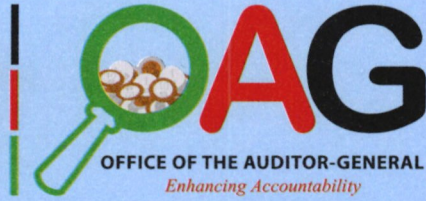


REPUBLIC OF KENYA



**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

**ON**

**KWALE COUNTY ASSEMBLY MEMBERS AND  
STAFF LOAN SCHEME FUND**

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

PAPERS LAID	
DATE	12/6/25.
TABLED BY	S.M.h
COMMITTEE	—
CLERK AT THE TABLE	Angelou

OFFICE OF THE AUDITOR GENERAL  
P.O.Box 95202 MOMBASA  
06 OCT 2025  
RECEIVED  
MOMBASA REGIONAL OFFICE



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**KWALE COUNTY ASSEMBLY MEMBERS AND STAFF LOAN SCHEME  
FUND**

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

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

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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

**A. Acronyms**

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

**B. Definition of Key Terms**

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

**Comparative Year-** Means the prior period.

## **2. Key Entity Information and Management**

### **a) Background information**

The Kwale County Assembly Members and Staff Loan Scheme Fund is established by and derives its authority and accountability from the Kwale County Assembly Members and Staff Loan Scheme Act 2016 and provision of Section 116 of the PFM Act 2012. The Fund is wholly owned by the County Government of Kwale and is domiciled in Kenya.

The Fund is managed through a Committee. The Committee is composed of two Members of the County Assembly (MCAs) who are appointed by the speaker and three Staff members, two of whom are appointed by the Clerk.

The fund's objective is to provide descent residential housing and motor vehicles for transport to its members.

The Fund's principal activity is to disburse and manage loans to members.

### **b) Principal Activities**

The Kwale County Assembly Members and staff loan Scheme fund is envisioned to see empowered mobility and descent residence of its members in the county through provision of affordable car loans and mortgage facilities.

The principal activity/mission/ mandate of the Fund is to disburse and manage loans to members in the following forms;

1. Mortgage loan
2. Car Loan

### **c) Fund Administration Committee**

<b>Ref</b>	<b>Name</b>	<b>Position</b>
1	Sawa Hamisi Ngala	Chair person
2	Fatuma Hassan Mwalupa	Fund Administrator
3	Hon. Yusuf Sengeza	Member
4	Hon. Teresia Bahati Muoki	Member
5	Fatuma Mwinyi kingi	Member

### **d) Key Management team**

<b>Ref</b>	<b>Name</b>	<b>Position</b>
1	Fatuma Hassan Mwalupa	Fund Administrator
2	CPA Philip Wanje Ziro	Fund Accountant

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

---

**Key Entity and Management (Continued)**

**e) Fiduciary Oversight Arrangements**

SN	Position	Name
1	Ag. Internal Auditor	CPA Happy Nyevu Samini

**f) Registered Offices**

P.O. Box 231-80403  
County Assembly Building  
Kwale-Kinango Road/Highway  
Kwale, KENYA

**g) Fund Contacts**

Telephone: (254)714912610  
E-mail: [info@kwaleassembly.go.ke](mailto:info@kwaleassembly.go.ke)  
Website: [www.kwaleassembly.go.ke](http://www.kwaleassembly.go.ke)

**h) Fund Bankers**

1. Kenya Commercial Bank  
P.O. Box 43-80403  
Kwale, Kenya
2. Family Bank of Kenya  
Nkruma Road Branch  
Mombasa

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**Key Entity and Management (Continued)**

**i) Independent Auditors**

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

**j) Principal Legal Adviser**

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

**k) County Attorney**

Office of County Attorney  
P.O. Box 4-80403  
Kwale County Government Head Quarters  
Kwale/Kinango Highway  
KWALE, KENYA

**3. Fund Administration Committee**

**1. Mr. Sawa Hamisi Ngala**



Mr. Sawa was born on 01<sup>st</sup> July, 1967. He is the Chairman of the Fund Committee and a senior clerk to the County Assembly of Kwale. Mr. Sawa holds a bachelor's degree in business from Methodist University. He boasts a wealth of experience in parliamentary procedures and has been the Chairman for Kwale Civic Workers Sacco for over 10 years.

**2. Ms. Fatuma Hassan Mwalupa, Clerk of the County Assembly**



Ms. Fatuma Hassan Mwalupa is the current and the 3rd Clerk of the County Assembly of Kwale. She holds a Master's Degree in Human Resource. She is a lawyer by profession and holds a law degree from the university of Dar-es-Salam. She did Post graduate Diploma in Law from Kenya School of Law. She is an Advocate of the High Court.

Ms. Fatuma Mwalupa is the Fund Administrator to the Kwale County Assembly Members and Staff Loan Scheme Fund.

She has an outstanding history as a Public Officer in the Assembly Service, having joined the Kwale County Assembly in 2014 as a Deputy Clerk rising through ranks and became the Acting Clerk from August 2018 to 2023 and now the substantive Clerk of the Kwale County Assembly, managing and overseeing portfolios on Legislative Procedural Services, Human Resource, Financing and as the Accounting officer, among others.

**3. Hon. Yusuf Sengeza**



Hon. Sengeza was born on 08th June 1974. He is a Member of the Fund and a re-owned law maker of the County Assembly of Kwale representing the people of Mkongani Ward. An IT professional with a wealthy of Information Systems experience.

**4. Hon. Teresia Muoki**



Hon. Teresia was born on 28<sup>th</sup> February 1979. She is a Member of the Fund and a re-owned law maker of the County Assembly of Kwale representing special interest group. Previously worked with NGO world in managerial capacity.



**5. Ms. Fatuma Mwinyi Kingi**



Ms. Fatuma Kingi was born on 19<sup>th</sup> September 1986. She is the legal drafter for the County Assembly of Kwale and a member of the Fund. She holds a Bachelors of Law Degree (LLB), HONS. From Kampala International University and a postgraduate Diploma in Law (Advocates training program) from the Kenya school of law. She was admitted to the Bar in January 2014 and boasts 10 years' experience as an advocate of the High court of Kenya. She is a skilled legislative drafter for the Assembly and an expert on legislative and parliamentary affairs. She has ten years' experience in parliamentary procedures, compliance and implementation of the legal framework of the Assembly. She also has experience in matters public service and administration.

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**4. Management Team**

Name	Details of qualifications and experience
 <p>1. Fatuma Mwalupa</p>	<p>Ms. Fatuma Hassan Mwalupa is the current and the 3rd Clerk of the County Assembly of Kwale. She holds a Master's Degree in Human Resource. She is a lawyer by profession and holds a law degree from the university of Dar-es-Salam. She did Post graduate Diploma in Law from Kenya School of Law. She is an Advocate of the High Court.</p> <p>Ms. Fatuma Mwalupa is the Fund Administrator to the Kwale County Assembly Members and Staff Loan Scheme Fund</p>
 <p>2. CPA Philip Wanje Ziro</p>	<p>Philip Ziro is the Director Finance &amp; Accounts to the County Assembly of Kwale.</p> <p>He has a wide experience in public sector finance having worked for various municipalities and County Councils for over 20 years before devolution.</p> <p>He holds a Bachelors and a Master's degree in Business Administration from the Kenya Methodist University specialising in finance.</p> <p>He is a Certified Public Accountant CPA (K) and a member of the Institute of Certified Public Accountants of Kenya (ICPAK).</p>

**5. Fund Chairperson's Report**

During the FY 2024/2025, Fund did not perform well in terms of disbursement of loans to members. This inactivity directly impacted the funds income generation, resulting in lower-than-expected interest income. Looking ahead this FY we are going to encourage people to take loans which will positively impact interest income and overall fund performance.

However, our revolving fund received a boost of funding of Ksh 53,000,000 from the County Treasury which increased our Fund Capital.


I take this opportunity to thank all the committee members who dedicated their time and energy to ensure quality service delivery and meeting the fund's Scheme's objective. It was not easy, but the success we recorded was through your collaborative effort. I must say a big thank you.

A big thank to our esteemed clients whose presence ensured that we had someone to serve. Above all, to the entire management of county Assembly who provided invaluable input whenever sought to do so.

I look forward to your support in the year 2025/2026 as we endeavour to put a roof and power mobility to you, our esteemed clients. God bless you all

Sawa Hamisi Ng'ala

Chairperson of the Fund

Signature..........Date.....2/10/2025.....

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**6. Report of The Fund Administrator**

The County Assembly is operationalizing a fund scheme for the purpose of enabling its member's access loans to purchase cars and acquire housing facilities.

The operations of the fund are guided by the County Assembly Members and Staff loan scheme Act 2016 and as subsequently amended. There is a committee which manages the day today affairs of the fund. The committee membership is composed of five Members, three being members of the staff, one of whom shall be the chairman, and two members from among the Members of the county Assembly.

During the year under review, the Fund secured funding from the County Treasury of Ksh 53,000,000 hence increasing the Revolving Fund to Kshs. 381,430,000 from Kshs. 328,430,000.

The County Assembly of Kwale Fund had an income budget of Kshs. 71,613,248 including carryovers from previous financial year of Kshs. 65,113,248, and an expenditure budget of Kshs. 11,650,000. The actual expenditure was Kshs. 11,494,719 translating to 99% on comparable basis.

One of the strengths of the fund has been its ability to maximise on monthly loan recoveries. In this regard the fund managed to recover a total of Kshs 43,949,244.84 of which Kshs 14,910,493.90 was recovered from car loan division and Kshs 29,038,750.94 was recovered from the mortgage division. As a revolving fund, the recoveries were further applied to disburse a total principal loan of Kshs 900,000 under the Mortgage facility.

The main source of revenue of the fund is interest income. During the year total of Kshs 9,749,635 was realized as interest income. The major contributor, was the mortgage unit which realised a total of Kshs. 8,334,441.43 followed by car loan unit with a performance of Kshs 1,415,193.16.

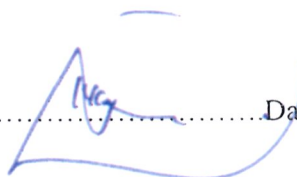
The total expenses of the fund during the year amounted to Kshs. 11,494,719 and realised a net deficit for the year of kshs.1,745,085.

Three beneficiaries of the fund ceased to be employees of the County Assembly; Mr. Denis Mutui, Mr. William Mjape, Mr. Ali Massemo and Said Maganga who have loans which are slowly or not serviced amounting to Ksh 2,960,566.21 for Car Loan & Ksh. 32,187,409.65 for Mortgage Loan. The management has sort legal procedures towards recovery of the defaulted amounts. Since Fund refutes few expenses for the committee, the legal expenses are being handled by the main Assembly account under legal fees vote.

Fatuma Hassan Mwalupa

**Fund Administrator**

Signature.....



.....Date..... 2/10/2025

**7. Statement of Performance Against the County Fund's Predetermined Objectives**

**Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

The Kwale County Assembly is operating a loan scheme fund as anchored in the Kwale County Assembly Members & Staff Loan Scheme Fund Act 2016. The Fund has two main objectives:

- a) Offer loans for Mortgages
- b) Offer loans to buy cars

**Progress on attainment of Strategic development objectives**

Below we provide the progress on attaining the stated objectives:

<b>Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Car Loan	To improve on mobility to and from work places.	Efficient time management in mobility.	Number of Loan applied	100% disbursement for all loans applied.
Mortgage Loan	To improve living standards through provision of loans for houses.	Improved living standards and shelter.	Number of Loans applied.	95% disbursement for all loans applied.

## **8. Corporate Governance Statement**

The Kwale County Assembly Members and Staff Loan Scheme Fund is established by and derives its authority and accountability from the Kwale County Assembly Members and Staff Loan Scheme Act 2016 and provision of Section 116 of the PFM Act 2012. The Fund is wholly owned by the County Government of Kwale and is domiciled in Kenya.

The Fund is managed through a Committee. The Committee is composed of two Members of the County Assembly (MCAs) who are appointed by the speaker and three Staff members, two of whom are appointed by the Clerk.

The Loan Management Committee is responsible for the general administration and management of the affairs of the Fund and specifically, the Committee is responsible for;

- a) Making recommendations with respect to the conditions under which a loan and or a mortgage shall be granted or repaid under this Act;
- b) receiving applications for the granting of Car loans and mortgages to Members and staff of the County Assembly subject to the provisions of any agreement relating to the provision of the loan and or mortgage;
- c) Supervising the day-to-day running of the Fund;
- d) consider and review quarterly reports on the progress of the Fund as forwarded to the committee by the fund manager;
- e) through the Fund Manager, Liaise with the financial institutions;
- f) Generally doing all that is expedient or necessary for the proper exercise of other duties and functions with respect to the fund;
- g) Advise on the general performance of the fund;
- h) undertake all acts towards the attainment of the objects of this Fund and Act

During the year under review, the Committee held forty three meetings to deliberate on the conduct of the Fund as well as Loan approvals by the members. The committee members including the secretariat who attended the meetings were;

- i. Mr. Sawa Ngalaa – Chairman
- ii. Ms. Fatuma Kingi- Member
- iii. Hon. Teresia Muoki- Member
- iv. Hon. Yusuf Sengeza-Member
- v. Mdm. Fatuma Mwalupa- Fund Manager
- vi. Mr. Pilani Mngumi- Secretariat
- vii. Ms. Salya Mboti-Secretariat

Although the Fund has not yet established a well elaborated succession plan, the Act guides on how new members will be appointed and incorporated in the Fund Committee. Under whatever circumstance, the Fund will remain a going concern as regards to its operations.

The Fund Committee members does not receive direct salaries from the Fund but rather receives committee sitting allowances as stipulated by the SRC Circular.

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**  
**Corporate Governance Statement Continued....**

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Through the PFM Act and Kwale County Assembly Members and staff Car Loan & Mortgage Act guides the undertaking and running of the Fund hence limiting any kind of conflict of interest.

Since the core mandate is to issue car loan & Mortgage to members and staff, the committee has tried to control the spending through the fund. The committee has limited the expenditure on induction and trainings to members during the year under review, but they have allocated much budget for the coming new MCA's so as to conduct induction and trainings.

The conduct and governance of the Fund has been stipulated in the Act and the regulations of the Fund. The members are guided by the code of ethics which they signed during their employment period. Through the guidance, the committee normally submits its quarterly and yearly reports to the National Treasury as well as Office of Auditor General so as to abide by the rule of law.

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

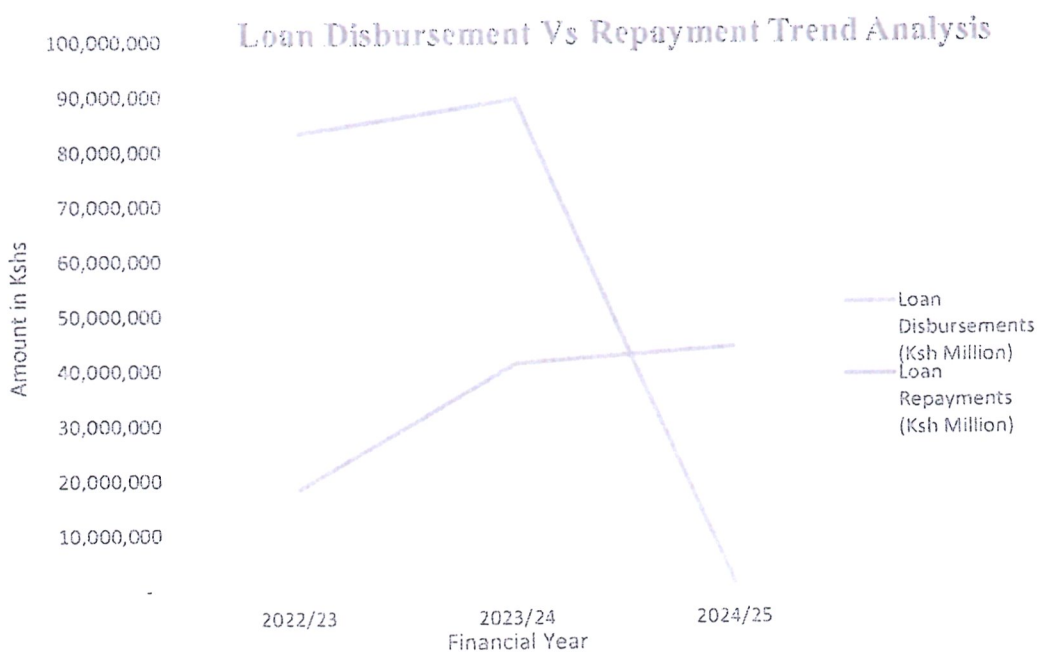
**9. Management Discussion and Analysis**

This section presents the Management Discussion and Analysis for the Car Loan and Mortgage Scheme Fund of the Kwale County Assembly for the reporting period. It provides an overview of the Fund’s operational and financial performance, key projects and investment decisions, compliance with statutory requirements, major risks, and material arrears.

**Operational and Financial Performance**

The Fund continued to support Members of the County Assembly and staff by providing affordable car loans and mortgage facilities. Over the past three years, the Fund has recorded steady growth in loan disbursements and repayments, as illustrated below:

Year	Loan Disbursements (Ksh)	Loan Repayments (Ksh)
2022/23	83,300,000	18,378,481
2023/24	89,410,000	41,153,784
2024/25	900,000	43,949,245



**Key Projects and Investment Decisions**

- Automation of loan application and repayment tracking system to improve efficiency.
- Capacity building for Fund management staff on prudent financial management.

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**Compliance with Statutory Requirements**

The Fund has adhered to the Public Finance Management Act, 2012, and related regulations. Annual financial statements were prepared in compliance with IPSAS Accrual Basis and submitted to the Auditor-General within the stipulated timelines.

**Major Risks Facing the Fund**

- Credit Risk: Potential defaults by borrowers affecting liquidity.
- Operational Risk: Manual processes increasing chances of errors.
- Compliance Risk: Risks of non-adherence to PFM regulations.

**Material Arrears in Statutory and Other Obligations**

As at the end of FY 2024/25, there were no significant arrears in statutory obligations. However, a few loan repayments are overdue, amounting to approximately Ksh 35,147,976. The Fund has initiated recovery measures including salary deductions and renegotiated repayment plans.

**Conclusion**

The Fund remains financially stable and continues to play a critical role in enhancing the welfare of Members of the County Assembly and staff. Going forward, management will focus on digital transformation, risk management, and strengthening compliance to ensure sustainability of the Fund.

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**11. Report of The Fund Administration Committee**

The Fund Administration Committee submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the Fund affairs.

**Principal activities**

The principal activities of the Fund are issuance of car loan and mortgage loan.

**Results**

The results of the Fund for the year ended June 30, 2025 are set out on page 1.

**Fund Administration Committee**

The members of the Fund Administration Committee who served during the year are shown on page iv.

**Auditors**

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

By Order of the Board



.....  
**Chair of the Fund Administration Committee**

Date: 2/10/2025  
.....

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

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by the County Assembly of Kwale Members and Staff Loan Scheme Act 2016, shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

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

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Kwale Members and Staff Loan Scheme Act 2016. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

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

**Approval of the financial statements**

The Fund's financial statements were approved by the Board on 21/07 2025 and signed on its behalf by:

.....

**Administrator of the County Public Fund**

# REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## REPORT OF THE AUDITOR-GENERAL ON KWALE COUNTY ASSEMBLY MEMBERS AND STAFF LOAN SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2025

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### PREAMBLE

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

- A. Report on 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 the 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 Kwale County Assembly Members and Staff Loan Scheme Fund set out on pages 1 to 45 which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kwale County Assembly Members and Staff Loan Scheme Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with County Governments Act, 2012 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Long outstanding Receivables from Exchange Transactions**

The statement of financial position and Note 18 to the financial statements reflects current portion of long – term receivables from exchange transactions and long-term receivables from exchange transactions of Kshs.69,027,496 and Kshs.178,454,657 respectively all totaling to Kshs.247,482,153. As reported previously, the long-term receivables from exchange transactions includes defaulted loans from four (4) borrowers totalling Kshs.46,749,962 whose recoverability is doubtful. There was no evidence that management has made any efforts to recover the outstanding amount. In the circumstances, the accuracy, valuation and recoverability of the long-term receivables from exchange transactions of Kshs.46,749,962 could not be confirmed

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

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year's Audit Matters**

In the audit report for the previous financial year, several issues were raised in respect of the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Although Management has reported on the

status of the issues as not resolve and resolved, no evidence was provided to show action taken by Management to resolve the prior year's audit.

### **Other Information**

The Management is responsible for the Other Information set out on page iii to xviii which comprise of Key Entity Information and Management, Fund Administration committee, Management Team, Report of the Fund Administrator, Statement of performance Against County Fund's Predetermined Objectives, Corporate Governance Statement, Environment and Sustainability Reporting, Report of the Fund Administration Committee and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

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

#### **Conclusion**

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

#### **Basis for Conclusion**

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

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

#### **Conclusion**

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

## **Basis for Conclusion**

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

## **Responsibilities of Management and Fund Management Committee**

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

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

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

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

The Fund Management Committee is responsible for overseeing the Kwale County Assembly Members and Staff Loan Scheme Fund financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with

Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**31 October, 2025**

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**  
**14. Statement of Financial Performance for the Year Ended 30<sup>th</sup> June 2025**

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Public Contributions and Donations	6	-	-
Transfers From the County Government	7	-	-
Fines, Penalties and Other Levies	8	-	-
		-	-
<b>Revenue From Exchange Transactions</b>			
Interest Income	9	9,749,635	12,014,067
Other Income	10	-	-
		<b>9,749,635</b>	<b>12,014,067</b>
<b>Total Revenue</b>		<b>9,749,635</b>	<b>12,014,067</b>
<b>Expenses</b>			
Employee Costs	11	4,566,800	2,598,960
Use of goods and services	12	6,927,919	3,349,639
Depreciation and Amortization Expense	13	-	-
Finance Costs	14	-	-
<b>Total Expenses</b>		<b>11,494,719</b>	<b>3,948,599</b>
<b>Other Gains/Losses</b>			
Gain/Loss on Disposal of Assets	15	-	-
Gain /Loss on fair value of investments	16	-	-
<b>Surplus/(Deficit) for the Period</b>		<b>-1,745,085</b>	<b>6,065,468</b>

*The notes set out on pages 8 to 39 form an integral part of these Financial Statements*

.....  
 Fatuma Hassan Mwalupa  
 Administrator of the Fund

.....  
 CPA Philip Wanje Ziro  
 Fund Accountant  
 ICPAK Member Number: 20407

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

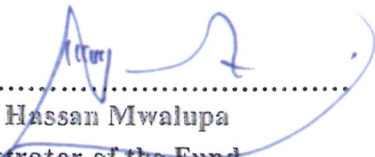
**15. Statement of Financial Position As at 30 June 2025**


Description	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	17	148,399,768	65,113,248
Current Portion of Long- Term Receivables from Exchange Transactions	18	69,027,496	59,132,418
Prepayments	19	-	-
Inventories	20	-	-
Investments in financial assets	21	-	-
<b>Total current assets</b>		<b>217,427,264</b>	<b>124,245,666</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	22	-	-
Intangible Assets	23	-	-
Long Term Receivables from Exchange Transactions	18	178,454,657	221,651,815
Investment Property	24	-	-
<b>Total non- current assets</b>		<b>178,454,657</b>	<b>221,651,815</b>
<b>Total Assets (A)</b>		<b>395,881,921</b>	<b>345,897,481</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables from Exchange Transactions	25	1,125,272	2,395,749
Current Provisions	26	-	-
Current Portion of Borrowings	27	-	-
Employee Benefit Obligations	28	-	-
Social benefit liabilities	29	-	-
<b>Total current liabilities</b>		<b>1,125,272</b>	<b>2,395,749</b>
<b>Non-Current Liabilities</b>			
Non-Current Provisions	26	-	-
Long Term Portion of Borrowings	27	-	-
Non-Current Employee Benefit Obligation	28	-	-
Social benefit liabilities	29	-	-

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Total Liabilities (B)</b>		1,125,272	2,395,749
<b>Net Assets (A-B)</b>		394,756,649	343,501,733
<b>Represented By:</b>			
Revolving Fund		381,430,000	328,430,000
Reserves		-	-
Accumulated Surplus		13,326,649	15,071,733
<b>Net Assets</b>		<b>394,756,649</b>	<b>343,501,733</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 2/10/ 2025 and signed by:

  
 .....  
**Fatuma Hassan Mwalupa**  
**Administrator of the Fund**

  
 .....  
**CFA Philip Wanje Ziro**  
**Fund Accountant**  
**ICPAK Member Number: 20407**

**Kwale County Assembly Members and Staff Loan Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2025**

**16. Statement of Changes in Net Assets for the year ended 30<sup>th</sup> June 2025**

Description	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
<b>Balance As At 1 July 2023</b>	275,430,000	-	9,006,265	284,436,265
Surplus/(Deficit) For the Period	-	-	6,065,468	6,065,468
Funds Received During the Year	53,000,000	-	-	53,000,000
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2024</b>	<b>328,430,000</b>	-	<b>15,071,733</b>	<b>343,501,733</b>
<b>Balance As At 1 July 2024</b>	<b>328,430,000</b>	-	<b>15,071,733</b>	<b>343,501,733</b>
Surplus/(Deficit) For the Period	-	-	-1,745,085	-1,745,085
Funds Received During the Year	53,000,000	-	-	53,000,000
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
<b>Balance As At 30 June 2025</b>	<b>381,430,000</b>	-	<b>13,326,649</b>	<b>394,756,649</b>

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**17. Statement of Cash Flows for The Year Ended 30 June 2025**

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the county government		-	-
Interest received		6,463,716	6,635,005
Receipts from other operating activities		-	-
<b>Total receipts</b>		<b>6,463,716</b>	<b>6,635,005</b>
<b>Payments</b>			
Fund administration expenses		-4,566,800	-2,598,960
General expenses		-6,927,919	-3,349,639
Finance cost		-	-
Other payments		-	-
<b>Net cash flows from operating activities</b>	30	<b>-5,031,004</b>	<b>686,407</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and Intangible assets		-	-
Proceeds from sale of property, plant & equipment		-	-
Proceeds from loan principal repayments		37,485,529	34,491,873
Loan disbursements paid out		-900,000	-89,410,000
<b>Net cash flows used in investing activities</b>		<b>36,585,529</b>	<b>-54,918,127</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		53,000,000	53,000,000
Additional borrowings		-	-
Repayment of borrowings		-1,268,005	-391,980
<b>Net cash flows used in financing activities</b>		<b>51,731,995</b>	<b>52,608,020</b>
<b>Net increase/(decrease) in cash &amp; cash Equivalents</b>		<b>83,286,521</b>	<b>-1,623,700</b>
Cash and cash equivalents at 1 July	17	65,113,248	66,736,948
<b>Cash and cash equivalents at 30 June</b>	17	<b>148,399,768</b>	<b>65,113,248</b>

**Kwale County Assembly Members and Staff Loan Scheme Fund  
Annual Report and Financial Statements for the year ended June 30, 2025**

**18. Statement Of Comparison Of Budget And Actual Amounts For The Period 2025**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year <sup>a</sup>	-	65,113,248	65,113,248	65,113,248	-	100%
Receipts						
Public Contributions and Donations	-	-	-	-	-	-
Transfers From County Govt.	-	-	-	-	-	-
Interest Income	6,500,000	-	6,500,000	6,463,716	36,284	99%
Other Income	-	-	-	-	-	-
<b>Total Income</b>	<b>6,500,000</b>	<b>65,113,248</b>	<b>71,613,248</b>	<b>71,576,964</b>	<b>36,284</b>	<b>100%</b>
Expenses						
Fund Administration Expenses	4,700,000	-	4,700,000	4,566,800	133,200	97%
General Expenses	6,950,000	-	6,950,000	6,927,919	22,081	100%
Finance Cost	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>11,650,000</b>	<b>-</b>	<b>11,650,000</b>	<b>11,494,719</b>	<b>155,281</b>	<b>99%</b>
Capital expenditure	-	-	-	-	-	-
<b>Surplus For the Period</b>	<b>-5,150,000</b>	<b>65,113,248</b>	<b>59,963,248</b>	<b>60,082,244</b>	<b>-118,996</b>	

**Budget notes**

1. The changes in the budget was due to supplementary budget to bring on board the budget carryovers from previous financial year as per IPSAS 24.29.

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	60,082,244
1	Principal amount recoveries	37,485,529
2	Loan Disbursed	-900,000
3	Exchequer Release (Revolving fund)	53,000,000
4	Retention monies paid	-491,960
5	Bank charges for Funds transfer from Family Bank	-1,776
6	Payables paid	-774,269
	Closing Cash and Cash Equivalent as per the statement of Cash flows	148,399,768

**19. Notes to the Financial Statements**

**Significant Accounting Policies**

**1. General Information**

The Kwale County Assembly Members and Staff Loan Scheme Fund is established by and derives its authority and accountability from Kwale County Assembly Members and Staff Loan Scheme Act 2016 and provision of Section 116 of the PFM Act 2012. The entity is wholly owned by the Kwale County Government and is domiciled in Kenya. The entity's principal activity is to disburse and manage Car & Mortgage Loans to members.

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

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

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

*(i) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025*

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

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

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

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1<sup>st</sup> 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>
<p>IPSAS 50: Exploration For &amp; Evaluation of Mineral Resources</p>	<p><i>Applicable 1<sup>st</sup> 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> <ol style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>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.</li> <li>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ol>

**(i) Early adoption of standards**

The Entity did not early – adopt any 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 the entity and can be measured reliably.

**ii. Revenue from exchange transactions**

**Interest income**

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

**Dividends**

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

**Rental income**

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

**b) Budget information**

The original budget for FY 2024-2025 was approved by the County Assembly on June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

**Summary of Significant Accounting Policies (Continued)**

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 cash flows has been presented.

**c) Property, plant and equipment**

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

**a) Intangible Assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

**b) Investment property**

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

**Summary of Significant Accounting Policies (Continued)**

**c) Financial instruments**

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

**Financial assets**

**Classification of financial assets**

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

**Subsequent measurement**

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

**Summary of Significant Accounting Policies (Continued)**

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

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

**Summary of Significant Accounting Policies (Continued)**

**Financial liabilities**

**Classification**

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

**d) Inventories**

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

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

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

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

**e) Provisions**

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**f) Social Benefits**

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

**Summary of Significant Accounting Policies (Continued)**

**g) Contingent liabilities**

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

**Contingent assets**

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

**h) Nature and purpose of reserves**

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

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

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

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

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

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

**Summary of Significant Accounting Policies (Continued)**

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

The preparation of the Entity'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.

The following are judgements, estimates and assumptions made;

**a) Estimates and assumptions –**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

**b) Useful lives and residual values**

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

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

**c) Provisions**

Provisions were raised and management determined an estimate based on the information available.

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 Continued**

**6. Public contributions and donations**

Description	2024/2025	2023/2024
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From the Public	-	-
<b>Total</b>	-	-

**7. Transfers from County Government**

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers From County Govt. –Operations	-	-
Payments By County On Behalf Of The Entity	-	-
Unconditional Development grants	-	-
<b>Total</b>	-	-

**8. Fines, penalties and other levies**

Description	2024/2025	2023/2024
	Kshs	Kshs
Late Payment Penalties	-	-
Fines	-	-
<b>Total</b>	-	-

**9. Interest income**

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest Income from Mortgage Loans	8,334,441	10,186,396
Interest Income From Car Loans	1,415,193	1,827,671
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-
<b>Total Interest Income</b>	<b>9,749,635</b>	<b>12,014,067</b>

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**10. Other income**

Description	2024/2025	2023/2024
	Kshs	Kshs
Insurance Recoveries	-	-
Income from Sale of Tender Documents	-	-
Bad debts recovered	-	-
Miscellaneous Income	-	-
<b>Total Other Income</b>	-	-

**11. Employee Costs**

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries And Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	4,566,800	2,598,960
Social Security Contribution	-	-
Other	-	-
<b>Total</b>	<b>4,566,800</b>	<b>2,598,960</b>

**12. Use of Goods and Services**

Description	2024/2025	2023/2024
	Kshs.	Kshs.
General Office Expenses	-	-
Loan Processing Costs	-	-
Professional Services Costs	-	-
Administration Fees	-	-
Committee Allowances	-	-
Bank Charges	34,819	20,439
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Insurance Costs	-	-
Postage And Courier	-	-
Printing And Stationery	-	-
Rental Costs	-	-
Security Costs	-	-
Telephone And Communication Expenses	-	-
Daily Subsistence Allowance	6,893,100	3,329,200

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Description	2024/2025	2023/2024
	Kshs.	Kshs.
Audit Fees	-	-
Provision For Doubtful Debts	-	-
Other	-	-
Social benefit expenses*	-	-
<b>Total</b>	<b>6,927,919</b>	<b>3,349,639</b>

**13. Depreciation and Amortization Expenses**

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

**14. Finance costs**

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest On Bank Overdrafts	-	-
Interest On Loans From Banks	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**15. Gain/(loss) on disposal of assets**

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

**16. Gain/ (loss) on Fair Value Investments**

Description	2024/2025	2023/2024
	Kshs	Kshs
Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
<b>Total Gain</b>	-	-

**17. Cash and cash equivalents**

Description	2024/2025	2023/2024
	Kshs	Kshs
Car Loan Account	-	-
County Mortgage Account	-	-
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account - KCB	148,399,768	64,923,247
Current Account – Family Bank	-	190,001
<b>Total Cash and Cash Equivalents</b>	<b>148,399,768</b>	<b>65,113,248</b>

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
<b>a) Fixed Deposits Account</b>			
Kenya Commercial Bank		-	-
Equity Bank, Etc.		-	-
<b>Sub- Total</b>		-	-
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		-	-
Equity Bank - Etc.		-	-
<b>Sub- Total</b>		-	-
<b>c) Current Account</b>			
Kenya Commercial Bank	1182792197	148,399,768	64,923,247
Family Bank	95000038226	-	190,001
<b>Sub- Total</b>		<b>148,399,768</b>	<b>65,113,248</b>
<b>d) Others(Specify)</b>			
Cash In Transit		-	-
Cash In Hand		-	-
<b>Sub- Total</b>		-	-
<b>Grand Total</b>		<b>148,399,768</b>	<b>65,113,248</b>

**18. Receivables from exchange transactions**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Current Receivables</b>		
Interest Receivable	18,642,795	15,357,155
Current Loan Repayments Due	50,174,098	43,564,661
Other Exchange Debtors	210,603	210,603
Less: Impairment Allowance	-	-
<b>Total Current Receivables</b>	<b>69,027,496</b>	<b>59,132,418</b>
<b>Non-Current Receivables</b>		
Long Term Loan Repayments Due	178,454,657	221,651,815
<b>Total Non- Current Receivables</b>	<b>178,454,657</b>	<b>221,651,815</b>
<b>Total Receivables From Exchange Transactions</b>	<b>247,482,153</b>	<b>280,784,233</b>

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**Additional disclosure on interest receivable**

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

**19. Prepayments**

Description	2024/2025	2023/2024
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments ( <i>Specify</i> )	-	-
<b>Total</b>	-	-

**20. Inventories**

Description	2024/2025	2023/2024
	Kshs	Kshs
Consumable Stores	-	-
Spare Parts And Meters	-	-
Catering	-	-
Other Inventories ( <i>Specify</i> )	-	-
<b>Total Inventories</b>	-	-

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Detailed disclosure on inventories

	2024/2025	2023/2024
Opening balance	-	-
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	-	-

**21. Investments in financial assets**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>a. Investment in Treasury bills and bonds</b>		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
<b>b. Investment with Financial Institutions/ Banks</b>		
Bank x	-	-
Bank y	-	-
Sub- total	-	-
<b>c. Equity investments (specify)</b>		
Equity/ shares in Entity xxx	-	-
Sub- total	-	-
<b>Grand total</b>	-	-

**Movement of Equity Investments**

Impairment allowance/ provision	2024/2025	2023/2024
	Kshs	Kshs
At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	-	-
Gain/(loss) in fair value of investments through surplus or deficit	-	-
<b>At the end of the year</b>	-	-

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**e) Shareholding in other entities**

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		2024/2025	2023/2024
	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

**22. Property, plant, and equipment**

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Rate	X%	X%	X%	X%	X%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>At 1<sup>st</sup> July 2024</b>	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-	-
<b>At 1<sup>st</sup> July 2025</b>						
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-
<b>Depreciation And Impairment</b>						
<b>At 1<sup>st</sup> July 2024</b>	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-	-
<b>At 1<sup>st</sup> July 2025</b>						
Depreciation	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-
<b>Net Book Values</b>						
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-

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**23. Intangible assets**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Cost</b>		
At Beginning of The Year	-	-
Additions	-	-
At End of The Year	-	-
<b>Amortization And Impairment</b>		
At Beginning of The Year	-	-
Amortization	-	-
At End of The Year	-	-
Impairment Loss	-	-
At End of The Year	-	-
<b>NBV</b>	-	-

**24. Investment Property**

Description	2024/2025	2023/2024
	Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain/(loss) in fair value (if fair value is elected)	-	-
At end of the year	-	-

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**25. Trade and other payables from exchange transactions**

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade Payables	-		778,516	
Refundable Deposits	999,710		1,491,670	
Accrued Expenses	-		-	
Other Payables	125,563		125,563	
<b>Total Trade and Other Payables</b>	<b>1,125,272</b>		<b>2,395,749</b>	
<b>Ageing analysis (Trade and other payables)</b>	<b>2024/2025</b>	<b>% of the Total</b>	<b>2023/2024</b>	<b>% of the Total</b>
Under one year	-	-	-	-
1-2 years	-	-	778,516	32%
2-3 years	1,125,272	100%	1,617,233	68%
Over 3 years	-	-	-	-
<b>Total (tie to above total)</b>	<b>1,125,272</b>	<b>100%</b>	<b>2,395,749</b>	<b>100%</b>

**26. Provisions**

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
<b>Total provisions year end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**27. Borrowings**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Balance At Beginning of The Period</b>	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments of External Borrowings During the Period	-	-
Repayments of Domestic Borrowings During the Period	-	-
<b>Balance At End of The Period</b>	-	-

The table below shows the classification of borrowings into external and domestic borrowings:

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>External Borrowings</b>		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y Organization'	-	-
Euro Denominated Loan from Z Organization'	-	-
<b>Domestic Borrowings</b>	-	-
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
<b>Total Balance at End of The Year</b>	-	-

The table below shows the classification of borrowings long-term and current borrowings:

Description	2024/2025	2023/2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
<b>Total</b>	-	-

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**22. Property, plant, and equipment**

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Rate	X%	X%	X%	X%	X%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>At 1<sup>st</sup> July 2024</b>	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-	-
<b>At 1<sup>st</sup> July 2025</b>						
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-
<b>Depreciation And Impairment</b>						
At 1 <sup>st</sup> July 2024	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-	-
<b>At 1<sup>st</sup> July 2025</b>						
Depreciation	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-
<b>Net Book Values</b>						
<b>At 30<sup>th</sup> June 2024</b>	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-

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**23. Intangible assets**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Cost</b>		
At Beginning of The Year	-	-
Additions	-	-
At End of The Year	-	-
<b>Amortization And Impairment</b>		
At Beginning of The Year	-	-
Amortization	-	-
At End of The Year	-	-
Impairment Loss	-	-
At End of The Year	-	-
<b>NBV</b>	-	-

**24. Investment Property**

Description	2024/2025	2023/2024
	Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain/(loss) in fair value (if fair value is elected)	-	-
At end of the year	-	-

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**25. Trade and other payables from exchange transactions**

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade Payables	-		778,516	
Refundable Deposits	999,710		1,491,670	
Accrued Expenses	-		-	
Other Payables	125,563		125,563	
<b>Total Trade and Other Payables</b>	<b>1,125,272</b>		<b>2,395,749</b>	
<b>Ageing analysis (Trade and other payables)</b>	<b>2024/2025</b>	<b>% of the Total</b>	<b>2023/2024</b>	<b>% of the Total</b>
Under one year	-	-	-	-
1-2 years	-	-	778,516	32%
2-3 years	1,125,272	100%	1,617,233	68%
Over 3 years	-	-	-	-
<b>Total (tie to above total)</b>	<b>1,125,272</b>	<b>100%</b>	<b>2,395,749</b>	<b>100%</b>

**26. Provisions**

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
<b>Balance b/f</b>	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
<b>Total provisions year end</b>	-	-	-	-
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

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**27. Borrowings**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Balance At Beginning of The Period</b>	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments of External Borrowings During the Period	-	-
Repayments of Domestic Borrowings During the Period	-	-
<b>Balance At End of The Period</b>	-	-

The table below shows the classification of borrowings into external and domestic borrowings:

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>External Borrowings</b>		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y Organization'	-	-
Euro Denominated Loan from Z Organization'	-	-
<b>Domestic Borrowings</b>	-	-
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
<b>Total Balance at End of The Year</b>	-	-

The table below shows the classification of borrowings long-term and current borrowings:

Description	2024/2025	2023/2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
<b>Total</b>	-	-

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**28. Employee benefit obligations**

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**29. Social Benefit Liabilities**

Description	2024/2025	2023/2024
	Kshs	Kshs
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
<b>Total</b>	-	-
	-	-
Current social benefits	-	-
Non- current social benefits	-	-
<b>Total (tie to totals above)</b>	-	-

*Kwale County Assembly Members and Staff Loan Scheme Fund*  
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**30. Cash generated from operations.**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year Before Tax</b>	<b>-1,745,085</b>	<b>6,065,468</b>
<b>Adjusted For:</b>		
Depreciation	-	-
Amortization	-	-
Gains/ Losses On Disposal Of Assets	-	-
Unrealized Interest Income	-3,285,919	-
Finance Cost	-	-
<b>Working Capital Adjustments</b>		
Increase In Inventory	-	-
Increase In Receivables	-	-60,270,282
Increase In Payables	-	-418,886
<b>Net Cash Flow From Operating Activities</b>	<b>-5,031,004</b>	<b>686,407</b>

**31. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers From Related Parties'	-	-
Transfers To Related Parties	-	-

**c) Key management remuneration**

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

**d) Due from related parties**

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

**Other Disclosures Continued**

**e) Due to related parties**

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

**32. Contingent assets and contingent liabilities**

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

### 33. Financial risk management

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

The Fund's financial risk management objectives and policies are detailed below:

#### a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2022</b>				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June 2021</b>	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-

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

The entity has significant concentration of credit risk on amounts due from 2024

The board of trustees sets the Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**b) Liquidity risk management**

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2024/2025</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-
<b>At 30 June 2023/2024</b>				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-

**c) Market risk**

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

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

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

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

**i. Foreign currency risk**

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

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

Description		Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30 June 2024/2025</b>			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables	-	-	-
<b>Liabilities</b>	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-

**Foreign currency sensitivity analysis**

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
2024/2025			
Euro	10%	-	-
USD	10%	-	-
2023/2024		-	-
Euro	10%	-	-
USD	10%	-	-

**ii. Interest rate risk**

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

***Management of interest rate risk***

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

***Sensitivity analysis***

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

**d) Capital risk management.**

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Revaluation reserve	-	-
Revolving fund	-	-
Accumulated surplus	-	-
<b>Total funds</b>	-	-
	-	-
Total borrowings	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
<b>Gearing</b>	-	-

**34. Events after the reporting period**

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

**35. Ultimate and Holding Entity**

The Kwale County Assembly Members and Staff Loan Scheme Fund is a County Public Fund established by Kwale County Assembly Members and Staff Loan Scheme Act 2016 under the County Assembly of Kwale. Its ultimate parent is the County Government of Kwale.

**36. Currency**

The financial statements are presented in Kenya Shillings (Kshs)

20. Annexes

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p><b>Long Outstanding Receivables from Exchange Transactions.</b></p> <p>The statement of financial position and Note 13 to the financial statements reflects receivables from non-exchange transactions of Kshs. 280,784,233 comprising of the current portion of long-term receivables from exchange transactions of Kshs 59,132,418 and long-term receivables from exchange transactions of Kshs 221,651,815. Included in the long-term receivables from exchange transactions are defaulted loans from four borrowers totalling to Kshs 46,749,962 whose recoverability is</p>	<p>The management has noted the auditors concern on this matter. However, the management wishes to clarify that efforts were made to recover defaulted amounts from the members through legal procedures, for instance Mr. Juma Maone managed to resume servicing his loan up to date while the rest have their court cases at advanced stages for recoverability as per the court case report</p>	<p>Not Resolved</p>	

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)
	doubtful. There was no evidence that management has made any efforts to recover the money			
	<p><b>Budgetary Control and Performance</b></p> <p>The statement of comparison of budget and actual amounts reflects final receipts budget and actual amounts on comparable basis of Kshs 8,500,000 and Kshs 12,014,067 respectively, resulting to over-funding of Kshs 3,514,067 or 41% of the budget. Similarly, the Fund expended Kshs 5,948,599 against an approved budget of Kshs 8,250,000, resulting to an under-expenditure of Kshs 2,301,402 or 28% of the budget. Although management has indicated that the over funding of Kshs 3,514,067 was occasioned by reverting defaulters</p>	<p>The Management wishes to state that budgets are estimates whose actual implementation and realization are affected by various factors. The incremental of Ksh 3,514,067 was occasioned by reverting defaulters to market interest rate thereby increasing the revenue realization to 12,014,067 as per the analysis herein attached.</p> <p>The management also wish to state that the core activities &amp; programs in the year under audit were implemented</p>	Resolved	

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	to market interest rate, analysis of the same was not provided for audit review.			
	<p><b>Unresolved Prior Year's Audit Matters</b></p> <p>In the audit report of the previous financial year, several issues were raised in respect of the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Although Management has reported that the issues have not been resolved, no evidence was provided to show action taken by management to resolve the prior years audit matters.</p>	The management is in the process of initiating meeting with the Office of Auditor General to resolve the prior year's audit matters	Resolved	
1	<p><b>Unreturned Deposit</b></p> <p>The statement of financial position and Note 20 to the financial statements reflects trade and other payables from</p>	This amount of Ksh125,563 relates to unexplained credits to our Fund Account. After reconciliations, it was established that the source of these credits was Ministry	Unresolved	

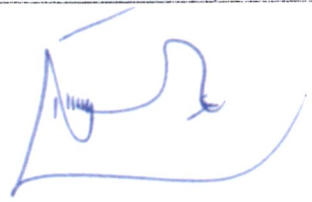
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>exchange transactions of K.shs 2,395,749 which includes Kshs 125,563 attributed to other payables-unallocated deposit from Ministry of foreign Affairs. Although Management explained that they have written a letter to the Principal Secretary regarding the transfer , no response has been received and no further action has been taken by Management to refund the deposit to the Ministry more than 24 months later</p>	<p>of Foreign Affairs. Efforts have been made through a letter to principal secretary Ministry of Foreign Affairs to be furnished with the reasons of this receipt but no response has been received to date</p>		
	<p><b>Unsecured Loans</b></p> <p>The statement of financial position and Note 13 to the financial statements reflects Kshs 280,784,233 as the total receivables from exchange transactions. Review of the supporting documents provided</p>	<p>The management wishes to clarify that some of the motorvehichles were jointly registered under the County Assembly Service Board and the borrower, while the rest are in the process of being co-owned as per the analysis herein attached. Moreover, some of the mortgage</p>	<p>Resolved</p>	

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>revealed a sum of Kshs 100,117,647 as the value of properties securing the receivables out of which Kshs 40,195,000 and Kshs 59,922,647 was for motor vehicles and mortgaged properties respectively. However, the motor vehicles were not jointly registered under the County Assembly Service Board and the borrower, and the entitlement of properties was not appropriately charged with the Lands Department. This is contrary to the provisions of Section 18(2) of the Kwale County Assembly Members and Staff Loan Scheme Fund Act, 2016 which provides that the ownership document of the property subject to a loan from the Fund shall be registered jointly between the County</p>	<p>properties have been charged with the Lands Department &amp; the rest are in the charging process. The management wishes to clarify that all ownership documents of the properties are in the custody of the Fund Manager</p>		

*Kwale County Assembly Members and Staff Loan Scheme Fund  
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Assembly Service Board and the member and shall be in the custody of the Fund manager until the loan is repaid in full by the member			

Fund Manager



Date.....2/10/2025.....

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

The Fund wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2025 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [Insert name of beneficiary Fund] as at 30 <sup>th</sup> June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by [CC/SAGA/Fund] (Kshs) as at 30 <sup>th</sup> June 2025				Amount Received by [beneficiary Fund] (KShs) as at 30 <sup>th</sup> June 2025 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
Total							

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

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

Name Philip Zuri ..... Sign [Signature] ..... Date 21/10/2025

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

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

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

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

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**Annex V: Receivables Analysis**

<b>COUNTY ASSEMBLY OF KWALE</b>				
<b>CAR LOAN LOANS INTEREST INCOME ANALYSIS - July 2024 TO June 2025</b>				
<b>Beneficiary Name</b>	<b>Outstanding Interest B/f</b>	<b>Interest Earned</b>	<b>Recoveries in the year</b>	<b>Outstanding Interest c/d</b>
ANDREW MULEI	-	78,857	78,857	-
ALI MABAVU	-	-	-	-
AUGUSTINE NDEGWA FREDRICK	-	95,987	95,987	-
BINTIALI HAMADI KIBAMBA	-	-	-	-
CHAKA JULIUS NYONDO	-	-	-	-
DENIS MUTUI	1,433,213	356,764	-	1,789,978
FATUMA KINGI	-	-	-	-
FATUMA MWALUPA	2	-	-	-
GUZO MWATERO	-	-	-	-
HANIFA BADI MWAJIRANI	12	-	-	-
HON HAMISI MKAHA KOMBO	-	84,858	84,858	-
JAMES DAWA	19	-	-	-
JAMES DAWA	-	40,569	40,569	-
JANET MWANIA	-	7,140	7,140	-
JOHN MWATELA SHEDE	-	30,979	30,979	-
JOSEPHINE WAIRIMU KINYANJUI	-	37,337	37,337	-
JUMA ALI MWACHIMVYOMO	-	70,806	70,806	-
JUMA MAONE	228,454	22,665	22,665	228,454
KHAMISI MOHAMMED	22	-	-	-
LILY UMAZI MKALLA	-	-	-	-
MANZA BEJA BENY	-	41,006	41,006	-
MELDA NYAKITI	-	39,303	39,303	-
MERCY NDIRANGU	-	-	-	-

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MWAGAWARY MWASOKO MWANYAE	-	40,567	40,567	-
MWANAKOMBO B. RASHID	58	-	-	-
MWANASHA MBWIZA	-	53,837	53,837	-
OMAR BAKARI MWADUGA	-	36,288	36,288	-
OMAR KITENGELE	-	37,389	37,389	-
PAUL MWALONYA	-	-	-	-
RAIA MKUNGU	16	-	-	-
SAID HAMISI MWAFUJO	-	33,409	33,409	-
SAIDI SAIDI MAGANGA	74,612	42,912	4,238	113,286
SALYA MBOTO	66	-	-	-
SETH KAMANZA MWATELA	-	112,166	112,166	-
TERESIA B MUOKI	13	-	-	-
TERESIA B MUOKI	-	52,045	52,045	-
TSUMA CHITI	-	21,452	21,452	-
TUMAINI KASSIM MWACHAUNGA	-	31,543	31,543	-
VICTOR SAFARI NYANJE	-	47,314	47,314	-
JERUMANI MAKRAA	-	-	-	-
SWALEH B. SIMBA	-	-	-	-
	<b>1,736,488</b>	<b>1,415,193</b>	<b>1,019,755</b>	<b>2,131,718</b>

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COUNTY ASSEMBLY OF KWALE						
CAR LOAN LOANS PRINCIPAL RECEIVABLES ANALYSIS - July 2024 TO June 2025						
Beneficiary Name	Outstanding Principal B/f	Additions in the year	Recoveries in the year	Outstanding Principal c/d		
				Bal c/d	Short-Term	Long-Term
ANDREW MULEI	3,197,290		1,247,614	1,949,676	1,114,101	835,575
ALI MABAVU	12		-	-	-	-
AUGUSTINE NDEGWA FREDRICK	2,722,379		878,467	1,843,912	962,041	881,871
BINTIALI HAMADI KIBAMBA	- 27		-	-	-	-
CHAKA JULIUS NYONDO	- 6,825		-	-	-	-
DENIS MUTUI	2,642,700		-	2,642,700	2,642,700	-
FATUMA KINGI	7		-	-	-	-
FATUMA MWALUPA	- 1,763		-	-	-	-
GUZO MWATERO	2,226		-	-	-	-
HANIFA BADI MWAJIRANI	134		-	-	-	-
HON HAMISI MKAHA KOMBO	3,371,805		1,191,642	2,180,163	1,137,476	1,042,687
JAMES DAWA	325		-	325	-	325
JAMES DAWA	1,616,654		579,885	1,036,768	565,510	471,258
JANET MWANIA	333,047		208,476	124,571	124,571	-
JOHN MWATELA SHEDE	1,255,450		488,771	766,679	400,006	366,672
JOSEPHINE WAIRIMU KINYANJUI	1,483,594		524,323	959,272	523,239	436,033
JUMA ALI MWACHIMVYOMO	2,779,737		922,046	1,857,691	969,230	888,461
JUMA MAONE	920,503		361,961	558,542	558,542	-
KHAMISI MOHAMMED	283		-	-	-	-
LILY UMAZI MKALLA	- 28		-	-	-	-
MANZA BEJA BENY	1,662,590		648,759	1,013,831	608,299	405,532
MELDA NYAKITI	1,571,475		573,403	998,072	598,843	399,229

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MERCY NDIRANGU	- 810		-	-	-	-
MWAGAWARY MWASOKO MWANYAE	1,616,606		579,917	1,036,690	540,881	495,808
MWANAKOMBO B. RASHID	849		-	-	-	-
MWANASHA MBWIZA	1,575,243		369,163	1,206,080	603,040	603,040
OMAR BAKARI MWADUGA	1,459,106		547,359	911,747	475,694	436,053
OMAR KITENGELE	1,463,020		475,448	987,572	474,035	513,537
PAUL MWALONYA	- 258		-	-	-	-
RAIA MKUNGU	180		-	-	-	-
SAID HAMISI MWAFUJO	1,340,816		498,377	842,439	439,533	402,906
SAIDI SAIDI MAGANGA	317,867		- 4,238	322,105	322,105	-
SALYA MBOTO	726		-	-	-	-
SETH KAMANZA MWATELA	4,389,058		1,426,344	2,962,715	1,422,103	1,540,612
TERESIA B MUOKI	138		-	138	-	138
TERESIA B MUOKI	2,110,211		823,425	1,286,785	772,071	514,714
TSUMA CHITI	852,726		301,985	550,742	314,710	236,032
TUMAINI KASSIM MWACHAUNGA	1,278,916		499,046	779,870	406,889	372,981
VICTOR SAFARI NYANJE	1,918,374		748,568	1,169,806	610,333	559,472
JERUMANI MAKRAA	421,618		-	421,618	421,618	-
SWALEH B. SIMBA	421,618		-	421,618	421,618	-
	<b>42,717,571</b>	<b>-</b>	<b>13,890,739</b>	<b>28,832,125</b>	<b>17,429,188</b>	<b>11,402,937</b>

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COUNTY ASSEMBLY OF KWALE				
MORTGAGE LOANS INTEREST INCOME ANALYSIS - July 2024 TO June 2025				
Beneficiary Name	Outstanding Interest B/f	Interest Earned	Recoveries in the year	Outstanding Interest c/d
ALFRED RUWA BAVU	-	-	-	-
ALI MASEMO	2,805,078	915,247	38,149	3,682,176
ALI MNGUMI PILANI	1,603	108,832	108,832	1,603
ALI MNGUMI PILANI	-	6,744	6,744	-
ANDREW MULEI	-	-	-	-
ANTHONY YAMA	-	-	-	-
ANTONY ODINDO	0	-	-	0
BINTIALI HAMADI KIBAMBA	0	-	-	0
CELLINE LUSWETI	-	-	-	-
CHAKA JULIUS NYONDO	- 0	96,997	96,997	- 0
DANIEL MBINDA	0	172,909	172,909	0
DICKSON MANGALE	36,476	146,500	95,000	87,977
DOUGLAS CHIMAKO TSUMA	- 0	93,471	93,471	- 0
EDWARD CHAGA CHIBU	- 0	95,347	95,347	- 0
ELIAS MATANGA	- 0	128,439	128,439	- 0
ELIZABETH MWANGOLO RUWA	0	-	-	0
ELIZABETH MWANGOLO RUWA	- 0	110,350	110,350	- 0
FATUMA MASITO	0	-	-	0
FATUMA MWALUPA	0	398,056	398,056	0
FELISTUS KALUNGU	16	123,470	123,470	-
GUZO MWATERO	- 846	101,066	101,066	-
HAMIS MOHAMED OMAR	-	-	-	-
HANIFA BADI MWAJIRANI	-	-	-	-
HANIFA BADI MWAJIRANI	- 0	87,559	87,559	- 0

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HAPPY SAMINI	0	77,691	77,691	0
HASSAN YUSSUF MWASIPHO	-	-	-	-
JOHN KALU	-	235,131	235,131	-
JOHN MWATELA SHEDE	- 0	57,728	57,728	- 0
JOHN NANGINYI	- 0	138,117	138,117	- 0
JOSEPH KITUMBO NDEME	-	-	-	-
JOSEPH R. ZECHA	0	90,050	90,050	0
JOSEPH TSUMA DANDA	0	-	-	0
JOSEPHAT CHIREMA KOMBO	0	-	-	0
JUDDY CHIZI KENGO	0	72,160	72,160	0
JUMA MAONE	791,021	54,985	54,985	791,021
JUMA MASUDI	-	-	-	-
JUMA ZANI	0	200,616	200,616	0
KHADIJAH CHAI NGALA	0	57,729	57,729	0
LUCY WAWERU	68,721	128,808	197,529	-
MARIAM MARUMU	0	137,851	137,851	0
MARY KALINGA	0	-	-	0
MISHI MAYUMBE	0	-	-	0
MWAKARIBU H. MWAKARIBU	-	-	-	-
MWANASITI SAID MWADZOGOLO	0	-	-	0
MWANDOTO BIJUMA SAPHATI	-	-	-	-
MWAPHATSA MWANAUBA OMARI	-	-	-	-
MWANAMISI HAMISI MWAMASARE	- 0	142,163	142,163	- 0
MWAZANI MKULU	- 0	144,997	144,997	- 0
MWERUPHE NDORO	-	-	-	-
MWINYI KHALFANI MWASERA	0	-	-	0
NASSORO B. MGUTTA	0	-	-	0

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NICK SISO	-	211,516	211,516	-
OMAR BAKARI MWADUGA	- 0	51,362	51,362	- 0
OMAR KITENGELE	-	-	-	-
OMARI GAMBERE	- 247	93,868	93,868	-
PHILIP CHAKA	0	106,612	106,612	0
PHILIP ZIRO	0	32,503	32,503	0
POKEA BAKARI SIKUKUU	-	-	-	-
RAIA MKUNGU	0	-	-	0
RICHARD ITAMBO MASYUKI	- 0	59,553	59,553	- 0
SAID HAMISI MWAFUJO	- 0	54,302	54,302	- 0
SAID K MWATSAVWA	- 0	166,834	166,834	- 0
SAID M. NZAO	- 0	206,280	206,280	- 0
SAIDI SAIDI MAGANGA	3,445,731	406,999	-	3,852,730
SALYA MBOTO	0	214,613	214,613	0
SAWA HAMISI NGALAA	0	69,396	69,396	0
SETH KAMANZA MWATELA	- 0	319,623	319,623	- 0
SULEIMAN NZALA	-	-	-	-
SWALEH B. SIMBA	-	-	-	-
TERESIA B MUOKI	-	-	-	-
TABIA ALFAN DZENGO	0	173,322	173,322	0
TUMAINI KASSIM MWACHAUNGA	0	65,669	65,669	0
VALERIE WAITHERA MAINA	- 0	176,282	176,282	- 0
WILLIAM MJAPE	6,471,965	1,623,604	-	8,095,569
YUSSUF HASSAN MBWANA	1,146	-	-	-
YUSSUF HASSAN MBWANA	- 0	78,857	78,857	
YUSUF SENGEZA	0	100,231	100,231	0
	<b>13,620,666</b>	<b>8,334,441</b>	<b>5,443,961</b>	<b>16,511,077</b>

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COUNTY ASSEMBLY OF KWALE						
MORTGAGE LOANS PRINCIPAL RECEIVABLES ANALYSIS - July 2024 TO June 2025						
Beneficiary Name	Outstanding Principal B/f	Additions in the year	Recoveries in the year	Outstanding Principal c/d		
				Bal c/d	Short-Term	Long-Term
ALFRED RUWA BAVU	- 2,364		-	-	-	-
ALI MASEMO	6,779,605		-	6,779,605	517,831	6,261,774
ALI MNGUMI PILANI	3,702,518		164,030	3,538,488	229,524	3,308,965
ALI MNGUMI PILANI	-	900,000	20,256	879,744	37,148	842,596
ANDREW MULEI	- 1,098		-	-	-	-
ANTHONY YAMA	- 3,425		-	-	-	-
ANTONY ODINDO	- 3,018		-	-	-	-
BINTIALI HAMADI KIBAMBA	- 125,433		-	-	-	-
CELLINE LUSWETI	- 3,754		-	-	-	-
CHAKA JULIUS NYONDO	3,356,791		271,081	3,085,711	324,812	2,760,899
DANIEL MBINDA	5,894,332		286,691	5,607,641	388,969	5,218,672
DICKSON MANGALE	4,851,367		-	4,851,367	330,530	4,520,836
DOUGLAS CHIMAKO TSUMA	3,657,549		1,188,619	2,468,929	1,139,506	1,329,423
EDWARD CHAGA CHIBU	3,657,549		866,221	2,791,328	1,395,664	1,395,664
ELIAS MATANGA	4,376,458		208,761	4,167,696	279,399	3,888,298
ELIZABETH MWANGOLO RUWA	- 3,229		-	-	-	-
ELIZABETH MWANGOLO RUWA	4,218,971		1,185,980	3,032,991	1,516,495	1,516,495
FATUMA MASITO	- 23,499		-	-	-	-
FATUMA MWALUPA	13,502,319		512,819	12,989,500	721,639	12,267,861
FELISTUS KALUNGU	4,261,781		320,530	3,941,251	472,950	3,468,301
GUZO MWATERO	3,625,706		559,365	3,066,341	319,966	2,746,375
HAMIS MOHAMED OMAR	- 213,896		-	-	-	-
HANIFA BADI MWAJIRANI	- 3,996		-	-	-	-

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HANIFA BADI MWAJIRANI	3,440,415		1,144,637	2,295,779	1,197,797	1,097,981
HAPPY SAMINI	2,745,740		342,309	2,403,431	163,870	2,239,561
HASSAN YUSSUF MWASIPHO	- 2,869		-	-	-	-
JOHN KALU	8,000,000		356,046	7,643,954	500,000	7,143,954
JOHN MWATELA SHEDE	2,268,076		754,186	1,513,890	789,855	724,034
JOHN NANGINYI	4,716,845		247,758	4,469,087	327,006	4,142,081
JOSEPH KITUMBO NDEME	- 3,047		-	-	-	-
JOSEPH R. ZECHA	3,079,266		170,200	2,909,066	223,774	2,685,292
JOSEPH TSUMA DANDA	1		-	-	-	-
JOSEPHAT CHIREMA KOMBO	- 207,917		-	-	-	-
JUDDY CHIZI KENGO	2,835,095		942,733	1,892,362	987,319	905,043
JUMA MAONE	2,219,629		848,545	1,371,084	1,371,084	-
JUMA MASUDI	- 2,532		-	-	-	-
JUMA ZANI	6,818,181		287,353	6,530,828	395,808	6,135,021
KHADIJAH CHAI NGALA	2,268,083		754,179	1,513,903	789,863	724,041
LUCY WAWERU	4,552,837		350,958	4,201,879	324,169	3,877,710
MARIAM MARUMU	4,700,662		231,749	4,468,913	297,928	4,170,985
MARY KALINGA	- 2,751		-	-	-	-
MISHI MAYUMBE	- 2,587		-	-	-	-
MWAKARIBU H. MWAKARIBU	- 4,972		-	-	-	-
MWANASITI SAID MWADZOGOLO	- 2,761		-	-	-	-
MWANDOTO BIJUMA SAPHATI	- 2,814		-	-	-	-
MWAPHATSA MWANAUBA OMARI	- 2,814		-	-	-	-
MWANAMISI HAMISI MWAMASARE	4,822,256		183,150	4,639,107	257,728	4,381,379
MWAZANI MKULU	4,993,519		356,783	4,636,737	463,674	4,173,063
MWERUPHE NDORO	- 3,101		-	-	-	-
MWINYI KHALFANI MWASERA	- 2,557		-	-	-	-

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NASSORO B. MGUTTA	- 1,749		-	-	-	-
NICK SISO	7,261,969		463,852	6,798,117	574,489	6,223,628
OMAR BAKARI MWADUGA	2,023,503		683,959	1,339,544	730,660	608,884
OMAR KITENGELE	- 2,325		-	-	-	-
OMARI GAMBERE	3,195,349		145,718	3,049,631	210,319	2,839,312
PHILIP CHAKA	3,623,767		153,638	3,470,129	211,378	3,258,750
PHILIP ZIRO	1,190,462		234,761	955,701	273,057	682,644
POKEA BAKARI SIKUKUU	- 75,861		-	-	-	-
RAIA MKUNGU	- 3,526		-	-	-	-
RICHARD ITAMBO MASYUKI	2,328,076		752,361	1,575,715	822,112	753,603
SAID HAMISI MWAFUJO	2,123,484		687,535	1,435,949	749,191	686,758
SAID K MWATSAVWA	5,673,182		245,786	5,427,395	324,024	5,103,372
SAID M. NZAO	7,028,138		333,720	6,694,418	448,788	6,245,630
SAIDI SAIDI MAGANGA	13,381,110		-	13,381,110	1,464,224	11,916,886
SALYA MBOTO	7,278,378		273,356	7,005,022	385,598	6,619,425
SAWA HAMISI NGALAA	2,697,805		859,348	1,838,457	919,229	919,229
SETH KAMANZA MWATELA	11,723,443		2,345,800	9,377,643	4,892,683	4,484,960
SULEIMAN NZALA	- 2,547		-	-	-	-
SWALEH B. SIMBA	- 60,590		-	-	-	-
TERESIA B MUOKI	- 3		-	-	-	-
TABIA ALFAN DZENGO	5,876,357		217,053	5,659,304	307,293	5,352,012
TUMAINI KASSIM MWACHAUNGA	2,580,311		858,477	1,721,834	898,348	823,486
VALERIE WAIHERA MAINA	5,979,598		227,106	5,752,492	319,583	5,432,909
WILLIAM MJAPE	12,026,695		-	12,026,695	965,649	11,061,046
YUSSUF HASSAN MBWANA	18,845		-	18,845	-	18,845
YUSSUF HASSAN MBWANA	3,197,290		1,247,614	1,949,676	1,169,806	779,870
YUSUF SENGEZA	3,938,108		1,309,769	2,628,340	1,314,170	1,314,170
	<b>221,720,388</b>	<b>900,000</b>	<b>23,594,790</b>	<b>199,796,629</b>	<b>32,744,910</b>	<b>167,051,719</b>

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<b>KWALE COUNTY ASSEMBLY MEMBERS AND STAFF LOAN SCHEME FUND</b>					
<b>SCHEDULE OF RETENTION MONIES - 2024- 2025</b>					
<b>Name of Beneficiary</b>	<b>Retention B/F (01.07.2024)</b>	<b>Addition in the year</b>	<b>Total</b>	<b>Retention Paid in the year</b>	<b>Retention C/F(30.06.2025)</b>
Joseph Danda	(40)		(40)		(40)
Juma Maone	-		-		-
Andrew Mulei	-		-		-
Teresia Muoki	74,370		74,370		74,370
Joseph Kitumbe	-		-		-
Philip Ziro	113,800		113,800		113,800
Joseph Zecha	227,920		227,920		227,920
Nassoro Mguta	-		-		-
Elizabeth Mwangolo	-		-		-
Alfred Bavu	-		-		-
Mwazani Mkulu	(150,000)		(150,000)		(150,000)
Saidi Maganga	280,000		280,000		280,000
Chirema Kombo	-		-		-
Happy Samini	200,000		200,000	117,340	82,660
Daniel Mbinda	200,000		200,000	200,000	-
Dickson Nyundo	200,000		200,000		200,000
Sawa Ngalaa	-		-		-
John Nanginyi	171,000		171,000		171,000
Felistus Kalungu	-		-		-
Mariamam Marumu	94,260		94,260	94,260	-
Juma Zani	-		-		-
Said Mwatsavwa	80,360		80,360	80,360	-
	<b>1,491,670</b>	-	<b>1,491,670</b>	<b>491,960</b>	<b>999,710</b>