,631,274	11,332,221,469			
	-	107,653,293	15,004,202,238			
(ii) GOK						
Government of Kenya	-	-	-			
Total DLR Parent	-	107,653,293	15,004,202,238			
(iii) GPE (IPF AF)						
TFC0306/307	98,491,000		13,256,892,484			
Total	98,491,000	107,653,293	28,261,094,723	221,651,093.57	27,340,662,392.37	920,432,330

Note: Conversion rate on donor currency was as per PAD rate. US\$1=Kshs 123.35, US\$1= EUR 0.94 therefore EUR1=Kshs 131.2234

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

i) Budget performance against actual amounts for the current year and for cumulative to-date,

In the Financial year 2024-2025, the program received 109% and 93% of the budgeted funds on grants and loan respectively from the donor, GOK contribution for the program was the amounts paid directly by the state department for basic education.

All budgeted expenditures were achieved. The receipts exceeded the budget because the amount received was based on DLI achieved.

ii) Physical progress based on outputs and outcomes since project commencement,

Delivery unit	Key output	Key performance targets	Target 2022/2023 (Baseline)	Actual Achievem ent as at 30 th June 2023	Target 2023/20 24	Target 2024/20 25	Target 2025/2026	Remarks
Kenya Primary Education Equity in Learning Program (PEELP)	Primary schools receiving school grants for completin g priority areas in their SIPs	Number of primary schools receiving school grants for completin g priority areas in their SIPs	-	-	5,422	5,422	5,422	In the FY 2023/ 2024 all the 5,422 target schools received school grants totalling to Kshs. 2. 6 Billion. Therefore the target for the year was achieved.
Kenya Primary Education Equity in Learning	Vulnerabl e Learners provided with	Number of Vulnerabl e Learners who are provided	1,800,000	1,853,186	2.6 Million.	2.6 Million	2.6 Million.	In the FY 2023/ 2024 , the target was achieved.

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Delivery unit	Key output	Key performance targets	Target 2022/2023 (Baseline)	Actual Achievement as at 30 th June 2023	Target 2023/2024	Target 2024/2025	Target 2025/2026	Remarks
Program (PEELP)	school meals.	with School meals during the academic Year.						
Kenya Primary Education Equity in Learning Program (PEELP)	Vulnerable learners selected to receive a scholarship, school kits and mentoring support services.	Number of Vulnerable Learners selected to receive a scholarship, school kits and mentoring support services.	8,000	19,574	12,000	-	-	Actual achievement of vulnerable learners provided with secondary education scholarships as at 30 th June 2024 is 34,000. This was because, an additional 14,426 scholarships beneficiaries were onboarded into the Program in January 2024. The target was therefore surpassed as envisaged during the Program design. The 34,000 Scholars are in Forms 2, 3 and 4 in various Secondary schools across the Country and are being facilitated with school fees, school kits , pocket money , and transport to and from school.
Kenya Primary Education Equity in Learning Program (PEELP)	Infrastructure and equipment in TTCs	Number of TTCs with functional I-Hubs	0	-	35	-	=	The target was fully achieved since functional I-hubs were established in all the 35 TTCs across the Country.

iii) *Indicate the absorption rate for each year since the commencement of the project.*

The absorption rates were based on the planned expenditure against actual receipt. For the Financial Year 2024-2025, the overall absorption rate was 92%. This was a satisfactory result. The cumulative absorption was at 91%

iv) *List the implementation challenges and recommend the next steps.*

<i>S/NO.</i>	<i>Challenge</i>	<i>Mitigation Measure</i>
1.	<ul style="list-style-type: none"> Delayed verification of achieved results : The verification process involved physical visits to 50% of the target schools therefore taking a long time to complete the exercise. 	Continuous monitoring and support of implementation by both the national and county level officers is critical for the success of this intervention
2.	<i>Insecurity in some parts of Garissa County resulting to closure of some schools implementing the SIP Programme.</i>	<i>MOE withheld disbursement of the first tranche of the school grants to the schools until the schools were reopened. The issue is now sorted out and schools have implemented the first three priorities in the SIPs</i>
3.	Initially, there were no modalities for transferring grant funds to UNHCR-managed refugee schools whose headteachers are not government employees.	The MoE registered the schools as camp-based, appointing BOMs as per the Basic Education Act 2013, with a Kenyan citizen as the BOM chair. The SCDE and camp manager were co-opted into the BOM and made mandatory signatories for the schools' RBSG bank accounts.
4.	<i>Teachers are not willing to be deployed to schools in areas prone to insecurity such as North Eastern, Tiaty (Baringo , and Turkana</i>	<i>Recruitment of teachers from the locality in those regions and retired teachers from the locality are being engaged on contract basis.</i>

5.	<i>Refugee learners dropping out of school especially from Dadaab refugee camp.</i>	<i>The ministry is working closely with UNHCR, Department for Refugee Services and Equity Group Foundation to ensure the learners complete school.</i>
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2.9 Summary of Project Compliance:

i) Compliance with applicable laws and regulations

There are no cases of Non-compliance with applicable laws. The Program is being implemented within the existing Government systems

ii) Consequences suffered on account of non-compliance or likely to be suffered.

N/A

iii) Mitigation measures taken or planned to alleviate the adverse effects of actual or potential consequences of non-compliance N/A

Statement of Performance against Project's Predetermined Objectives

Results area	Performance
RA1 Equalize learning opportunities: improve learning outcomes in target counties and for refugee populations.	<ul style="list-style-type: none"> <li data-bbox="645 1145 2058 1225">i. The 5,422 target schools implemented the first three priorities during the FY as captured in their Approved SIPs <li data-bbox="645 1273 2058 1353">ii. A total of 2.6 Million vulnerable learners in target primary schools were provided with school meals during the Financial year 2024 / 2025.

Results area	Performance
	<p>iii. The Teachers Service Commission deployed 3,000 teachers to schools with the highest teacher shortages during the FY. The share of teachers reported to be in class and teaching in target schools for the school grants is 95.40 percent.</p>
<p>Results Area 2 - Improve girls' participation in schooling, including in refugee hosting counties.</p>	<p>34,000 vulnerable learners (17,483 girls) who were awarded with scholarships through the Elimu scholarship programme in 2022, 20213 and January 2024 who include 19,574 (10,393 girls) in 2023 and 14,426 (7,090 girls) in 2024 were provided with mentorship support services which include psychosocial support and career guidance. The 34,000 scholars who are in Forms 2, 3 and 4 across various schools in the Country were also facilitated with school fees, school kits, pocket money and transport to and from school during the Financial year.</p>
<p>Results Area 3 - Strengthen Reform Implementation capacity The Results area 3 will address the following challenges:</p>	<ol style="list-style-type: none"> 1. I Hubs were completed and handed over to all the 35 Teachers Training Colleges across the Country. College tutors and Principals were trained on the optimal utilization of the Ihubs. 2. 13,500 Grade 9 classrooms were constructed and completed in existing Junior schools including in refugee/host communities at a cost of 13.5 Billion shillings. 3. Rolling out of the implementation of CBC and CBA activities continued to be undertaken well during the Financial year.

Introduction

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government entity's performance against predetermined objectives at the end of each financial year.

The key development objectives of the *project's agreement/* plan are to:

- a) To reduce regional disparities in learning outcomes

- b) Improve the retention of girls in upper primary education , and
- c) To Strengthen systems for delivering equitable education outcomes.

Progress on the attainment of strategic development objectives

Project	Objective	Outcome	Indicator	Performance
<i>Kenya Primary education Equity in Learning (KPEEL) Program</i>	I. To reduce regional disparities in learning outcomes.	Improving Learning Outcomes: Supporting development of Kenya’s human capital for productivity and growth	I. Targeted primary schools receiving school grants for completing priority areas in their SIPs (Number) .	MoE has disbursed the 1st tranche of the RBSG to all the 5,422 targeted schools for implementation of School Improvement Priorities. Schools implemented priorities captured in their SIPs during the FY 2024/2025.

			ii. Number of Vulnerable Learners who are provided with school meals during each School Calendar Year. (Number)	2.6 Million learners benefitted from the school meals program in the Financial Year which included learners in the refugee Camps.
			iii. New teachers deployed to primary schools with the highest teacher shortage (Number)	TSC deployed 3, 000 teachers to schools with the highest teacher shortage during the FY 2024/2025.
	ii. Improve the retention of girls in upper primary education ,	Improving Learning Outcomes: Supporting development of Kenya’s human capital for productivity and growth	Number of Vulnerable Learners selected to receive a scholarship, school kits, and mentoring support services.	34,000 (17,483 girls) awarded scholarships through KPEELP through EGF and JFK. These included; 19,574 (9,181 boys, 10,393 girls) in 2023 and 14,426 (7,336 boys, 7,090 girls) in 2024. The 34,000 scholars are in Forms 2, 3 and 4 across various Secondary Schools in the Country. Facilitation of the 34,000 scholars through provision of fees, school kits, pocket money, transport to and from school and mentorship support services was undertaken during the Financial Year.

Tt	iii. Strengthen systems for delivering equitable education outcomes	Improving Learning Outcomes: <i>Supporting development of Kenya's human capital for productivity and growth</i>	iv. Successful rollout of CBC and CBA reforms in basic education (Yes/No)	KICD <ul style="list-style-type: none"> ● Rationalization of curriculum designs for PP1 - grade 9 as per the recommendations of the Presidential Working Party on Education Reform (PWPER) . ● Adaptation of the rationalized curriculum design for learners with special needs. ● Finalization of designs for PP1, PP2, grades 1-4. ● Vetting of materials for PP1-grade 4. ● Created multimedia content for digital, radio, and TV. ● Scripted 30 teacher education TV programs. ● Monitoring of CBC implementation and reporting. ● Development of parental engagement materials. ● Capacity building of CBC technical officers. ● Editing and adaptation grade 11 curriculum in 38 learning areas. ● Created and validated scope and sequence charts for grades 10-12 across 50 learning areas. ● Developed multimedia and interactive digital content for students with visual and hearing
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				<p>impairments in 10 learning areas and for grade 5.</p> <ul style="list-style-type: none"> ● Produced course books and support materials for indigenous languages and grade 1 learners from vulnerable communities. ● Developed curriculum designs for 14 vocational learning areas and curated digital content for grade 6. ● Created 286 TV and 210 radio programs for grade 6 and monitored CBTE implementation. ● 156 radio programs have been scripted in four (4) learning areas in grade 7. ● Scripting TV programs for grade 7 in four (4) learning areas and grade 7.
				<p>KNEC;</p> <ul style="list-style-type: none"> ● Development of two sets of formative assessment tools for 29 subjects in DPTE for the 2024 cohorts. ● Alignment of the Competency-Based Assessment Framework (CBAF) with rationalized curriculum designs.



				<ul style="list-style-type: none"> • Adaptation of assessment tools for Grades 7-8 and DECTE Year 1 and 2 for the 2024 cohorts. • Administration and monitoring of phase one of formative assessment (SBA tools) for Grades 3-8, foundation, intermediate, and pre-vocational levels. • Administration and monitoring of formative assessment tools (SBA) for DPTE and DECTE grades for the 2024 cohorts. • Training of 721 teachers (342 female, 379 male) on competency-based assessment, including 214 Primary, 252 Junior School, 143 teacher training college, and 112 special needs education teachers in April 2024. • Assessment Tools: Developed for grades 3 - 7 (age-based pathway), stage-based pathway (Foundation, Intermediate, and Pre-Vocational levels) including numeracy, literacy, and vocational skills, with tools created between March-May and October-November 2023.
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				<ul style="list-style-type: none"> • Formative Assessment Materials for Teacher Education: Created for Diploma programs in Primary and ECD, including two sets of School-Based Assessment (SBA) tools per program, developed and administered in July-August and October 2023. • School-Based Assessments (SBA): Conducted in two phases, with practical tasks from June - August and written tests in October 2023. Quality assurance was performed in October 2023. • Formative Assessment Tools for CBTE Curriculum: Developed in September 2023, covering all 22 subjects and professional areas. • Teacher Training: In April 2023, 611 teachers received training on Competency-Based Assessment (CBA) and item writing. An additional 120 teachers from Kakuma and Dadaab refugee camps were trained in June 2023.
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			<p>ii. Capacity building of target Teacher Training Colleges for implementation of competency-based teacher education curriculum. (Yes/No); DLI 7 ; Frequency: Annual ; Data source: PTTCs data for annual reports; IVA verification;</p>	<ul style="list-style-type: none"> • Functional ICT enabled learning resource centers (I-HUBs) have been established in all the teacher training colleges. • The guidelines for establishing functional linkages to primary schools for teaching practice (practicum) were approved by the Principal Secretary and shared with all teacher training colleges. • Training on structured linkages was successfully conducted for over five hundred and sixty (560) members of college and linked school leadership on supporting teacher trainees during practicum across all 35 teacher training colleges. Participants included four teachers from each of the three linked schools, as well as college management consisting of the principal, deputy principal, practicum director, and ICT tutor, along with the hosting Curriculum Support Officer (CSO). Participants received two days of training on the guidelines
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				for linkages and networking.
			<i>iii.</i> New classrooms constructed in existing schools as per the needs-based school infrastructure investment plan (Number)	A total of 13,500 classrooms were constructed in Junior Schools across the Country during the financial Year 2024/2025.



Environmental and Sustainability Reporting

The KPEEL project is committed to managing any anticipated environmental and social risks by implementing the planned measures already in place in the environmental and social management plan for the project. Furthermore, the various interventions of the Program aim to strengthen existing country education systems thereby ensuring the sustainability of good practices and results beyond the project.

1. Sustainability strategy and profile

Institutionalization of best practices from previous projects is done after the evaluation and closure of projects. This ensures new practices are embedded in normal operations in subsequent projects including KPEEL which has borrowed from lessons learnt in previous education projects. The project is also strictly guided by the provisions of its Program Appraisal Document, which was signed before commencement and hence is rather unaffected by changing political or macroeconomic factors. Though unlikely, any inevitable adjustments would be considered in consultation with all stakeholders with the view of not affecting the effectiveness or efficiency of project interventions or the sustainability of their results.

2. Environmental performance

The organization and project is guided by various legislation and policies including the Environmental Management and Coordination Act, 1999, (amended 2015), Environmental Management and Coordination Act (Waste Management Regulation, 2006), Environmental Management and Coordination Act (Air Quality) Regulations, 2014, Draft Environmental Management and Coordination (E-waste Management Regulations, 2013 and Guidelines for E-waste Management in Kenya, 2010. The project also has an Environment Social Management Systems (ESMS) manual that guides the disposal and management of any waste generated as a result of project activities. The project also excludes any activities that would affect biodiversity.

3. Employee welfare

The Human Resources and Management Department deploys all employees to the project and currently, the Gender ratio is 1:1, indicating fairness in the recruitment for both genders. The Project implementation team also benefits from specialized trainings every year to improve their skills and facilitate progression in their careers. Appraisals are also conducted for every staff in the project in line with the requirements of the Human Resources and Management Department for the Ministry.

The organization and project also adhere to the Occupational Safety and Health Act (OSHA) (2007) and this informs the provisions in the ESMS manual which guide on all issues Health and Safety for the Project. Specifically, it spells out safe and favourable working conditions for project staff and all workers engaged in all interventions including the provision of the right equipment. Trainings and Sensitizations are also carried out regularly for all stakeholders to ensure the OSHA Act is complied with in all operations.

a) Responsible ethical practices

Training was conducted on anti-corruption by officers from the Ethics and Anti-corruption Commission (EACC) for the Program Implementation Team and the implementing teams from TSC and the agencies. This included training on the Public Officer Ethics Act which all project personnel should adhere to. In addition, since project personnel are public servants, they are non-partisan and are regularly advised by the Human Resources Departments to maintain political neutrality at all times.

b) Regulatory impact assessment.

The project is guided by a Stakeholder Engagement Plan which prescribes the need for continuous stakeholder consultations throughout project implementation. This ensures open lines of communication with stakeholders. In case of any concerns of grievance, the project also has a functioning Grievance Redress Mechanism in place to follow up on any concerns, their resolution, and delivery of feedback for all concerns raised.

4. Community Engagements

The program engages with community leaders to share the benefits of education for the children in their communities. The importance of all learners especially girls staying in school is also emphasized. A case in point is the continuous engagement with block leaders in the refugee camps in Kakuma and Dadaab for ownership to ensure learners stay in school and any who may have dropped out are supported to come back to school in line with the school re-entry guidelines. This also includes advocacy to ensure teenage mothers are supported to continue with their education and not be shunned by their communities.

Statement of Project Management Responsibilities

The Principal Secretary for the State Department for Basic Education and the **Program Coordinator** for **Kenya Primary Education Equity in Learning Program** are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for 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 project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (v) Making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the State Department for Basic Education and the **Program Coordinator** for **Kenya Primary Education Equity in Learning Program** accept responsibility for the Project's financial statements, which have been prepared on the accrual basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the State Department for Basic Education and the **Program Coordinator** for **Kenya Primary Education Equity in Learning Program** are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2025, and of the Project's financial position as at that date. **The Principal Secretary for the State Department for Basic Education** and the **Project Coordinator** for **Kenya Primary Education Equity in Learning Program** further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

The Principal Secretary for the State Department for Basic Education and the **Program Coordinator** for **Kenya Primary Education Equity in Learning Program** confirm that the Project has complied fully with applicable Government Regulations and the terms of external

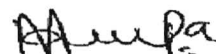
financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Program Financial Statements

The Program financial statements were approved by *the Principal Secretary for the Ministry of Education and the Program Coordinator for Kenya Primary Education Equity in Learning Program* on **27 August 2025** and signed by:



.....
Amb. (Prof.) Julius K. Bitok, CBS
**Principal Secretary/
Chief Officer**



.....
Martha Ekirapa
Project Coordinator

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYA PRIMARY EDUCATION EQUITY IN LEARNING PROJECT IDA GRANT NO. D991-KE AND CREDIT NO. 7067-KE AND GRANTS NOS. TF C306-KE AND TF C307-KE FOR THE YEAR ENDED 30 JUNE, 2025 - STATE DEPARTMENT FOR BASIC EDUCATION

PREAMBLE

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

- A. Report on the 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 Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the 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 Primary Education Equity in Learning Project IDA Grant NO. D991-KE and Credit No. 7067-KE and grants NOs. TF C306-KE and TF C307-KE – State Department for Basic set out on pages 1 to 38, which comprise of the statement of financial position as at 30 June, 2025, statement of financial performance, statement of cash flows, statement of changes in net assets, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, the financial position of the Kenya Primary Education Equity in Learning Program, IDA Grant NO. D991-KE and Credit No. 7067-KE and grants NOs. TF C306-KE and TF C307-KE as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Financing Agreement Grant No. D991-Ke and Credit No. 7067-Ke dated 14 April, 2022 and Grants Nos. TF C306-KE and TF C307-KE of 07 March, 2023 between the Republic of Kenya and the International Development Association and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unreconciled Special Deposits Balances

Note 17 to the financial statements reflects special deposit accounts disclose DLI account balance of Kshs.4,325,501,281 while the special deposit accounts statements reflect a balance of Kshs.4,306,961,432, resulting to an unreconciled variance of Kshs.18,539,849.

In the circumstances, the accuracy and fair statement of the special deposit account balance of Kshs.4,306,961,432 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Primary Education Equity in Learning Program, IDA Grant NO. D991-KE and Credit No. 7067-KE and Grants NOs. TF C306-KE and TF C307-KE 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.

Other Matter

Unresolved Prior Years Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2025.

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 matter described in the Basis for Qualified Opinion Section. I have determined that there were no key audit matters to report in the year under review.

Other Information

Conclusion

The Management is responsible for the Other Information set out on pages v to xxx which comprises Program Information and Overall Performance, Statement of Performance Against Program's Predetermined Objectives, Environmental and Sustainability Reporting and Statement of Program Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

In connection with my audit on the Project 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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Unapproved Budget

The statement of comparison of budget and actual amounts reflects final receipts and expenditure budget amounts of Kshs. 13,914,157,746 and Kshs. 13,423,191,094 respectively. However, there was no evidence of the budget having been approved by the National Steering Committee, contrary to the requirement of article 1 (A)(2) of Schedule 2 of the Financing Agreement dated 14 April, 2022, thus casting doubts on the authenticity of the budget amounts.

In the circumstances, the Management were in breach of the financing agreement.

2. Slow Draw of Projects Funds

The Funding summary at page x under the Program Information and Overall Performance reflects total Donor Commitment of Kshs. 35,338,664,850 and Government of Kenya commitment of Kshs. 14,604,640,000 all totalling Kshs. 49,943,304,850 over the Program life ending 31 December, 2026. However, only Kshs. 28,261,094,723 which included Government of Kenya commitment of Kshs. 14,604,640,000, had been drawn as at 30 June, 2025 resulting to undrawn balance of Kshsh.21,682,210,127 or 43% of the total commitment. This is indicative of low absorption of and the project may not fully implement the planned activities within the project life.

In the circumstances, the slow draw down of funds may negatively impact on the service delivery to the public.

3. Irregularities in the Supply, Delivery, Installation and Commissioning of ICT Equipment in Public Teacher Training Colleges

As previously reported, the Program Management procured for the supply, delivery, installation and commissioning of ICT equipment in thirty-five (35) public teacher training colleges through framework contracts valued at Kshs.1,042,287,068. However, the following inconsistencies were identified: -

- i. The Program initiated Programs on the installation and commissioning of ICT equipment in thirty (30) public teacher training colleges. The contracts were signed on 27 October, 2023 and were to run for a duration of three (3) months with expected completion date of 27 January, 2024. However, the contract extensions ended on 02 September, 2024, eleven months after the initial contract date resulting to eight months delay. This was contrary to Regulation 137 (e) of the Public Procurement and Asset Disposal Regulations, 2020 which provides that the requirements of the contract shall be closely monitored to ensure that there are no deviations or risks and those identified dealt with in time;

- ii. Management did not impose liquidated damages on the suppliers as required by Section 140 of the Public Procurement and Asset Disposal Act, 2015;
- iii. Field inspection at Kibabii Teachers Training College revealed that ten (10) laptops supplied to the College had been stolen and the matter reported to the police.

In the circumstances, value for money may not have been realized from the contracts while Management was in breach of the law.

4. Lack of a Procurement Plan

The statement of financial performance reflects use of goods and services amounting to Kshs.538,898,424 as disclosed in Note 8 to the financial statements. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Section 45(3)(a) of the Public Procurement and Asset Disposal Act, 2015 which states that “all procurement processes shall be within the approved budget of the procuring entity and shall be planned by the procuring entity through an annual procurement plan”.

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

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

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

Conclusion

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

Basis for Conclusion

Failure to Hold Quarterly Meetings

During the year under review, the National Steering Committee held only one meeting contrary to the Paragraph (2)(b) of Section 2 of the Financing Agreement which provides that the National Steering Committee shall meet quarterly, and shall be responsible for approving the Annual Work Plan and Budget ensuring that activities are aligned with any changes in policy and reform and that there is adequate staff to support the operations,

facilitating interventions with the relevant directorates and agencies, following up on the implementation of key fiduciary and safeguard actions.

In the circumstances, the Program did not benefit from the oversight role and advice from the committee.

The audit was conducted in accordance with the International ISSAIs 3000 and 4000. The Standards requires 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by International Development Association (IDA), I report based on my audit that 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:

- i. Information given in the Management report on pages v to xxx is consistent with the financial statements;
- ii. Adequate accounting records have been kept by the Program, so far as appears from the examination of those records; and,
- iii. The Program's financial statements are in agreement with the accounting records and returns.

Basis for Conclusion

The International Development Association (IDA), requires that, I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Program's compliance with laws and regulations. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

The 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 Program'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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Program'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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 October, 2025

Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

1.Statement of Financial Performance for the Year Ended 30th June 2025.

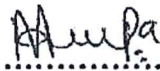
	Notes	FY 2024-2025
		Kshs
Revenue		
Revenue Transfers	6	12,891,031,995
Revenue by 3rd party for the program	7	38,968,922,410
Total revenue		51,859,954,406
Expenses		
Use of goods and services	8	538,898,424
Other Transfers/Subsidies/Grants	10	12,785,612,446
Payments by 3rd party for the program	11	38,968,922,410
Total expenses		52,293,433,281
Other gains/(losses)		
Deficit		(433,478,875)

Explanatory notes to this statement form an integral part to the financial statements

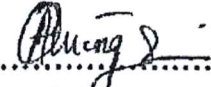
The financial statements were approved on **27th August 2025** and signed by:



.....
Amb. (Prof.) Julius K. Bitok, CBS
Principal Secretary/
Chief Officer



.....
Martha Ekirapa
Project Coordinator



.....
CPA. Maurice A. Ochieng'
Project Accountant
ICPAK Member 15502:

Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

2. Statement of Financial Position as at 30th June 2025

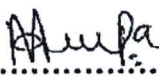
	Note	FY 2024-2025	Opening statement
		Kshs	1st July 2024
			Kshs
Assets			
Current Assets			
Cash in Bank(Cash book)	12	919,967,131	997,257,669
Receivables	13	37,800	380,613,376
Total Current Assets		920,004,931	1,377,871,045
Total Non- Current Assets		-	
Total Assets (a)		920,004,931	1,377,871,045
Current Liabilities			
Trade and Other Payables	14	466,600	16,613
Total Current Liabilities		466,600	16,613
Total Liabilities (b)		466,600	16,613
Net Assets (a-b)		919,538,331	1,377,854,432
Represented By:			
Accumulated Surplus		919,538,331	1,377,854,432

Explanatory notes to this statement form an integral part to the financial statements

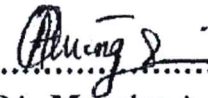
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Principal Secretary/
Chief Officer



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Martha Ekirapa
Project Coordinator



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CPA. Maurice A. Ochieng'
Project Accountant
ICPAK Member 15502:

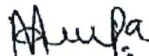
Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

3. Statement of Changes in Net Assets

Description	Note	Accumulated Surplus
		Kshs
As at 30th June 2024 (Cash Basis)		1,377,854,432
Adjustments:		
Asset Recognition		-
Liabilities recognition	16	(24,837,226)
As at 1st July 2024		1,353,017,206
(Deficit) for the year		(433,478,875)
As at 30th June 2025		919,538,331



.....
Amb. (Prof.) Julius K. Bitok, CBS
Principal Secretary/
Chief Officer



.....
Martha Ekirapa
Project Coordinator



.....
CPA. Maurice A. Ochieng'
Project Accountant
ICPAK Member 15502:

Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

4. Statement of Cashflow for the year ended 30th June 2025

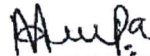
Description	Note	FY 2024-2025
		Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers	6	12,891,031,995
Total receipts		<u>12,891,031,995</u>
Payments		
Use of goods and services	8	538,898,424
Other Transfers/Subsidies/Grants	10	12,785,612,446
Total payments		<u>13,324,510,870</u>
		(433,478,875)
Change in net asset	18	381,025,563
Net cash flow from operating activities	15	<u>(52,453,312)</u>
Net cash flows from investing activities		
Net cash flow from financing activities		
Net increase/ decrease		<u>(52,453,312)</u>
Cash and cash equivalent at 1st July 2024	16	<u>972,420,443</u>
Cash and cash equivalent at end June 2025	12	<u>919,967,131</u>

Explanatory notes to this statement form an integral part to the financial statements

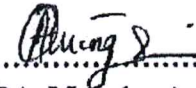
The financial statements were approved on 27th August 2025 and signed by:



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 Chief Officer



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 Martha Ekirapa
 Project Coordinator



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 CPA. Maurice A. Ochieng'
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 ICPAK Member 15502:

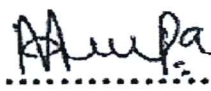
Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

5. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025

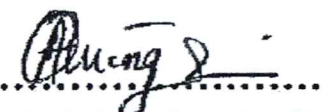
Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue Transfers(Grant)	8,080,921,614	2,000,000,000	10,080,921,614	10,615,731,019	(534,809,405)	105%
Revenue Transfers(Credit)	2,133,236,132	1,700,000,000	3,833,236,132	2,275,300,976	1,557,935,156	59%
Total Revenue	10,214,157,746	3,700,000,000	13,914,157,746	12,891,031,995	1,023,125,751	93%
Payments						
Use of goods and services	628,787,668		628,787,668	538,898,424	89,889,244	86%
Other Transfers/Subsidies/Grants	12,794,403,425	-	12,794,403,425	12,785,612,446	8,790,979	100%
Total Payments	13,423,191,094	-	13,423,191,094	13,324,510,870	98,680,223	
Surplus or Deficit	(3,209,033,348)	-	490,966,652	(433,478,875)	197,360,447	



.....
Amb. (Prof.) Julius K. Bitok, CBS
Principal Secretary/
Chief Officer



.....
Martha Ekirapa
Project Coordinator



.....
CPA. Maurice A. Ochieng'
Project Accountant
ICPAK Member 15502:

Budget notes

- Utilization of grant revenue is more by 105% because the budget was prepared and approved in cash basis however the balances for the FY 2023/24 in the account were not required to be refunded to exchequer. These amounts were additionally utilized while paying for expenses during the year 2024/25
- There original budget under grant revenue was increased under article 223 since there was increased demands for payments by the program particularly during construction of Junior secondary classrooms and because the program was able to access more funds from the development partners which informed the necessity of the programs increased fiscal space of Shs 2,000,000,000.
- There original budget under credit revenue was increased under article 223 since there was increased demands for payments by the program particularly during construction of Junior secondary classrooms and because the program was able to access more funds from the development partners which informed the necessity of the programs increased fiscal space of Shs 3,700,000,000. However, there was a budget cut towards closure of the financial year of shs 2,000,000,000 which reduced the increased budget by Shs 2,000,000,000 therefore the net budget increase was Shs 1,700,000,000. The decrease affected the demanding implementation of some of the activities of the program such as implementation of result based school grant which further necessitated revision of the program workplan and budget.
- As a result of the budget cut during the FY, 15% of activities were not undertaken resulting to underutilization of goods and services
- The actual payments under statement of comparison of budget differs with the expenses under the statement of financial performance because there were treatment difference emanating from presentation and basis. The budget statement was prepared on cash basis while statement of financial performance has been prepared under IPSAS accrual basis. The above statement is explained by the statement of budget reconciliation.

Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

Statement of Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	(433,478,875)
	Presentation differences:	
1	Opening Cash & Cash equivalents	972,420,443
	Basis differences:	
2	Other receipts	381,025,563
	Closing Cash and Cash Equivalent as per the statement of Cash flows	<u>919,967,131</u>

Notes to the Financial Statements

1. General Information

Kenya Primary Education Equity in Learning Project is established by and derives its authority and accountability from the financing agreement between the National Treasury and the World Bank. Kenya Primary Education Equity in Learning Project is wholly owned by the Government of Kenya and is domiciled in Kenya. Kenya Primary Education Equity in Learning Project's principal activity is Equalize learning opportunities, improve the participation of girls in schooling and strengthen capacity for implementing initiated reforms.

2. Statement of Compliance and Basis of Preparation

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

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or Kenya Primary Education Equity in Learning Project has taken advantage of the transitional provisions under IPSAS 33, and therefore these 1st/ 2nd/ 3rd/year financial statements are transitional financial statements and the following elements of the financial

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statements have not been recognized as Kenya Primary Education Equity in Learning Project has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

These financial statements were authorized for issue by the accounting officer on **27th August 2025**

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i></p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p>

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Standard	Effective date and impact:
	<p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i></p>
<p>IPSAS 45- Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i></p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> 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. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

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Standard	Effective date and impact:
	<i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i>

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 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i></p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i></p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

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Standard	Effective date and impact:
	<i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in Kenya Primary Education Equity in Learning Project'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. <p><i>State the expected impact of the standard to Kenya Primary Education Equity in Learning Project if relevant</i></p>

iii) Early adoption of standards

Kenya Primary Education Equity in Learning Project did not adopt new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to Kenya Primary Education Equity in Learning Project 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 have been acquired using such funds.

ii) Revenue from exchange transactions

Interest income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on *xxx*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The revised appropriations are reduced to the original budget by Kenya Primary Education Equity in Learning Project upon receiving the respective approvals to conclude the final budget. Accordingly, Kenya Primary Education Equity in Learning Project recorded additional appropriations of *shs 74,000,000* on the FY 2024/2025 budget following the Council/ Board's approval. Kenya Primary Education Equity in Learning Project'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,

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whereas the budget is prepared on 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 in the notes to statement for comparison of budget against actual expenditure

c) Property, plant and equipment

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

d) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to Kenya Primary Education Equity in Learning Project. 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. Kenya Primary Education Equity in Learning Project 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 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 Kenya Primary Education Equity in Learning Project 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.

e) Intangible assets

There was no acquisition of intangible asset within the year hence no recognition.

f) Research and development costs

Kenya Primary Education Equity in Learning Project expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when Kenya Primary Education Equity in Learning Project can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset.
- 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.

g) 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. *Kenya Primary Education Equity in Learning Project does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, Kenya Primary Education Equity in Learning Project 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.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

Kenya Primary Education Equity in Learning Project 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. Kenya Primary Education Equity in Learning Project recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

Kenya Primary Education Equity in Learning Project classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

h) Inventories

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

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

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

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

Inventories (Continued)

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 Kenya Primary Education Equity in Learning Project.

i) Provisions

Provisions are recognized when Kenya Primary Education Equity in Learning Project 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 Kenya Primary Education Equity in Learning Project 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.

Contingent liabilities

Kenya Primary Education Equity in Learning Project 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.

Contingent assets

Kenya Primary Education Equity in Learning Project 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 Kenya Primary Education Equity in Learning Project 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.

j) Nature and purpose of reserves

Kenya Primary Education Equity in Learning Project creates and maintains reserves in terms of specific requirements.

k) Changes in accounting policies and estimates

Kenya Primary Education Equity in Learning Project recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

l) Employee benefits

Retirement benefit plans

Kenya Primary Education Equity in Learning Project does not maintain payroll for officers working under the project. All the personnel are employees of the state department for basic education and other agencies.

m) 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.

n) 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.

o) Related parties

Kenya Primary Education Equity in Learning Project 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 Kenya Primary Education Equity in Learning Project, or vice versa. Related parties include State department for basic education, Teachers service commission and implementing entities. State department for basic education is the parent line ministry who undertake transactions which were listed in program expenditure framework under the program which are verified together with the entity's payments to achieve disbursement linked results.

TSC is a co-implementing entity for the program, both TSC implement DLI three which is charged with recruitment and deployment of new teachers in primary schools and junior secondary schools.

p) Service concession arrangements

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

q) Cash and cash equivalents

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

r) 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 Kenya Primary Education Equity in Learning Project'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. Kenya Primary Education Equity in Learning Project 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 Kenya Primary Education Equity in Learning Project. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by Kenya Primary Education Equity in Learning Project.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

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

Notes to the financial statements

6. Revenue Transfers

Description	FY 2024-2025
	KShs
Unconditional Transfers	
Credit Transfers from Development partners	2,275,300,976
Grant Transfers from Development partners	10,615,731,019
Total Unconditional Transfers (a)	12,891,031,995
Conditional Transfers	
Total Conditional Transfers (b)	-
Total Transfers for the Year (a + b)	12,891,031,995

a) Details to Revenue Transfers

Name of The Entity Transferring	Amount recognized to Statement of Financial performance	Amount deferred under deferred income.	Amount moved to Capital fund	Total transfers (Current FY)
	Kshs	Kshs	Kshs	Kshs
GOK Funding				-
IDA- Credit	2,275,300,976			2,275,300,976
IDA- Grant	1,988,948,018			1,988,948,018
Trust Fund C306	8,626,783,002			8,626,783,002
Trust Fund C307				-
Total	12,891,031,995	-	-	12,891,031,995

These refers to exchequer receipts emanating from proceeds of Credits and Grants from the World Bank

7. Revenue for the program by third party

Description	FY 2024/25
	Kshs
Revenue by 3rd party for the program	38,968,922,410
	-
Total	<u>38,968,922,410</u>

8. Use of Goods and Services

Description	FY 2024/25	FY 2024/25	FY 2024/25
	PAID	<u>PAYABLE</u>	<u>GROSS</u>
	<u>Kshs</u>	<u>Kshs</u>	<u>Kshs</u>
(2210100) - Utilities, supplies and services	9,090,113		9,090,113
(2210200) - Communication, supplies and services	2,310,483		2,310,483
(2210300)-Domestic travel and subsistence	342,668,645	465,200	343,133,845
(2211200) - Fuel Oil and Lubricants	5,486,029		5,486,029
(2210500) - Printing, advertising and information supplies & services	2,168		2,168
(2210700) - Training expenses	180,000		180,000
(2210800) - Hospitality supplies and services	49,092,267		49,092,267
(2211310) - Contracted professional services and consultancies	127,867,880		127,867,880
(2220100) - Routine maintenance – vehicles and other transport equipment	1,585,639		1,585,639
(2210600) Hire of services and Equipment	150,000		150,000
Total	538,433,224	465,200	538,898,424

9. Transfer to Other implementing agencies

Description	Opening balances	Disb/AIE's	Expenditure	Refund to main acc	Unspent balances
		Kshs	Kshs		Kshs
Disbursement to SAGA's					
JKF	48,911,376	1,170,189,726	921,178,927	48,911,376	249,010,799
KICD	-	174,463,498	162,338,981	12,124,517	-
NACONEK	6,080	480,000,000	476,409,800	3,596,280	-
KEMI	-	-	-	-	-
KNEC	-	150,000,000	150,000,000	-	-
Sub-Total	<u>48,917,456</u>	<u>1,974,653,224</u>	<u>1,709,927,708</u>	<u>64,632,173</u>	<u>249,010,799</u>
AIE's to Counties	248,916	27,056,558	26,343,083	336,251	626,141
Sub-Total	<u>248,916</u>	<u>27,056,558</u>	<u>26,343,083</u>	<u>336,251</u>	<u>626,141</u>
Total	<u>49,166,373</u>	<u>2,001,709,782</u>	<u>26,343,083</u>	<u>336,251</u>	<u>249,636,940</u>

Notes to the financial statement

10. Other Transfers/Subsidies/Grants

Description	FY 2024/2025
	Kshs
(3100000) - Grant for Acquisition of non-financial assets (Establishment of ICT Hubs in public TTC's)	707,742,004
(2640599) SIP Grants to selected Primary schools	1,195,200
(2640503) - Grants for infrastructure development in jss	9,000,000,000
(2640100) - Grants for scholarships	2,600,265,442
(2630101) Grants for Purchase of Fortified food for Learners	476,409,800
Total	12,785,612,446

Notes to the financial statement

11. Classification of payments made by Third Parties by Nature of expenses

Payments made by third parties		2022-2023	2023-2024	2024-2025	CUMMULATIVE TO DATE
Description	DLI	Kshs	Kshs	Kshs	Kshs
Scool Feeding Program	2	2,466,700,000	4,076,693,389	1,390,890,685	7,934,284,074
Jss Capitation-Capitation Grants	4	39,695,275,797	11,330,133,879	37,000,957,209	88,026,366,884
Kise-Facilitationspecial Needs Education	5	851,563,620	397,111,324	426,451,506	1,675,126,450
Recruitment Of Ict Interns	5	133,477,544	124,953,478	150,623,011	409,054,033
School Examination And Invigilation Fees	5	2,441,730,682	1,942,130,682		4,383,861,364
Rehabilitation Of Classrooms In Primary Schools	6	-	263,787,743		263,787,743
Total		45,588,747,643	18,134,810,494	38,968,922,410	102,692,480,548

12. Cash and Cash Equivalents as at 30th June 2025

Description	30 Jun 2025	1 Jul 2024
	Kshs	Kshs
Cash in Bank(Cash book)	670,330,192	972,420,443
	670,330,192	972,420,443
Prior year adjustments		24,837,226
Amount held by SAGAS	249,010,799	
Amount held by Counties	626,140	
	249,636,939	24,837,226
Prior year adjustments		

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Total Cash and Cash Equivalents	919,967,131	997,257,669
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13. Receivables

Description	30 Jun 2025	1 st July 2024
	Kshs	Kshs
Un-surrendered IMPRESTS	37,800	-
Total amount receivable from IPF		331,447,004
Amount receivable from SAGA's		48,917,456
Amount receivable from Counties		248,916
Total Receivables	37,800	380,613,376

Ageing analysis for Receivables

Description	30 Jun 2025	
	Kshs	
	Current FY	% of the total
Less than 1 year	37,800	100.00%
Between 1- 2 years	-	0.00%
Between 2-3 years		0.00%
Over 3 years	-	0.00%
Total (a+b)	37,800	100%

14. Trade and Other Payables

Description	2024-2025		2023-2024
	Kshs		Kshs
Trade payables	465,200		
IPF balance	1,400		
Third party deposit and retention	-		16,613
Total trade and other payables	466,600		16,613

Ageing analysis: (Trade and other payables)	Current FY	% of the Total
Under one year	466,600	100%
1-2 years	-	-
2-3 years	-	-
Over 3 years	-	-
Total (tie to above total)	466,600	100%

The invoice was presented after payments had been stopped for the year, IPF balance was unspent balance from Narok county that was deposited in the account.

15. Cash Generated from Operations

Description	2024-2025
	Kshs
Deficit for the year	(433,478,875)
Adjusted for:	
Working capital adjustments	
Decrease in receivables	380,575,576
Increase in payables	449,987
Net cash flow from operating activities	(52,453,312)

16. Prior Year adjustments

Prior year adjustments	30 Jun 2024	1 st July 2024
	Kshs	IPF
Opening Bank Balances (A/c 1000622288- IPF Parent project)		972,420,443
CBK A/C 1000622296 (DLI CR7067-KE) Loan account shared IPF/DLI	972,420,443	
DLI balance within the account	472,961,211	472,961,211

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Annual Report and Financial Statement for the financial year ended June 30, 2025

IPF balance within the account	499,459,232	
CBK A/C 1000622288 (D991 -KE) Grant account shared IPF/DLI	453,079,937	
DLI balance within the account	524,296,458	524,296,458
IPF balance within the account	(71,216,521)	
Total Cash and Cash Equivalent as at 30th june 2024		<u>997,257,669</u>
Opening adjustment		<u>(24,837,226)</u>

Note:

The above adjustment was undertaken because there was no new bank account opened while separating DLI and IPF as per the recommendations from the world bank finance support department while conducting financial management review on the project, however bank account held with the CBK and which was initially operated as Loan account was adopted to be operated as the program (DLI) account while the bank account held at CBK which was initially operated as Grant account was adopted to be operated as the project, IPF- Parent operation account since the project was already ongoing and could not be suspended for banking arrangement to be restarted.

17.Special deposit accounts

The balances in the Project's Special Deposit Account(s) as of 30th June 2025 are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule, which shows the flow of funds voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

Special Deposit Accounts Movement Schedule

(i) A/c DLI AF GRANT A/C 1000715154

	2024-2025	2023-2024
Description	KSHS	KSHS
Opening balance	4,870,692,269	-
Total amount deposited in the account	3,756,090,733	9,363,312,322
Total amount withdrawn (as per Statement of Receipts & Payments)	(8,626,783,002)	(4,492,620,053)
Closing balance (as per SDA bank account reconciliation attached)	(0)	4,870,692,269

(11) A/c DLI A/C 1000630558

	2024-2025	2023-2024
Description	KSHS	KSHS
Opening balance	2,275,300,976	216,092,335
Total amount deposited in the account	6,314,449,299	6,513,356,872
Total amount withdrawn (as per Statement of Receipts & Payments)	(4,264,248,994)	(4,454,148,231)
Closing balance (as per SDA bank account reconciliation attached)	4,325,501,281	2,275,300,976

18.Statement of change in net assets

Description	2024-2025	2023-2024	Change
	Kshs	Kshs	Kshs
Working capital adjustments			
Decrease in receivables	37,800	380,613,376	380,575,576
Increase in payables	466,600	16,613	449,987
Net cash flow from operating activities	<u>504,400</u>	<u>380,629,989</u>	<u>381,025,563</u>

19.Related Party Disclosures

Nature of related party relationships

Entities and other parties related to Kenya Primary Education Equity in Learning Program include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include State department for basic education, Teachers service commission and implementing entities. State department for basic education is the parent line ministry who undertake transactions which were listed in program expenditure framework which are verified together with the entity's payments to achieve disbursement linked results. TSC is a co-implementing entity for the program, both TSC implement DLI three which is charged with recruitment and deployment of new teachers in primary schools and junior secondary schools.

Government of Kenya

The Government of Kenya is the principal shareholder of Kenya Primary Education Equity in Learning Program, holding 100% of Kenya Primary Education Equity in Learning Program's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of Kenya Primary Education Equity in Learning Program, both domestic and external.

20.Events after the Reporting Period

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

21.Ultimate And Holding Entity

Kenya Primary Education Equity in Learning Program is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

22.Currency

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

21. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Unsupported cash and cash equivalent balance	The observation was as a result of mix-up of banking arrangement from the onset of the program where there was no clear distinction of the project and the program and therefore bank accounts which were opened served the transactions of both. Account no. 1000622296 which operated loan revenue with balance os shs 972,420,443 had balances of shs 472,961,211 for the program and shs 499,459,232 for the project while A/c no. 1000622288 which operated grant revenue had balance of shs 453,079,937 of which shs 524,296,458 was balance for the program and overdraft of shs 71,216,521 was for the project.	Resolved	
2.0	Unsupported imprests and advanced.	Shs 331,447,004 was as a result of mix-up of the banking arrangement from the onset of the program where there was no clear distinction between the program and the project within KPEEL. This therefore led to payments of expenditure for either of them from the same bank	Resolved	

Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

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)
		<p>account, however having clarified the matter by the World bank, it was noted that the difference between the revenue and the expenditure relating to the project and the program. Project expenses exceeded revenue by shs 331,447,004. Which while separating the two resulted to payable by IPF and receivable by DLI.</p> <p>This has since been resolved.</p>		
3.0	Unsupported payments by third parties	<p>Payments by third party represents the payment by the main account held by the state department for basic education as per program expenditure framework. These payments are to be reported on the financial statement of the program as required by the PforR design of the program, bearing in mind that KPEEL program is an intervention to support the government program.</p> <p>Since these expenditures are incurred by the main account, the amount of shs 45,588,747,643 was to be audited on the main account.</p>	Resolved	

Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.0	Unsupported budget	Since the budget for the program is presented as a single line item, workplan is prepared and approved by the accounting officer and the world bank.	Resolved	
1.0	Undrawn Loan balance	The program funds are advanced upon achievement of agreed disbursement linked indicators which are verified by an independent verification agency as described in both the verification and disbursement protocol. The amount be drawn is therefore communicated by the bank through the letter of DLI achieved and therefore the PCU is only allowed to draw the amounts that are given on the letter.	Resolved	
2.0	Supply, delivery, installation and commissioning of ICT equipment's in public teachers training colleges	During the course of implementation, the contractors encountered various challenges, as outlined in their respective no cost extension of time requests. In accordance with the provisions of the Public Procurement and Asset Disposal Act, the Contract Implementation Team (CIT) conducted a thorough review of the submitted justifications and found them to be valid grounds for extension. Consequently, the CIT recommended that the contract period be extended until 2 nd September 2024 to facilitate the successful completion of the assignments. Contract addendum no. 2 was issued to all the contractors on 27 th May 2024 to effect the change.	Resolved	

Kenya primary education equity in learning program (P176867-KE)
Annual Report and Financial Statement for the financial year ended June 30, 2025

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)
3.0	Failure to maintain separate banking arrangements	Separate banking arrangements are now maintained and operational after clarification by the World bank on the design of the program.	Resolved	

Guidance Notes:

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



.....
Amb. (Prof.) Julius K. Bitok, CBS
**Principal Secretary/
 Chief Officer**



.....
Martha Ekirapa
Project Coordinator

Annex 4: Other Support Documents

- i. Signed confirmations from beneficiaries in Transfers to Other Government Entities
- ii. Bank Reconciliations statement as at 30th June 2025
- iii. Board of Survey Report
- iv. Special Deposit Account(s) reconciliation statement(s)

Date 01-July-2025...

Report of the Board of Survey on the Cash and Bank Balances of ...KPEEL DLI... CBK A/C No. 1000 622 296..... as at the close of Business on 30th June, 2025.

The Board, consisting of (Names and official titles)

- 1. Chairman- CARLOS ATENY OGWEL
- 2. Member - Roschyma Nkuragu
- 3. Member - Joseph Nguni

Assembled at the office of the...State Department for Early Learning and Basic Education at 8:00 Am on the...1st July 2025.....and the following cash was produced:-

Notes	Sh.Nil.....
Silver	Sh.....Nil.....
Copper.....	ShNil.....
Cheques (as per details on reverse)	Sh.Nil.....
Total	Sh.....Nil.....

It was observed that cheques amounting to Sh..... Nil.....cts.....had been on hand for more than 14 days prior to the date of the survey. The cash consists of Kenya currency and does not contain any demonetized coin or notes.



The Cash Book reflected the following balances as at the close of business on the 30th June 2025.

Cash on handSh. ...Nil.....
Bank Balance	Sh.... 670,330,191.96.....
TOTAL	Sh....670,330,191.96.....

The Bank Certificate of Balance showed a sum of Kshs.....7,329,650.40..... Standing to the credit of the account on ...1st July 2025.....

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O.30) attached.

Date 01/07/2025

 01/07/2025
 Chairman

 Member of the Board

REPUBLIC OF KENYA

BANK RECONCILIATION STATEMENT

STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION.
CENTRAL BANK A/C NO.1000622296-(DLI CR7067KE - KES)

AS AT

30/Jun/25

STATION: KPEEL (DLI ACCOUNT)

	(KSHS)	(KSHS)	(KSHS)
BAL AS PER BANK CERTIFICATE			7,329,650.40
LESS:			
1 Payments in Cash Book not yet recorded in Bank Statement (Unrepresented Cheques)	955,843,714.40		
2 Receipts in Bank Statement not yet recorded in Cash Book	-		
TOTAL			955,843,714.40
ADD:			
3 Payments Bank Statement not yet recorded in Cash Book.	-		
4 Receipts in Cash Book not yet recorded in Bank Statement	1,618,844,255.90		
TOTAL			1,618,844,255.90
			670,330,191.90

BALANCE AS PER CASH BOOK

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that above Reconciliation is correct

.....

 Assistant Accountant General01-July-2025
 Signature Designation Date

Difference

DETAILS

STATEMENT BAL

7,329,650.40

CASH BOOK FIG.

670,330,191.96

1 PAYMENT IN CASH BOOK NOT RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)

DATE	CHQ NO.	PAYEE	AMT(SHS)
30/Jun/25	470	EDWARD KIPKIRUI YEGON	35,000.00
30/Jun/25	471	EDWARD KIPKIRUI YEGON	37,800.00
30/Jun/25	472	JOMO KENYATTA FOUNDATION	249,009,921.40
30/Jun/25	473	Equity Group Foundation	667,338,623.00
30/Jun/25	474	WARTHY NKATHA MOGUSU	31,500.00
30/Jun/25	475	TRANSFER BALANCE FROM NACONEK TO IPF P	160,730.00
30/Jun/25	476	TRANSFER BALANCE FROM NACONEK TO IPF AF	39,230,140.00
SUB- TOTAL			955,843,714.40

2 RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK

DATE	CHQ NO.	DETAILS	AMT(SHS)
SUB- TOTAL			-

3 PAYMENT IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK

DATE	CHQ NO.	DETAILS	AMT(SHS)
SUB- TOTAL			-

4 RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT

DATE	RCPT NO	DETAILS	AMT(SHS)
30/Jun/25	FT25182Y6FH	TRANSFER FROM IPF P	939,700.00
30/Jun/25	FT25184292L2	EXCHEQUER	1,562,647,807.00
30/Jun/25	FT25191XYXGK	UNSPENT BAL FROM NACONEK FOR DLI, I	42,987,150.00
30/Jun/25	FT251951GKWW	UNSPENT BAL FROM MURANG'A	2,840.00
30/Jun/25	FT25198Y6W2Q	Tranfer from ipf parent	49,842.00
30/Jun/25	FT251995D374	UNSPENT BALANCES	92,400.00
30/Jun/25	FT25199Y39DD	UNSPENT BALANCES FROM KICD	12,124,516.90
SUB- TOTAL			1,618,844,255.90

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

17 JUL 2025
676

July 11, 2025

Haile Selassie Avenue
P.O. Box 60000 - 00200 Nairobi, Kenya
Telephone: 2860000, Fax: 3340192

CERTIFICATE OF BALANCES

Customer :138662

STATE DEPT FOR BASIC EDUCATION

Balance Date: June 30,2025

Account No	Account Name	Currency	Balance
1000384263	REC-STATE DEPT FOR BASIC EDUCATION	KES	523,617,058.10
1000384271	DEV-STATE DEPT FOR BASIC EDUCATION	KES	28,644.12
1000384287	DEP-STATE DEPT FOR BASIC EDUCATION	KES	445,842,823.85
1000384298	CBK165-STATE DEPT FOR BASIC EDUCATI	KES	0.00
1000387904	KENYA PRIMARY EDUCATION DEVELOPM	KES	0.00
1000387912	PROPOSED SECONDARY EDU QUAL IMP PRO	KES	772,161.65
1000387928	STATE DEPT FOR BAS ED. EQU FUND OP	KES	0.00
1000387939	STATE DEPT FOR BASIC ED SEC 6138 KE	KES	314,689,954.90
1000387947	KENYA PRI EDU DEVELOPMENT PROJECT-A	KES	0.00
1000387955	KENYA PRI EDU DEVELOPM PROJECT-B	KES	0.00
1000432117	SPORTS, ARTS,SOC. DEV- EARLY LEARN.	KES	0.00
1000622288	PRIM EDU EQTY LEARN P-GRANT D991KE	KES	97,538,413.80
1000622296	PRIM EDU EQTY LEARN P-DLI CR7067KE	KES	7,329,650.40
1000740698	THE DEV OF SCH INFRASTR IN NYAMIRA	KES	3,912,920.95
1000740701	AF IPF KPEEL GRANT	KES	76,742,328.10


Micah Nabori
Authorised Signatory
Banking Services Division


Joyce Nasieku
Authorised Signatory
Banking Services Division



**PRIMARY EDUCATION EQUITY IN LEARNING PROGRAM
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2025**

Credit No.: IDA LOAN NO. CREDIT NO.70670-KE (DLI)

Bank Account No.: 1000630558 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT EUR	AMOUNT EUR
1	Amount advanced by IDA		64,705,140.00
	Less:		
2	Total amount documented		-
3	Outstanding amount to be documented		64,705,140.00
	Represented by:		
4	Ending Special account Balance as as 30 June 2025		28,522,923.39
5	Amounts claimed but not credited as at 30 June 2025		-
6	Amounts withdrawn and not claimed		36,182,216.61
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2025		64,705,140.00

Discrepancy between total appearing on line 3 and 9

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by IDA and shall be documented in subsequent IFRs

Signature

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: 05-08-2025

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2025
Account No.	1000630558
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	PRIMARY EDUCATION EQUITY IN LP-DLI
Credit Agreement	
Currency	EUR

Part A - Account Activity

Beginning balance of 1st July, 2024 as per C.B.K. Ledger Account	2,721,361.50
---	---------------------

Add:

Total Amount deposited by World Bank	57,608,577.59
--------------------------------------	----------------------

Total Interest earnings if deposited in account	-----
---	-------

Total amount refunded to cover ineligible expenditure	-----
--	-------

Deduct:

Total amount withdrawn	31,807,015.70
------------------------	----------------------

Total service charges if not included above in amount withdrawn	-----
--	-------

Ending balance on 30th June,2025	28,522,923.39
----------------------------------	----------------------

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE: _____

[Handwritten Signature]

DATE _____

14/07/2025

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE: _____

[Handwritten Signature]

DATE _____

05-08-2025

NOTE The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June,2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Run Date: 17/07/2025 Run Time: 12:06:19
 CENTRAL BANK OF KENYA
 BANKI KU YAKENYA
 P.O. BOX 30040-00100
 NAIROBI
 STATEMENT PERIOD: From 01/07/2024 To 30/06/2025

STATEMENT OF ACCOUNT

ACCOUNT NUMBER: 1000630558

ACCOUNT TITLE: PRIMARY EDUCATION EQUITY IN EP-BLI

NO	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT	CREDIT BALANCE
			OPENING BAL		2,721,361.50	
NO.	Value Date	Reference No	Details	Debit	Credit	Balance
1	09/09/2024	ET24253V041Z0	PROJECT FUNDING	0.00	21,267,008.00	2398369.5
2	16/09/2024	ET24260XUG4J	PAY36429	-15,860,000.00	0.00	8128369.5
3	14/10/2024	ET24288KWKW0	FUNDING	0.00	13751.800	9503487.5
4	28/10/2024	ET243027PDR0	PROJECT FUNDING	0.00	7,207,129.87	16714173.37
5	20/11/2024	ET243258XQ96	PAY36609	-1,189,800.00	0.00	15521617.37
6	16/01/2025	ET25016LL755	FUNDING	0.00	7,269,073.00	22790690.37
7	16/01/2025	ET25016X0RKP0	FUNDING	0.00	7,488,132.72	30278823.09
8	29/01/2025	ET25029013K30	PAY3834	-7,488,137.70	0.00	22790685.39
9	29/01/2025	ET25029012886	PAY3833	-7,269,078.00	0.00	15521607.39
10	23/06/2025	ET25073823NK0	PROJECT FUNDING	0.00	13,001,316.00	28522923.39
			CLOSING BALANCE			28522923.39

END OF ACCOUNT STATEMENT

Favourites

Account	Statement From	Statement To
Account equals	Statement From equals	Statement To equals
1000630558	20240701	20250630

TABLE STATEMENT OF ACCOUNT

Loan: IDA 70670 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176867 - Primary Education Equity in Learning Program

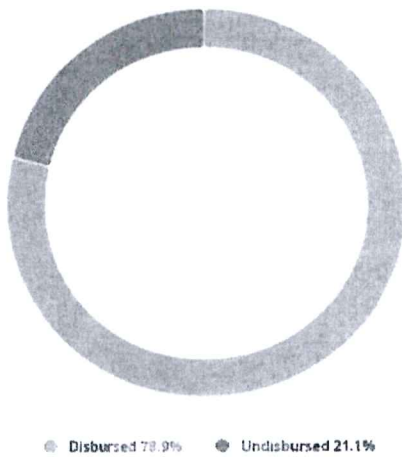
[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [Disbursements](#)

Important Dates

Approval	Signing	Commitment Charges Start Date	Effective	Closing	First Repayment	Application Deadline	Last Repayment
31-Mar-2022	14-Apr-2022	13-Jun-2022	05-Aug-2022	31-Dec-2026	01-Jun-2027	30-Jun-2027	01-Dec-2051

Currency of Commitment : EUR

Show amounts in EUR



Loan Information (EUR)

Signed Amount	125,100,000.00
Cancelled	0.00
Disbursed	98,716,182.27
Undisbursed	26,383,817.73
Special Commitments	0.00
Funds Available	26,383,817.73

Funds Available (EUR)

Withdrawal Applications	0.00
Special Commitment Issuance Applications	0.00
Estimated Funds Available	26,383,817.73

Last Bill, IDA 70670, due on 01-Jun-2025

USD Equivalents

Borrower: The National Treasury and Planning

Date Payable	Currency	Amount Payable
02-Jun-2025	EUR	446,948.07

Original Approved Amount	140,000,000.00
Current Undisbursed	30,759,573.90
Historical Disbursed	105,886,850.75

98,716,182.27	1.06 %	0.00 %
Principal Outstanding	Total Charges	Net Commitment Fee
	Service Charge 1.06 %	Commitment Fee 0.50 %

Loan: IDA 70670 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176867 - Primary Education Equity In Learning Program

- [Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [Disbursements](#)
- [Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/JN Accounts](#) | [Category Schedule](#) | [DLI Advances](#)

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 31-Mar-2022	Loan Signing Date 14-Apr-2022	Loan Made Effective 05-Aug-2022	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan Is Ready for Disbursing Online 29-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 10 of 17 entries

Filter by [DLI Payment](#) | [Paid Summary](#) | [Value Date](#)

Search

Borrower Reference	Application				Paid				Logged by	Last Updated	
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received			Value Date
MOE WA DLI LOAN 09	DLI Payment	Completed	EUR	13,001,321.00		EUR	13,001,321.00	11-Jun-2025	20-Jun-2025	Borrower	20-Jun-2025
MOE WA DLI LOAN 06	DLI Payment	Completed	EUR	7,269,078.00		EUR	7,269,078.00	08-Jan-2025	15-Jan-2025	Borrower	15-Jan-2025
WA TSC P4R 001	DLI Payment	Completed	EUR	1,375,123.00		EUR	1,375,123.00	03-Oct-2024	11-Oct-2024	Borrower	11-Oct-2024
MOE WA DLI LOAN 05	DLI Payment	Completed	EUR	21,267,013.00		EUR	21,267,013.00	30-Aug-2024	06-Sep-2024	Borrower	06-Sep-2024
MOE WA DLI LOAN 04	DLI Payment	Completed	EUR	21,792,605.00		EUR	21,792,605.00	17-May-2024	24-May-2024	Borrower	24-May-2024

Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the Disbursement Letter.

If the DA is inactive for six months, the Bank notifies the borrower that it will request a refund of the outstanding balance unless, within 90 days, the borrower submits satisfactory evidence of eligible expenditures financed

Loan: IDA 70670 (IDA - IDA Credit) | Status: Disbursing | Country: Kenya

Project: P176867 - Primary Education Equity in Learning Program

- Loan Overview
- Disbursements
- History
- Repayments
- Amortization Schedule
- Audit Submission
- Disbursemen
- Applications
- eSignatorie(s)
- Beneficiaries
- Contracts
- Designated/UN Accounts
- Category Schedule
- DLI Advanc

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 31-Mar-2022	Loan Signing Date 14-Apr-2022	Loan Made Effective 05-Aug-2022	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan is Ready for Disbursing Online 29-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 10 of 17 entries

Filter by DLI Payment Documented Detail Value Date

Search

Borrower Reference	Type	Status	Ccy	Amount	Category Summary	Paid		Date received	Value Date	Logged by	Last Updated
						Ccy	Amount				
MOEWA DLI LOAN 09	DLI Payment	Completed	EUR	13,001,321.00		EUR	13,001,321.00	11-Jun-2025	20-Jun-2025	Borrower	20-Jun-2025
MOEWA DLI LOAN 06	DLI Payment	Completed	EUR	7,269,078.00		EUR	7,269,078.00	08-Jan-2025	15-Jan-2025	Borrower	15-Jan-2025
WA TSC P4R 001	DLI Payment	Completed	EUR	1,375,123.00		EUR	1,375,123.00	03-Oct-2024	11-Oct-2024	Borrower	11-Oct-2024
MOEWA DLI LOAN 05	DLI Payment	Completed	EUR	21,267,013.00		EUR	21,267,013.00	30-Aug-2024	06-Sep-2024	Borrower	06-Sep-2024
MOEWA DLI LOAN 04	DLI Payment	Completed	EUR	21,792,605.00		EUR	21,792,605.00	17-May-2024	24-May-2024	Borrower	24-May-2024

Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the Disbursement Letter.

If the DA is inactive for six months, the Bank notifies the borrower that it will request a refund of the outstanding balance unless, within 90 days, the borrower submits satisfactory evidence of eligible expenditures financed

**PRIMARY EDUCATION EQUITY IN LEARNING PROGRAM
 STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
 FOR THE YEAR ENDED 30 JUNE 2024**

Credit No.: IDA LOAN NO. CREDIT NO.70670-KE (DLI)

Bank Account No.: 1000630558 Held with CENTRAL BANK OF KENYA

		NOTES	AMOUNT EUR	AMOUNT EUR
1	Amount advanced by IDA			-
	Less:			
2	Total amount documented			-
3	Outstanding amount to be documented			-
	Represented by:			
4	Ending Special account Balance as as 30 June 2024			2,721,361.50
5	Amounts claimed but not credited as at 30 June 2024			-
6	Amounts withdrawn and not claimed			(2,721,361.50)
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2024			-

Discrepancy between total appearing on line 3 and 9

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by IDA and shall be documented in subsequent IFRs

**AUTHORISED REPRESENTATIVE
 RESOURCE MOBILISATION DEPARTMENT
 THE NATIONAL TREASURY**

DATE:

**PRIMARY EDUCATION EQUITY IN LEARNING PROGRAM
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2025**

Credit No.: IDA GRANT NO. TF C0306-KE (DLI - AF)

Bank Account No.: 1000715154 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by IDA		65,868,250.00
	Less:		
2	Total amount documented		65,868,250.00
3	Outstanding amount to be documented		-
	Represented by:		
4	Ending Special account Balance as as 30 June 2025		-
5	Amounts claimed but not credited as at 30 June 2025		-
6	Amounts withdrawn and not claimed		-
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2025		-

Discrepancy between total appearing on line 3 and 9

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

The amount appearing on line 6 is eligible for financing by IDA and shall be documented in subsequent IFRs

Signature

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: 05-08-2025

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2025
Account No.	1000715154
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	AF PRI.EDU.EQUITYIN LEARNING PROG
Credit Agreement	
Currency	USD

Part A - Account Activity

Beginning balance of 1st July, 2024 as per C.B.K. Ledger Account	37,677,335.00
Add:	
Total Amount deposited by World Bank	29,060,915.00
Total Interest earnings if deposited in account	
Total amount refunded to cover ineligible expenditure	
Deduct:	
Total amount withdrawn	66,738,250.00
Total service charges if not included above in amount withdrawn	
Ending balance on 30th June,2025	0.00

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

DATE

14/07/2025

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

DATE

05-08-2025

NOTE. The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June,2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Run Date: 17/07/2025 Run Time: 12:06:23
CENTRAL BANK OF KENYA
BANK KUE YA KENYA
PO BOX 40000-00200
NAIROBI
STATEMENT PERIOD From: 01/07/2024 To:

STATEMENT OF ACCOUNT

ACCOUNT NUMBER: 1000715154

ACCOUNT TITLE: AF PRIMARY EDUCATION EQUITY IN LEAR
30/06/2025

NO.	DATE	REFERENCE NO.	DETAILS	DEBIT	CREDIT BALANCE	
			OPENING BAL	37,077,335.00		
NO.	Value Date	Reference No	Details	Debit	Credit	Balance
1	16/09/2024	ET24260MNXZU	PA 36422	37,077,335.00	0.00	0
2	17/10/2024	ET24291NFS7Q1	PRODUCT FUNDING	0.00	8,000,000.00	8,000,000.00
3	25/10/2024	ET2429954PXX1	PA 36458	8,000,000.00	0.00	0
4	17/01/2025	ET25017HDS7	FUNDING	0.00	8,974,107.00	8,974,107.00
5	29/01/2025	ET250291XQMD	PA 38315	8,974,107.00	0.00	0
6	18/06/2025	ET2516981XSY1	PRODUCT FUNDING	0.00	12,086,808.00	12,086,808.00
7	26/06/2025	ET251770R0MV1	PA 38430	12,086,808.00	0.00	0
						CLOSING BALANCE: 0

END OF ACCOUNT STATEMENT

Favourites

TABLE STATEMENT OF ACCTEPRM

Top

- Account equals 1000715154
- Statement From equals 20240701
- Statement To equals 20250630

TABLE STATEMENT OF ACCTEPRM

Loan: TF C0306 (TF - Trust Fund) | **Status:** Disbursing | **Country:** Kenya |

Project: P176867 - Primary Education Equity In Learning Program

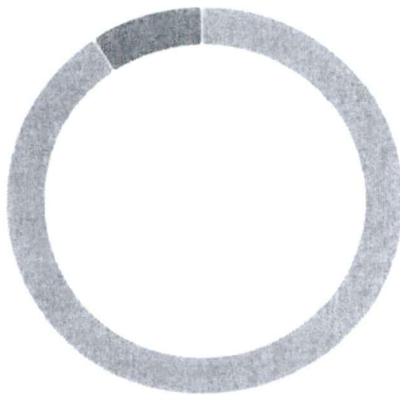
[Loan Overview](#) | [Disbursements](#) | [History](#) | [Audit Submission](#) | [Disbursement Projections](#)

Important Dates

Approval 14-Feb-2023	Signing 07-Mar-2023	Effective 21-Jun-2023	Closing 31-Dec-2026	Application Deadline 30-Jun-2027
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Currency of Commitment : USD

Show amounts in USD



● Disbursed 90.8% ● Undisbursed 9.2%

Loan Information (USD)

Signed Amount	112,800,000.00
Cancelled	0.00
Disbursed	102,397,848.65
Undisbursed	10,402,151.35
Special Commitments	0.00
Funds Available	10,402,151.35
Of Which Restricted Amount	6,800,000.00
Net of Restriction	3,602,151.35

Funds Available (USD)

Withdrawal Applications	0.00
Special Commitment Issuance Applications	0.00
Estimated Funds Available	3,602,151.35

USD Equivalents

Original Approved Amount	112,800,000.00
Current Undisbursed	10,402,151.35
Historical Disbursed	102,397,848.65

Principal Outstanding

Disbursed	102,397,848.65
Outstanding Pool Units	0.00
Estimate Pool Unit Value	0.00
Deferred Principal	0.00

Loan: TF C0306 (TF - Trust Fund) | Status: Disbursing | Country: Kenya |

Project: P176867 - Primary Education Equity in Learning Program

Loan Overview | Disbursements | History | Audit Submission | Disbursement Projections

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/UN Accounts | Category Schedule | DLI Advance

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 14-Feb-2023	Loan Signing Date 07-Mar-2023	Loan Made Effective 21-Jun-2023	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan is Ready for Disbursing Online 29-Jul-2025
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Submit Withdrawal Application

Transaction List

Showing results 1 - 10 of 16 entries

Filter by DLI Payment | Paid Summary | Value Date

Search

Borrower Reference	Application				Paid						
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
MOE WA TF0306 DLI07	DLI Payment	Completed	USD	12,086,808.00		USD	12,086,808.00	11-Jun-2025	17-Jun-2025	Borrower	17-Jun-2025
MOE WA TF0306 DLI06	DLI Payment	Completed	USD	8,974,107.00		USD	8,974,107.00	13-Jan-2025	16-Jan-2025	Borrower	16-Jan-2025
MOE WA TF0306 DLI05	DLI Payment	Completed	USD	8,000,000.00		USD	8,000,000.00	16-Oct-2024	16-Oct-2024	Borrower	16-Oct-2024
MOE WA DLI TF306 03	DLI Payment	Completed	USD	36,355,085.00		USD	36,355,085.00	17-May-2024	05-Jun-2024	Borrower	05-Jun-2024
MOE WA TF0306 DLI04	DLI Payment	Completed	USD	8,452,250.00		USD	8,452,250.00	20-May-2024	23-May-2024	Borrower	23-May-2024

Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the



Christine Da...

Loan: TF C0306 (TF - Trust Fund) | Status: Disbursing | Country: Kenya |

Project: P176867 - Primary Education Equity in Learning Program

Loan Overview | Disbursements | History | Audit Submission | Disbursement Projections

Applications | eSignatorie(s) | Beneficiaries | Contracts | Designated/UN Accounts | Category Schedule | DLI Advance

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 14-Feb-2023	Loan Signing Date 07-Mar-2023	Loan Made Effective 21-Jun-2023	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan Is Ready for Disbursing Online 29-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 10 of 11 entries

Filter by DLI Payment Documented Detail Value Date

Search

Borrower Reference	Application					Paid					
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
MOE WA TF0306 DLI07	DLI Payment	Completed	USD	12,086,808.00		USD	12,086,808.00	11-Jun-2025	17-Jun-2025	Borrower	17-Jun-2025
MOE WA TF0306 DLI06	DLI Payment	Completed	USD	8,974,107.00		USD	8,974,107.00	13-Jan-2025	16-Jan-2025	Borrower	16-Jan-2025
MOE WA TF0306 DLI05	DLI Payment	Completed	USD	8,000,000.00		USD	8,000,000.00	16-Oct-2024	16-Oct-2024	Borrower	16-Oct-2024
MOE WA DLI TF306 03	DLI Payment	Completed	USD	36,355,085.00		USD	36,355,085.00	17-May-2024	05-Jun-2024	Borrower	05-Jun-2024
MOE WA TF0306 DLI04	DLI Payment	Completed	USD	8,452,250.00		USD	8,452,250.00	20-May-2024	23-May-2024	Borrower	23-May-2024

Loans with Inactive Advances

Replenishment applications are to be submitted in accordance with the instructions provided in the Disbursement Letter.

**PRIMARY EDUCATION EQUITY IN LEARNING PROGRAM
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2024**

Credit No.: IDA GRANT NO. TF C0306-KE (DLI - AF)

Bank Account No.: 1000715154 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT USD	AMOUNT USD
1	Amount advanced by IDA		44,807,335.00
	Less:		
2	Total amount documented		44,807,335.00
3	Outstanding amount to be documented		-
	Represented by:		
4	Ending Special account Balance as as 30 June 2024		37,677,335.00
5	Amounts claimed but not credited as at 30 June 2024		-
6	Amounts withdrawn and not claimed		(37,677,335.00)
7	Service Charges (if not included in lines 5 and 6 above)		-
8	Interest earned (if included in Special Account)		-
9	Total advance to Special Account Year ended 30 June 2024		-

Discrepancy between total appearing on line 3 and 9

Notes:

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**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE:

