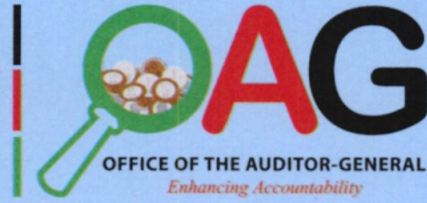


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

UNCLAIMED FINANCIAL ASSETS AUTHORITY

FOR THE YEAR ENDED

30 JUNE, 2025

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 05 MAR 2026

DAY.

Thursday

TABLED
BY:

Hon. Owen Bata, MP
Deputy Leader of Majority

CLERK-AT
THE-TABLE:

A. Uribuko



**UNCLAIMED
FINANCIAL
ASSETS
AUTHORITY**



UNCLAIMED FINANCIAL ASSETS AUTHORITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDING 30TH JUNE 2025

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

Table of Contents	Page
1. Key Entity Information and Management.....	iii
2. The Board of Directors.....	vi
3. Management Team	xii
4. Chairman’s Statement	xvi
5. Report of the Chief Executive Officer.....	xvii
6. Review of Unclaimed Financial Assets Authority Performance for FY 2024/2025.....	xix
7. Corporate Governance Statement	xxii
8. Management Discussion and Analysis.....	xxvii
9. Corporate Social Responsibility/Sustainability Reporting	xxviii
10. Report of the Directors.....	xxx
11. Statement of Directors’ Responsibilities.....	xxxii
12. Report of the Independent Auditor for the Financial Statements of Unclaimed Financial Assets Authority 0	
13. Statement of Financial Performance for the Year Ended June 30, 2025	1
14. Statement of Financial Position as at June 30, 2025.....	2
15. Statement of Changes in Net Assets for the Year Ended June 30, 2025	3
16. Statement of Cash Flows for the Year Ended June 30, 2025.....	4
17. Statement of Comparison of Budget and Actual Amounts for the Year Ended June 30, 2024	5
18. Notes to the Financial Statements	6
Appendix I: Progress on follow up of Auditor Recommendations	28
Appendix II: Projects Implemented	29

1. Key Entity Information and Management

(a) Background information

The Unclaimed Financial Assets Authority (UFAA/ the “Authority”) was created under the Unclaimed Financial Assets Act, No. 40 of 2011 (the “Act”) to administer unclaimed financial assets. The Board of Directors were gazetted under Legal Notice No.16272 of 9th November 2012.

(b) Principal Activities

The objects and functions of the Authority as defined by the Act include:

- (i) Enforce and generally administer the provisions of the Act.
- (ii) Receive all payments required by the Act to be made to the Unclaimed Assets Trust Fund (the “Fund”).
- (iii) Make payments out of the Fund to the rightful owners in accordance with the provision of the Act.
- (iv) Manage and invest the funds of the Authority.
- (v) Advise the Cabinet Secretary on national policy to be followed with regard to unclaimed assets and implement all Government policies related to it.
- (vi) Perform such other functions as are conferred on it by the Act or other written law.

(c) Fiduciary Management

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

No.	Designation	Name	Remarks
1.	Chief Executive Officer (CEO)	FA John Kihara Mwangi, EBS	His term ended 28 th Feb 2025
2	Ag. CEO & Managing Trustee	CHRP Caroline Chirchir	Appointed 15 th August 2024
3.	Ag. Manager Unclaimed Financial Assets Line	CPA Beatrice Chelangat	Term ended 28 th February 2025
4.	Ag. Manager Unclaimed Financial Assets Line	CPA Gideon Nzioki	Appointed 1 st March 2025
5.	Ag Manager Information and Communication Technology	Eric Mwaniki	Appointed 1 st April 2024
6.	Ag. Manager Finance & Accounting	CPA Leonard Langat	Appointed 1 st April 2025
7.	Manager Procurement	Jack Owino Gumboh, Phd	

No.	Designation	Name	Remarks
8.	Corporation Secretary/Head of Legal	David Mwangi Kamau	

(d) Fiduciary Oversight Arrangements

Board oversight.

The Board of Directors has the overall oversight responsibility of the Authority. As detailed in the section on corporate governance, this responsibility is administered through various committees of the Board that have specific roles, including: the finance and human resource committee; audit, risk and governance committee and the technical committee.

Parliamentary committees

The following Parliamentary Committees also have fiduciary oversight responsibilities over the Authority's operations; the Parliamentary Budget Committee oversees budgeting; the Parliamentary Investment Committee oversees investment decisions, and the Parliamentary Accounts Committee oversees financial accountability.

(e) Entity Headquarters

2nd Floor, Pacis Centre
Slip Road, off Waiyaki way, Westlands.
P O Box 28235 - 00200
Nairobi, Kenya

(f) Entity Contacts

Telephone: +254 020 4023000, +254 706 866 984 / +254 736 559 152
E-mail: info@ufaa.go.ke
Website: www.ufaa.go.ke

(g) Entity Bankers

1. KCB Bank - KICC Branch
KICC Building, Harambee Avenue
P.O Box 46950 - 00100
Nairobi, Kenya
2. NCBA Bank
Westlands Branch
P.O Box 30437-00100
Nairobi, Kenya

(h) Independent Auditors

The Auditor General
Office of the Auditor General (OAG)
Anniversary Towers, Loita Street
P.O Box 30084 – 00100
Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General
State law office
Harambee avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

(j) Corporation Secretary/Head of Legal

David Kamau
Unclaimed Financial Assets Authority

2. The Board of Directors



Hon. Dr. CPA Francis Kigo Njenga – Chairman of the UFAA Board of Directors

Hon. Dr. CPA Francis Kigo Njenga is the Chief Executive Officer at Regional Africa Consultants Limited and the Lead Consultant for Management and Business Division.

Prior to the current appointment, Hon. Kigo served as a County Executive Committee Member (CECM) in charge of Trade, Industry, Investments, Tourism and Cooperative development in Kiambu County and at Finance, ICT and Economic Planning dockets. He is a former Member of Parliament for Gatundu North Constituency. During his term in the National Assembly, he served on the Budget and Appropriation Committee, and the Committee on Lands.

He holds a doctorate degree in Social Transformation and Entrepreneurship from Catholic University of Eastern Africa, a Master of Business Administration from the University of Nairobi, Bachelor of Science -Business Administration degree (Accounting and Finance) from United States International University and accounting professional qualification from Strathmore College.


Hon Kigo is a Certified Public Accountant with over 29 years career in accounting and auditing which began at Mbaya and Associates. He has also worked at Waithaka Mwangi & Co. Certified Accountants, Central Finance (K) Limited, Ernest & Young, and at Regional Africa Consultants Limited.



Born in 1961, Hon Njenga was appointed as member and Chairman of the Board on February 10, 2023.



Dr. Chris Kiptoo – Principal Secretary, The National Treasury

Dr. Chris Kiptoo was appointed Principal Secretary by President William Samoei Ruto on 1st December 2022. Dr. Kiptoo is the immediate former Principal Secretary, Ministry of Environment and Forestry. Before that, he also served as a Principal Secretary at the State Department of Trade, Ministry of Industry, Trade & Cooperatives.

	<p>In his working career, Dr. Kiptoo has acquired a rich wealth of experience in economic policy analysis, mainly gained at the Central Bank of Kenya, Capital Market Authority and the International Monetary Fund, where he has served in various capacities. His expertise especially relates to the design and implementation of monetary policy; balance of payments and exchange rates; fiscal operations and policy; financial sector matters including capital markets; national accounts/real sector and macroeconomic accounting, and modelling and forecasting.</p> <p>Additionally, Dr. Kiptoo has proven experience in environment and climate change policies, trade policy and regional integration, private sector development and advocacy, infrastructure development, institutional development of Government institutions and organizational management, all mainly gained at the Ministry of Environment and Forestry, State Department of Trade as well as Trademark East Africa. Noteworthy, he also has four years of experience in economic policy coordination gained while working at the then Office of the Prime Minister.</p> <p>Dr. Chris Kiptoo holds a Doctor of Philosophy Degree (PhD) in Finance (<i>International Macroeconomics Finance specialization</i>) from The Nairobi University, as well as a Master of Science (Ag. Economics) and Bachelor of Science (Ag. Economics) degree from Egerton University. He is also an Accredited Fellow in Macroeconomic Management Macroeconomic & Financial Management Institute of Eastern & Southern Africa (MEFMI).</p>
	<p>Mr. Jonah Orumoi – Alternate Member to the PS, The National Treasury</p> <p>Mr. Arumoi was appointed as an alternate to the Principal Secretary, National Treasury, in the Board on January 11, 2024</p>

	<p>Mr. Benson Rono Benhard</p> <p>CPA Ronoh Benson Benhard is an Accounting and Financial Management expert.</p> <p>He possesses over 12 years of experience in accounting with stints at Kenya Rural Roads Authority (KeRRA), Christ is the Answer Ministries (CITAM), and the Kenya Professional Association of Women in Agriculture and Environment.</p> <p>He holds a Bachelor of Commerce degree (Accounting and Finance) from Strathmore University and is a continuing student for an MBA degree (Corporate Management) at KCA University. Rono is a certified public accountant (CPA).</p> <p>He was appointed as a member of the Board on August 18, 2023.</p>
	<p>Mr. Samuel D Kachumbo Mkonu</p> <p>Samuel Mkonu is an educationist and a researcher with experience in Kenya, East African Community member states, and globally. He possesses excellent operational and administrative skills in quality assurance in higher education and other levels of education.</p> <p>During his over 12-year career, Mkonu has served as an Assistant Commission Secretary (Program Accreditation) of the Commission for University Education and as a Personal Assistant to the Permanent Secretary of the Ministry of Education. He previously worked as a Chief Staffing Officer in the Primary Department with the Teachers Service Commission and as a teacher at Star of the Sea High School, Mombasa, and Dr. Aggrey High School.</p> <p>Mr. Mkonu holds an MBA (Educational Management) from the University of Leicester, England, and a Diploma in Education (Science) from Kenyatta University.</p> <p>He was appointed as a member of the Board on August 18, 2023.</p>



Joyce Mutegi is an Advocate of the High Court of Kenya.

She specializes in Corporate and commercial law practice, public-private partnerships, public law and legal reform and related consulting. She has acted for and advised several clients on various assignments involving financing and construction of public infrastructure, creation of legal frameworks, Corporate legal advisory in mergers and acquisitions, real estate development among others. Her experience spans working with government institutions, private corporations, and non-governmental organizations.

In her over 15-year career in legal practice and consultancy, Joyce has worked at Herbert Smith Solicitors, London and as Head of Commercial and Corporate Law Practice at Prof. Albert Mumma & Co. Advocates in Kenya. She is now a senior partner at Mutegi & Mutegi Advocates in Kenya.

She holds a Master of Law Degree in Corporate Governance and Finance Law from Harvard Law School, a Master of Law Degree in Banking and Finance from Centre for Commercial Law Studies (CCLS), Queen Mary College University of London, and a Bachelor of Laws Degree from the University of Nairobi, Kenya.


She was appointed as a member of the Board on August 18, 2023.



Ms. Rebecca Nabwire Osogo

Ms. Rebecca Nabwire Osogo – Okwara has over a decade of expertise in the Capital Markets and Pension Industry. With a profound grasp of pension funds and investment management strategies she is a driving force for financial excellence. She is dedicated to achieving financial integrity and responsible financial stewardship. She is currently serving as the Chief Executive Officer of the Kweli Capital Group.

She's presently pursuing a master's program in public policy & management (MPPM) at Strathmore Business School and holds a Bachelor of Science in Information Technology from Guru Nanak Dev University – India

	<p>Her impressive credential includes a certificate in The Trustee Development Program Kenya (TDPK) from Humbler University (CA) in collaboration with the College of Insurance and the Retirement Benefits Authority. She is also an associate of the Chartered Institute for Securities and Investments (CISI).</p> <p>Rebecca is not only a Technophile but a key partner at innovation. Through her work at Kweli Capital Group and collaboration with the Government of Kenya (PPPs), Rebecca is advancing one of the Big 4 Agendas – Affordable Housing for all Kenyans through the Amaka Umbrella Fund. She was appointed as a member of the Board on August 18, 2023.</p>
	<p>FA John K. Mwangi, EBS - CEO of UFAA & Managing Trustee</p> <p>John is the CEO of the Authority & Managing Trustee of the Trust Fund.</p> <p>Prior to his appointment as CEO and Managing Trustee, he was the Manager, Unclaimed Financial Assets Line at UFAA, a position he held for four years.</p> <p>John has served for over 20 years in several financial institutions within investment and a commercial banking. He joined the Authority in April 2015 from Bank of Africa (BOA) where he was a Relationship Manager in institutional banking. Prior to joining BOA, Mr. Mwangi also worked at African Alliance Investment Bank, Old Mutual Asset Managers and ICEA Asset Managers.</p> <p>John is a Certified Investment and Financial Analyst and Member of the Institute of Certified Investment and Financial Analysts (ICIFA). He is also a member of Kenya Institute of Management (KIM). He holds an Executive MBA from Strathmore Business School and underwent a Modular course on Corporate Entrepreneurship and Global Strategy at IESE Business School, University of Navarra in Barcelona. John is a Certified Trustee by College of Insurance and holds an undergraduate degree in Economics and Business Studies from the University of Nairobi.</p> <p>Born in 1977, John was re-appointed as the CEO & Managing Trustee on 1 March 2022.</p> <p>His term ended 28th February 2025</p>



CPA Laban Molonko-CEO and Managing Trustee

CPA Laban is the CEO and Managing Trustee. Before joining UFAA, Molonko served as Chief Finance Officer at Access Bank Kenya, where he led mergers, digital transformation, and growth strategies. Molonko has over 20 years of work experience in finance, corporate governance, and strategy, spanning banking, healthcare, manufacturing, and regulatory sectors. His expertise spans financial management surveillance and risk oversight. He has held senior leadership positions at East African Portland Cement Ltd., The Nairobi Hospital, Central Bank of Kenya, and Access Bank (K) Limited. In his previous tenure, he demonstrated a strong track record in policy formulation, stakeholder management, and institutional transformation. Molonko holds an MBA in Finance from the University of Nairobi, an MA in Counselling Psychology from Daystar University, and a BA in Economics (First Class Honours) from Kenyatta University. He is currently pursuing a PhD in Finance at Daystar University. He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and a member of the Kenya Association of Psychologists.

He Joined 1st October 2025








ChRP Caroline Chirchir - Ag.CEO & Managing Trustee



Appointed on 15th August 2024.



Caroline also acted as CEO of UFAA following appointment on 1st November 2018 until 28th February 2019. She joined the Authority in October 2016 following a successful career in Human resource management and consultancy at institutions in the manufacturing and financial services sector.

3. Management Team

Name	Designation
<p data-bbox="180 387 560 421">FA John Kihara Mwangi, EBS</p> 	<p data-bbox="715 405 1302 443">Chief Executive Officer & Managing Trustee</p> <p data-bbox="715 461 1520 533">John is the CEO of the Authority & Managing Trustee of the Trust Fund.</p> <p data-bbox="715 555 1520 672">Prior to his appointment as CEO and Managing Trustee, John was the Manager, Unclaimed Financial Assets Line at UFAA since April 2015.</p> <p data-bbox="715 694 1520 766">He was re-appointed as the CEO & Managing Trustee with effect from 1st March 2022.</p> <p data-bbox="715 788 1158 826">His term ended 28th February 2025</p>
<p data-bbox="180 873 443 907">CPA Laban Molonko</p> 	<p data-bbox="715 878 1086 916">CEO and Managing Trustee</p> <p data-bbox="715 920 1505 1070">CPA Laban is the CEO and Managing Trustee. Before joining UFAA, Molonko served as Chief Finance Officer at Access Bank Kenya, where he led mergers, digital transformation, and growth strategies.</p> <p data-bbox="715 1077 1485 1462">Molonko has over 20 years of work experience in finance, corporate governance, and strategy, spanning banking, healthcare, manufacturing, and regulatory sectors. His expertise spans financial management surveillance and risk oversight. He has held senior leadership positions at East African Portland Cement Ltd., The Nairobi Hospital, Central Bank of Kenya, and Access Bank (K) Limited. In his previous tenure, he demonstrated a strong track record in policy formulation, stakeholder management, and institutional transformation.</p> <p data-bbox="715 1469 1501 1742">Molonko holds an MBA in Finance from the University of Nairobi, an MA in Counselling Psychology from Daystar University, and a BA in Economics (First Class Honours) from Kenyatta University. He is currently pursuing a PhD in Finance at Daystar University. He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and a member of the Kenya Association of Psychologists.</p> <p data-bbox="715 1787 1059 1825">He Joined 1st October 2025</p>

Name	Designation
<p data-bbox="172 331 587 369">Mrs Caroline Chepkurui Chirchir</p> 	<p data-bbox="707 331 1522 409">Ag. CEO & Managing Trustee and Manager Human Resource & Administration</p> <p data-bbox="707 427 1522 584">Caroline is responsible for the facilitation, co-ordination and implementation of human resource and administration policies, strategies and systems and provision of a conducive working environment for the Authority.</p> <p data-bbox="707 607 1522 801">Caroline also acted as CEO of UFAA following appointment on 1st November 2018 until 28th February 2019. She joined the Authority in October 2016 following a successful career in Human resource management and consultancy at institutions in the manufacturing and financial services sector</p> <p data-bbox="707 819 1193 857">Her term ended 30th September 2025.</p>
<p data-bbox="172 898 496 936">Mr David Mwangi Kamau</p> 	<p data-bbox="707 887 1347 925">Corporation Secretary/Manager Legal Services</p> <p data-bbox="707 972 1522 1050">David is responsible for the Legal, Governance and Corporation Secretary functions of the Authority.</p> <p data-bbox="707 1093 1522 1249">As a legal and corporate governance professional with over 20 years' experience, he has held senior management roles in the private and public sectors in Kenya. He joined UFAA on 1st November 2021.</p> <p data-bbox="707 1292 1522 1406">David is a Member of the Law Society of Kenya, the Institute of Certified Public Secretaries of Kenya and the Chartered Institute of Arbitrators (London & Kenya)</p>
<p data-bbox="172 1413 379 1451">Mr Eric Mwaniki</p> 	<p data-bbox="707 1442 927 1480">Ag Manager ICT</p> <p data-bbox="707 1514 1522 1628">Eric is responsible for management of the Unclaimed Assets database and planning, developing, coordinating and ensuring delivery of the Authority's ICT needs.</p> <p data-bbox="707 1664 1522 1899">Eric joined the Authority in September 2015 after an extensive career in the private sector, where he specialized in IT infrastructure, project management, cybersecurity, and team leadership. His work in the Education, Manufacturing, and Telecommunications sectors focused on aligning technology strategies with business objectives</p>

Name	Designation
<p>CPA Pius Kibet Kimutai</p> 	<p>Manager Audit, Risk& Assurance</p> <p>Pius is responsible for ensuring the effective operation of the internal audit function. The role is also responsible for ensuring that UFAA has a Risk Management Strategy in place with appropriate systems to identify and mitigate identified risks.</p> <p>Pius joined the Authority in August 2015, following long service in academia in various schools and in different capacities in Accounting and Audit at Postbank.</p>
<p>Jack Owino Gumboh, PhD</p> 	<p>Manager Procurement</p> <p>Jack is responsible for procurement and supply function and overseeing aspects of purchasing, negotiations and management of the procurement of goods, works and services in line with the law.</p> <p>Jack joined the Authority in January 2018 having served in various capacities in Supply Chain management in many public and private sector institutions.</p>
<p>CPA Beatrice Chelangat</p> 	<p>Acting Manager Unclaimed Financial Assets Line</p> <p>Beatrice is responsible for overall management of the Unclaimed Financial Assets Trust Fund, including overseeing compliance by holders, investment of received funds and re-unification to the rightful owners.</p> <p>Beatrice joined the Authority as a Senior Auditor (Claims) in September 2015 after long service in financial management at various institutions including EACC. She was appointed as Ag Manager UFAL in March 2019.</p> <p>Her term ended 28th February 2025.</p>

Name	Designation
<p>CPA Gideon Nzioki</p> 	<p>Acting Manager Unclaimed Financial Assets Line</p> <p>CPA Gideon M. Nzioki is the Ag. Manager Unclaimed Financial Assets Line department. He is responsible for overall management of the Unclaimed Financial Assets Trust Fund, including overseeing compliance by holders, investment of received funds and re-unification to the rightful owners</p> <p>He has over 18 years of experience in the Public Sector where he has held several responsibilities in Internal Audit, Risk management, Compliance audits and project Audits.</p> <p>Gideon previously served as a Senior Auditor – Holders heading the compliance section at UFAA . He also served as the Head of Internal Audit at Media Council of Kenya, Project Auditor at Tana Waters Services Board, Assistant Internal Auditor at the National Treasury.</p> <p>Appointed 1st March 2025</p>
<p>CPA Leonard Langat</p> 	<p>Ag Manager Finance & Accounting</p> <p>Leonard is responsible for managing the Authority's financial operations and ensuring that there is efficient utilization of financial resources within established policies of the Authority. He is also responsible for financial accounting and reporting, cash and bank operations and tax management.</p> <p>CPA Langat joined the Authority in February 2017 after long service in Financial reporting, Grant Management , risk & audit management , investment management, treasury management and budget management in Public and Private sector.</p> <p>Appointed 1st April 2024</p>

4. Chairman's Statement

On behalf of the Board of Directors, Management, and Staff of the Unclaimed Financial Assets Authority (UFAA), I am happy to present the Authority's Annual Report for the fiscal year 2024/2025.

During the year, we hosted the Cabinet Secretary for National Treasury, John Mbadi, on a familiarisation tour at the Authority's premises. This occasion served to appraise the CS on key achievements touching on the Authority's mandate and milestones.

In the year, FA. John Mwangi, the immediate former CEO & Managing Trustee, retired, having served two terms. FA Mwangi's leadership, in tandem with the Board of Directors' vision, at the Authority was instrumental in the sustained successes recorded in holders' compliance, investment income and reunification of unclaimed financial assets. Following FA Mwangi's exit, the Board began the recruitment of a new CEO and Managing Trustee to take up the mantle of leadership at the Authority. In the meantime, we appointed CHRP Caroline Chirchir to step into the role. We acknowledge Mrs. Chirchir's steadfastness in offering leadership continuity during this transition period.

During the year, the Authority's human resource instruments were approved by the Public Service Commission, setting in motion the process of recruiting more staff to add to the capacity, skills and competencies of delivering the mission and vision.

Besides, holders' remittances of unclaimed financial assets, safeguarding and the reunification mandates registered an upward trajectory. Sustained collaboration with stakeholders has also been maintained within the strategic plan 2023-2028 focus areas during the year. While great successes have been registered in delivering the Authority's mandate, we project to continue deepening the implementation of the mandate well into the foreseeable future.

As I conclude, I extend my gratitude for the support received from the National Treasury and all stakeholders with whom we have worked together to sustain a vibrant unclaimed financial assets industry. I would like to thank the members of the Board for their dedication and focus, which have contributed significantly to achieving several milestones over the years. Finally, I thank the entire Authority's management team and staff for their efforts and dedication.

We remain committed to ensuring the safe custody of unclaimed financial assets and reunifying rightful owners with their 'lost and found' financial assets.



Hon. Dr. CPA Francis Kigo Njenga
Chairman of The Board of Directors
Unclaimed Financial Assets Authority

Date.....
3/19/25

5. Report of the Chief Executive Officer

I am glad to report on the outcomes of the first year of implementation of the Strategic Plan 2023-2028 result areas: Unclaimed Financial Assets Receipt; Trust Fund and other Financial Resources Management; Unclaimed Financial Assets Re-unification; and Institutional Development.

The year began with an outreach program with the Authority conducting five reunification clinics across the country. The program, dubbed 'reunification clinic,' was hosted in Kisumu, Mombasa, Meru, Kisii and Nairobi Counties. National Government Administration Officers were sensitized in the counties to build their capacity to facilitate reunification for members of the public. Public awareness campaign through traditional and social media were also conducted. The Authority also provided a dedicated customer service desk and enhanced the automation of the reunification processing using Unclaimed Financial Assets Management system (UFAMS). Consequently, 6,056 rightful owners were reunited with their unclaimed financial assets.

On the compliance front, we collected Kshs 4.7 billion in cash, representing 112.5% achievement of target. The target was attributable to holders' sensitization and enforcement initiatives. Sector-specific forums were held in Nairobi, Bomet, Kisii, Narok, Machakos, Embu, Kakamega and Meru counties.

In the period under review, the Authority was able to strengthen compliance partnerships, monitoring and reporting besides engaging with regulatory bodies namely ICPAK, CBK, CMA and PSASB. The collaboration focused on several key areas: UFA disclosure and surrender framework for private sector entities, strengthening the holder compliance enforcement mechanism, promoting mediation/arbitration as a tool of conflict resolution with holders, and spearheading sector-focused holders' education and awareness campaigns. Seventeen compliance audits were conducted across institutions in the water sector, Sacco societies, pension and insurance industries.

In the period under review, UFAA invested available funds in line with the approved investment policy statement (IPS) as aligned to the UFA Act; ensured safe custody of all reported UFAs; ensured optimal management of financial resources; and ensured timeliness, prudence, and transparency in reporting. A total of Kshs.6.46 billion was realised in investment income, bolstered by high-yielding rates from the Treasury bills and Treasury bonds portfolio.

The Authority maintained a call management system to ensure efficiency in managing customer inquiries. Other customer touchpoints, namely USSD *361#, E-Citizen portal, Huduma Centre service desks, and a queuing system deployed at office premises service desks were maintained. WhatsApp API was launched to facilitate search, claim and status check on claims lodged.

The Authority continued to invest in a Corporate Social Responsibility (CSR) program on empowerment for social economic development and resilient livelihoods dubbed 'Wezeshu mjane'. The program is dedicated to benefit widows and orphans. During the year, Kahangi Widowhood Initiative CBO project at Nyandarua County was funded. The program also provides scholarships for needy and bright students alongside the livelihood project. Nine students in various secondary schools are on-boarded

Unclaimed Financial Assets Authority
Annual Reports and Financial Statements
For the year ended June 30, 2025.

under this program. Additionally, the Authority in collaboration with the Kenya Forest Service undertook a three-year tree growing project to rehabilitate section of the degraded Ngong road forest.

In the foreseeable future, the Authority will fast-track implementation of initiatives in the Strategic Plan 2023-2028 including its mid-term review to better achieve targets for shared social-economic development of the country.



CPA Laban Molonko
CEO & Managing Trustee

Date: 3/12/25

6. Review of Unclaimed Financial Assets Authority Performance for FY 2024/2025

UFAA Corporate Strategic Plan 2023-2028

Anchored on the philosophy of what gets measured, gets done the Authority is implementing its strategic plan 2023-2028. The strategic plan remains a dynamic tool for progress in the Authority's delivery of its vision and mission, while delivering results to its stakeholders and transforming the lives of the citizens.

It is acknowledged that this is the 3rd generational strategic plan since the Authority began operations in 2014. The plan was prepared when Kenya's development process was geared in the 4th Medium Term Plan (MTP IV, 2023-2028) of Vision 2030 while anchoring the Bottom-Up Economic Transformation Agenda.

The Plan envisions the Authority as "A trusted institution in the management of Unclaimed Assets" – be achieved by 'Receiving, Safeguarding and Reuniting Unclaimed Financial Assets for Social-Economic Prosperity.' Towards this end, the Authority sustained fidelity to its core values of customer focus, transparency and accountability, professionalism, innovativeness, and partnership and collaboration.

In the period under review, the plan implementation continued to realize progressive outcomes across its varied key result areas: a. Unclaimed Financial Assets Receipt, b. Trust Fund and other Financial Resources Management, c. Unclaimed Financial Assets Re-unification, and d. Institutional Development, in line with its outlined strategic objectives:

- a) To enhance holders' compliance in declaration and surrender of unclaimed financial assets.
- b) To strengthen accountability and sustainability in safeguarding unclaimed financial assets and other financial resources.
- c) To increase the reunification rate of unclaimed financial assets with the rightful owners; and
- d) To strengthen Unclaimed Financial Assets Authority institutional capacity.

Strategic Pillar	Strategic Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Receive	Objective 1: Enhance holders' compliance in declaration and surrender of unclaimed financial assets	Holders' declaration and surrender of Unclaimed Financial Assets	Collect Kshs 4.0 billion unclaimed financial assets from holders.	Ksh 4.7 billion in cash representing 112.5% achievement of target realized was collected. Enhancement of cash collections of UFAs from holders was attributable to Voluntary UFA Disclosure Programme executed, and holders' enforcement action was undertaken in addition to partnerships with other Government agencies rolled out. In period under review, the Authority was able strengthen compliance partnerships, monitoring and reporting besides engaging with regulatory bodies (such as ICPAK, CBK, CMA and PSASB) on disclosure and reporting framework/roadmap for private sector entities' financial statements; strengthened holder compliance enforcement; promoted mediation/arbitration as a tool of conflict resolution with holders and spearheaded sectors-focused holders' education and awareness campaigns.
Pillar 2: Safeguard	Objective 2: Strengthen accountability and sustainability in safeguarding unclaimed financial assets and other financial resources	Investment rate of return Budget funding and absorption	Attain investment income of Kshs 5.0 billion 100 % Budget funding and absorption	Kshs.6.46 billion realized, representing 129.2% achievement on investing activities, as bolstered by enabling Investment Policy Statement and high yielding rates from Treasury bills and Treasury bonds that the fund invested into, in the period under review. 100% Budget funding, with 74 % budget utilization for FY 2024/2025. Principally, the funds underutilization was attributable to delay in approval of HR instruments and attendant staff recruitment as well as delayed enforcement action against non-compliant holders, in the period. Additionally, in the period under review, UFAA invested available funds in line with the approved investment policy statement (IPS) as aligned to the

				UFA Act; ensured safe custody of all reported UFAs; ensured optimal management of financial resources; and ensured timeliness, prudence, and transparency in reporting.
Pillar 3: Reunite	Objective 3: Increase the reunification rate of Unclaimed Financial Assets with the rightful owners	Increase the reunification rate	Realize the reunification rate of 8% Reunite 10,000 claimants.	<p>A reunification rate of 8.42% posted, representing 105.25% achievement on reunification of unclaimed financial assets with the rightful owners. Reunification efforts is progressively being scaled up.</p> <p>5014 claimants reunified representing 50.14% achievement of target. In review period, UFAA was able to conduct five reunification clinics across the country and sustained implementation of different modes of payments; provided a dedicated customer service desk; and utilized the UFAM system in the reunification processing.</p>

7. Corporate Governance Statement

The Authority recognizes that high standards of Corporate Governance throughout the Authority are essential for the delivery of the Authority's strategic objectives. To this end, the Board is committed to conducting the Authority's business in accordance with high standards of corporate governance with a view to creating and delivering value to its stakeholders. The Authority has adopted a system of internal controls, a risk management framework and corporate governance policies and practices which are designed to support and promote the responsible management and conduct of the Authority. As a public sector organization dedicated to promoting good governance, the Authority's decisions are guided by the core tenets prescribed in the Public Officers Ethics Act, Internal Codes of Conduct and Corporate Governance guidelines, as well as the Board Charter and its committees.

The Board Charter

The Board Charter is a commitment by the members of the Board to discharge the mandate of the Authority. It seeks to ensure the effectiveness of each Director's contribution in the governance of the Authority by facilitating full and free exercise of independent judgment and professional competencies. It outlines the rules that guide the Board and does not in any way replace or supersede any laws and regulations that govern the Authority.

As per the Unclaimed Financial Assets Act 2011, the Board consists of six (6) non-executive members and the Chief Executive Officer. As at 30th June 2025, the following were serving as members of the Board of Directors:

Name	Position	Remarks
Hon Dr CPA Francis Kigo Njenga	Chairman	Appointed on 6/2/2023
FA John Mwangi, EBS	CEO & Managing Trustee	Chief Executive Officer
Samuel Mkonu	Member	Appointed on 18/8/2023
Rebecca Osoro	Member	Appointed on 18/8/2023
Joyce Mutegi	Member	Appointed on 18/8/2023
CPA Benhard Ronoh	Member	Appointed on 18/8/2023
Jonah Orumoi	Alt. Member/PS, The National Treasury	Appointed on 11/1/2024

Board Responsibilities

The independence of the Board of Directors from the Authority's management is ensured by the separation of functions of the Chairman and Chief Executive Officer and a clear definition of their responsibilities. This helps in achieving an appropriate balance of power, increased accountability, improved capacity for decision-making and independence of management. The Board is assigned a clear mandate and retains ultimate responsibility for the Authority's performance.

The Board takes the primary responsibility of determining the Authority's vision, mission and values, deciding the Authority's strategic objectives and key elements of governance processes underpinning operations of the Authority. It retains full and effective control over the Authority by monitoring Management in its implementation of plans and strategies, review of management accounts, and major capital investments and expenditure.

The Board strives to act beyond the minimum requirements and benchmarks the Authority's performance against international best practice.

Full Board meetings attendance

No.	Directors Name	Total Meetings	Attended	Absent	Remarks
	Hon. Dr. Francis Kigo Njenga	5	5	0	Appointed on 6/2/2023
	Samuel Mkonu	5	4	1	Appointed on 18/8/2023
	Rebecca Osoro	5	4	1	Appointed on 18/8/2023
	Joyce Mutegi	5	3	2	Appointed on 18/8/2023
	CPA Benhard Ronoh	5	3	2	Appointed on 18/8/2023
	Jonah Orumoi	5	1	4	Appointed on 11/1/2024

Special Board meetings attendance

No.	Directors Name	Total Meetings	Attended	Absent	Remarks
	Hon. Dr. Francis Kigo Njenga	3	3	0	Appointed on 6/2/2023
	Samuel Mkonu	3	3	0	Appointed on 18/8/2023
	Rebecca Osoro	3	3	0	Appointed on 18/8/2023
	Joyce Mutegi	3	3	0	Appointed on 18/8/2023
	CPA Benhard Ronoh	3	3	0	Appointed on 18/8/2023
	Jonah Orumoi	3	1	2	Appointed on 11/1/2024

Board Committees

The Board Committees facilitate decision-making to assist the Board in execution of its duties, powers and authority. However, delegation of authority to the committees does not in any way mitigate or dissipate the discharge by the Board of its duties and responsibilities. Board committees have been established with formal written terms of reference and observe the same rules of conduct and procedures as the Board. The following three (3) committees have been set up:

Finance and Human Resource Committee

This committee assesses and advises on the integrity of the Authority's financial statements, financial plans and budgets. It reviews periodic financial performance, management accounts and the Authority's general financial health. It also advises the Board on the organizational structure, core functions and staff establishment. It provides guidance on Human Resource policies and makes recommendations that promote operational efficiency and capacity enhancement.

The Committee was reconstituted during the year. Members as at 30th June 2024:

Name	Position	Remarks
Rebecca Osogo	Chairperson	Appointed on 18/8/2023
Samuel Mkonu	Member	Appointed on 18/8/2023
Joyce Mutegi	Member	Appointed on 18/8/2023
Jonah Orumoi	Member	Appointed on 18/8/2023

Finance and Human Resource Committee Meetings attendance.

No.	Directors Name	Total Meetings	Attended	Absent
	Samuel Mkonu	3	3	0
	Rebecca Osoro	3	3	0
	Joyce Mutegi	3	2	1
	Jonah Orumoi	3	2	1

Note: There was no member who missed any sitting but there was change in Committee membership

Special Finance and HR Committee

No.	Directors Name	Total Meetings	Attended	Absent
	Samuel Mkonu	3	3	0
	Rebecca Osoro	3	3	0
	Joyce Mutegi	3	2	1
	Jonah Orumoi	3	1	2

Note: There was no member who missed any sitting but there was change in Committee membership

Audit and Risk Committee

This committee reviews the scope and effectiveness of internal controls and risk management systems which guide and monitor financial and non-financial risks. It monitors the Authority's compliance with the code of conduct and ethics. The Committee was reconstituted during the year. Members as at 30th June 2024:

Name	Position	Remarks
CPA Benhard Ronoh	Chairman	Appointed on 18/8/2023
Joyce Mutegi	Member	Appointed on 18/8/2023
Samuel Mkonu	Member	Appointed on 18/8/2023
Jonah Orumoi	Member	Appointed on 11/1/2024

Audit and Risk Committee Meeting attendance.

Name	Meetings	Attended	Absent
Samuel Mkonu	6	4	2
Joyce Mutegi	6	5	1
CPA Benhard Ronoh	6	5	1
Jonah Orumoi	6	3	3

Note: There was no member who missed any sitting but there was change in Committee membership

Technical and Investment Committee

The primary responsibility of the Technical and Investment Committee is to advise the Board on pertinent issues regarding the realization of the Authority's core mandate. The Committee advises the Board on the level of compliance with the provisions of the Unclaimed Financial Assets Act, 2011 and advise the Board on proper management of records relating to unclaimed financial assets, including the establishment and maintenance of a reliable unclaimed financial assets database.

The Committee was reconstituted during the year. Members as at 30th June 2024:

Name	Position	Remarks
Grace Tole	Member	Term ended on 18/8/2023
Joyce Mutegi	Chairman	Appointed on 18/8/2023
CPA Benhard Ronoh Benson	Member	Appointed on 18/8/2023
Rebecca Osogo	Member	Appointed on 18/8/2023
Orumoi Jonah Tajeu	Member	Appointed on 11/1/2024

Technical and Investment Committee Meeting attendance

No.	Directors Name	Total Meetings	Attended	Absent	Remarks
1	Njoroge Ng'ang'a	5	1	4	Term ended on 18/8/2023
2	Rebecca Osoro	5	3	2	Appointed on 18/8/2023
3	Joyce Mutegi	5	4	1	Appointed on 18/8/2023
4	CPA Benhard Ronoh	5	4	1	Appointed on 18/8/2023
5	Jonah Orumoi	5	2	3	Appointed On 11/1/2024

Note: There was no member who missed any sitting but there was change in Committee membership

Strategy and Efficiency Enhancement Committee

The primary responsibility of the Strategy and Efficiency Committee is to advise the Board on pertinent issues regarding the realization of the Authority's core mandate. The Committee advises the Board on the level of compliance with the provisions of the Unclaimed Financial Assets Act, 2011 and also advise the Board on proper management of records relating to unclaimed financial assets, including the establishment and maintenance of a reliable unclaimed financial assets database.

The Committee was reconstituted during the year. Members as at 30th June 2024:

Name	Position	Remarks
Samuel Mkonu	Chairman	Appointed on 18/8/2023
Rebecca Osogo	Member	Appointed on 18/8/2023
Benson CPA Benhard Ronoh	Member	Appointed on 18/8/2023
Joyce Mutegi	Member	Appointed on 18/8/2023
Orumoi Jonah Tajeu	Member	Appointed on 11/1/2024

Strategy and Efficiency Enhancement Committee

No.	Directors Name	Total Meetings	Attended	Absent	Remarks
4	Joyce Mutegi	5	3	2	Appointed on 18/8/2023
5	Rebecca Osogo	5	4	1	Appointed on 18/8/2023
6	Samuel Mkonu	5	4	1	Appointed on 18/8/2023
7	Benson Ronoh	5	3	2	Appointed on 18/8/2023
8	Orumoi Jonah Tajeu	5	1	4	Appointed on 11/1/2024

Note: There was no member who missed any sitting but there was change in Committee membership

8. Management Discussion and Analysis

Operational and financial performance

The Authority realized a total of Ksh 583 million in revenues for the financial year ended 30 June 2025. This includes Ksh 525.88 million, which the Cabinet Secretary, approved for the Authority to utilize from the Trust Fund Income. Other revenues are Ksh 3.8 million reimbursement of audit fees utilized on compliance audits and Ksh 53.85 million income realized from call account deposits.

Budget utilization stood at 74 % of budgeted funds as at year end. The area of significant low absorption was staff emoluments due to the delay in finalizing of approvals for recruitment of additional staff, including delays in approval to recruit staff to fill existing vacancies. We are however optimistic that this will be addressed in the new financial year, following liaison with all relevant government agencies. In addition, enforcement costs under core mandate were not fully utilized as the same was undergoing procurement process at the year end.

Key projects and investment decisions the Authority is planning/implementing.

The year began with an outreach program with the Authority conducting five reunification clinics across the country. The program, dubbed 'reunification clinic,' was hosted in Kisumu, Mombasa, Meru, Kisii and Nairobi Counties. National Government Administration Officers were sensitized in the counties to build their capacity to facilitate reunification for members of the public. Public awareness campaign through traditional and social media were also conducted. The Authority also provided a dedicated customer service desk and enhanced the automation of the reunification processing using Unclaimed Financial Assets Management system (UFAMS). Consequently, 6,056 rightful owners were reunited with their unclaimed financial assets.

The Authority implemented Investment module in Unclaimed Financial System and the same integrated with Trust fund reporting module. This has hasten approvals and tracking of maturities of securities of T-Bills and Bonds. In addition, Staff house mortgage and car loan scheme module too was implemented, and functionalities being tested for roll-out in Q1 FY 2024-2025

On compliance, we undertook three compliance audits in water and Sacco sectors using internal resources spearheaded by compliance department and we hope to enhance this by capacitating the department to cover many sectors. Additionally, fifteen outsourced audits we launched and the report were on various stages of completion at the year end.

Major Risks facing the Organization.

Staff capacity continues to be an issue that portends significant risk to the entity. This is since it impacts not only efficiency in operations but also segregation of duties. To address the challenge, outsourcing of services and automation are used as key strategic components of the organization. These however present additional risks in information security and the need for resources to manage the outsourced service providers.

Compliance with statutory requirements

The Authority carries out its operations in adherence to the Public Finance Management Act and Regulations, Public Procurement and Assets Disposal Act and regulations in financial management and labour and employment laws. In addition, adherence to the unclaimed Financial Assets Act is given key priority in all operations, including other relevant circulars and guidelines from government.

Material arrears in statutory/financial obligations

There were no material arrears in financial obligations. Given the Authority operates on an accrual basis, all the accrued amounts are provided for in the budget. The obligations will be settled as and when activities relating to them are finalized.

Financial Probity/Governance Issues

No financial probity issues were noted during the year under review.

9. Corporate Social Responsibility/Sustainability Reporting

Sustainability Strategy and Profile

Sustainability Strategy and Profile

The Authority continued to invest in a Corporate Social Responsibility (CSR) program on empowerment for social economic development and resilient livelihoods dubbed 'Wezesha mjane'. The program is dedicated to benefit widows and orphans. The program also provides scholarships for needy and bright students alongside the livelihood project. Nine students in various secondary schools are onboarded under this program.

The program is in its third year of implementation, benefiting the following widow's groups:

- a. ALGAA Widows' Organic Farm Project in Soin/Sigowet Sub-County, Kericho County
- b. Kahangi Widowhood Initiative – CBO's Dairy cow project in Magumu & Karati Ward, Kinangop Sub-County, Nyandarua County

Additionally, the Authority in collaboration with the Kenya Forest Service undertook a three-year tree growing project to rehabilitate a 2-ha section of the degraded Ngong road forest. This will be added to the initial 2-ha that were put under tree cover in 2020 by UFAA at an adjacent section. The UFAA and KFS partnership is geared towards supporting national efforts to achieve and maintain at least 30% of national tree cover.

To deepen reunification, the Authority adopted reunification clinic strategy modeled long 'UFAA on the wheel' at every County thereby providing an avenue for owners/ beneficiaries to search and file claims on unclaimed financial assets at the most cost-effective and accessible touchpoint for the citizens.

To actualize the reunification clinics, stakeholders were identified and mobilized through public awareness campaigns, meetings, and forums. In the year under review, we conducted reunification clinics in Kisumu, Mombasa, Meru, Kisii and Nairobi Counties. National Government Administration Officers were sensitized in each visited county to build their capacity to facilitate reunification for members of the public

Environmental Performance

UFAA has a workplace occupational Health and Safety Policy (OSH). This is the policy that guides most aspects relating to the workplace environment. In the just concluded Financial year UFAA made the following milestones some of which were as recommended in the OSHA Audit that were previously raised by the Directorate of Occupational Health and Safety in the workplace notably; improving Office ventilation; training some of the staff First AID and installation of additional First AID in all strategic points in the authority in the just concluded; training staff on fire-fighting; fitting the building premises with fire-fighting equipment including identifying a fire assembly point; enhancing office ergonomics including provision of suitable furniture to cater for staff in its bid to improve the work environment.

Going forward, the Authority aspires to mobilize resources to kickstart the process of acquiring own premises that will have provisions for all the requirements of an environmentally friendly working environment in the long term.

Employee Welfare

Employee welfare is an area of significant interest in the Authority' operations. To this end, various policies and schemes that are geared towards welfare, gender and disability mainstreaming have been put in place. These include car and housing benefit, medical and group life insurance, pension scheme among others. In addition, the Authority has developed career guidelines as well as initiating a reward and sanctions policy to give staff career direction and to reward good performance.

Staff are continuously trained to update their skills. Staff policies and schemes are continually reviewed to ensure they address emerging needs of staff. Also, the Authority has continuously adhered to Government guidelines aimed at mitigating the risks associated with workplace illness contracted by staff. These measures include medical cover for mental health treatment, counselling services, annual medical check-ups and approved vaccinations for the staff and family members, and fumigation of office premises.

Marketplace practices-

a) Responsible competition practice

The Authority promotes use of open tender as the preferred method of procurement to enhance competition and openness in matters procurement. Also, in line with government guidelines, the Authority ensures that the youth, women, and persons with disability are allocated 30% of all the Authority's procurement opportunities, including ensuring that 40% of all procurement opportunities are allocated to company's owned by Kenyans, through the "Buy Kenya Build Kenya" initiative.

In its procurement processes, the Authority adheres to the Public Procurement and Assets Disposal laws. This is meant to not only ensure fairness, but also promote openness in management of procurement processes.

b) Responsible Supply chain and supplier relations

The Authority annually appraises vendors, and any contract extensions are based on performance. Suppliers are also periodically sensitized on new laws and regulations as well as best procurement practices on an annual basis. Finally, payments to suppliers are made within payment timelines specified in contracts or purchase and service orders.

c) Responsible marketing and advertisement

Customer Relationship Management

The Authority has maintained a call management system to ensure efficiency in managing customer inquiries. Other customer touchpoints namely USSD *361#, website, Huduma Centre service desks, and a queuing system deployed at office premises service desks were maintained. The development of WhatsApp API was initiated to increase the customer service profile. Customer feedback has been collected and analysed to inform business process improvements for customer service excellence.

To manage public complaints and requests for information, the Authority submitted quarterly reports to the Commission on the Administrative of Justice (Office of the Ombudsman) in compliance with the statutes and good governance.

Corruption Prevention

To address corruption, a corruption Prevention Committee (CPC) has been put in place and two (2) integrity Officers trained by the Ethics and Anti-Corruption commission (EACC).

Media Engagement

The Authority rolled has conducted several media campaigns. A holders' campaign was carried out during the year to sensitize holders on the compliance requirements. Several campaigns were also carried out during the year to drive reunification objectives especially alongside reunification clinics. Both legacy and social media were harnessed during the campaigns.

The Authority engaged the media to provide thought leadership and update members of the press on matters of unclaimed financial assets regime. The Authority also engaged in media appearances on National TV, radio and Newspapers to sensitize the public about their unclaimed financial assets. Reunification clinics were also held in counties and a diaspora conference was held to sensitize Kenyans living abroad as part of reunification initiatives.

d) Product stewardship

The Authority participated in the publication of the Kenya@60 handbook profiling her compliance and reunification mandates. Highlights of the milestones realized during the strategic plan 2018-2023 implementation cycle were also published in the local dailies. Similarly, highlights of the projected achievements proposed in the strategic plan 2023-2028 were published in the dailies and social media pages as part of brand visibility initiatives during the year.

10. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended which show the state of the Authority's affairs.

i. Principal activities

The principal activities of the entity are to receive, safeguard and re-unite unclaimed assets with the rightful owners or beneficiaries.

In addition, the Authority also has a responsibility to advise the Cabinet Secretary National Treasury on the national policy to be followed with regard to unclaimed assets and to implement all government policies relating to it.

ii. Results

The results of the entity for the year ended June 30, 2025 are set out on page 1 to 5.

iii. Directors

The members of the Board of Directors who served during the year are shown on page v to viii.

iv. Dividends/Surplus remission

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. Budget performance and absorption indicates a balance of Kshs 230.43 million. The entity is in discussions with the National Treasury with a view to utilizing the funds in other areas that will enhance sustainability in operations.

v. Auditors

The Auditor General is responsible for the statutory audit of Unclaimed Financial Assets Authority for the year ended June 30, 2025

By Order of the Board



David Kamau
Corporation Secretary/Head of Legal Services

Nairobi

Date. 3/10/2025

11. Statement of Directors' Responsibilities

Section 81 of the Public Finance Management Act, Revised 2015, Section 14 of the State Corporations Act, and Section 46 of the Unclaimed Financial Assets Act, 2011, require the Directors to prepare financial statements in respect of the Unclaimed Financial Assets Authority (the "Authority"), which give a true and fair view of the financial position of the Authority at the end of the financial year and its financial performance for the year then ended in accordance with International Public Sector Accounting Standards.

The Directors are responsible for ensuring that the Authority keeps proper accounting records that are sufficient to show and explain the transactions of the Authority; disclose with reasonable accuracy at any time the financial position of the Authority; and that enables them to prepare financial statements of the Authority that comply with prescribed financial reporting standards and in the manner required by Section 46 of the Unclaimed Financial Assets Act, Section 81 of the Public Finance Management Act, Revised 2015 and Section 14 of the State Corporations Act. They are also responsible for safeguarding the assets of the Authority and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors accept responsibility for the presentation and preparation of financial statements of the Authority in accordance with International Public Sector Accounting Standards and in the manner required by Section 46 of the Unclaimed Financial Assets Act, Section 81 of the Public Finance Management Act, Revised 2015 and Section 14 of the State Corporations Act. They also accept responsibility for:

- i. Designing, implementing, and maintaining internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.
- ii. Selecting suitable accounting policies and then apply them consistently; and
- iii. Making judgements and accounting estimates that are reasonable in the circumstances.

Having assessed the Authority's ability to continue as a going concern, the Directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Authority's ability to continue as a going concern.

The Directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibility.

Approval of the financial statements

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


CPA Laban Molonko
Chief Executive Office & Managing Trustee


Hon. Dr CPA Francis Kigo Njenga
Chairman

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REPORT OF THE AUDITOR-GENERAL ON UNCLAIMED FINANCIAL ASSETS AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on the Financial Statements should be read together with the Report on Lawfulness and Effectiveness in 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

Opinion

I have audited the accompanying financial statements of Unclaimed Financial Assets Authority set out on pages 1 to 28, 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, the financial statements present fairly, in all material respects, the financial position of Unclaimed Financial Assets Authority as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Unclaimed Financial Assets Act, 2011 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects actual income of Kshs.586,660,000 against income budget Kshs.583,889,000 resulting in over-collection of Kshs.2,771,000. Similarly, the statement reflects actual expenditure of Kshs.439,040,000 against approved expenditure budget of Kshs.583,888,000 resulting in under-performance of Kshs.144,848,000 or 25% of the budget.

The under expenditure implied that some planned activities were not implemented which impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

Management is responsible for the Other Information set out on page iii to xxxii, which comprise of Key Entity Information and Management, Board of Directors, Management Team, Chairman's Statement, Report of the Chief Executive Officer, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Corporate Social Responsibility/Sustainability Reporting, Report of the Directors and Statement of Directors' Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Non-compliance with Two-thirds Gender Rule

Review of staff data revealed that during the year under review, the Authority had a staff establishment of twenty-eight (28) officers, out of which, twenty (20) or 71% were of the male gender while the balance of eight (8) or 29% were of the female gender, contrary to the requirements of Article 27(6) and (8) of the Constitution which mandates the State to take steps to ensure that not more than two-thirds of elective and appointive positions are of the same gender.

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

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

REPORT ON 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 the Board of Directors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 December, 2025

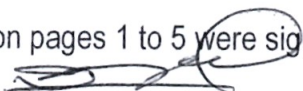
13. Statement of Financial Performance for the Year Ended June 30, 2025

	Note	2024-2025 Shs '000	2023-2024 Shs '000
REVENUE			
Revenue from Non-Exchange Transactions			
Government Grant – Recurrent	6	0	0
Government Grants - Capital Funding		0	0
UFAA-Trust Fund Income	7	525,889	761,398
Revenue from Exchange Transactions			
Finance Income	8	53,857	31,008
Other Income	9	6,914	1,261
Revaluation Surplus	17c	15,196	0
TOTAL REVENUE		601,856	793,667
EXPENSES			
Operating Expenses			
Staff Costs	10	132,039	141,087
Board Expenses	11	22,889	26,527
Administrative Expenses	12	273,891	351,710
Depreciation and amortization	17(a) (b)	60,900	48,256
Total Operating Expenses		489,719	567,580
Surplus for the Year Before Taxes		112,137	226,087
Provision for tax	23	(16,157)	(9,303)
Surplus After Taxes		95,980	216,784

The notes set out on pages 6 to 27 form an integral part of these Financial Statements

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


CEO & Managing Trustee
CPA Laban Molonko


Ag. Manager, Finance & Accounting
CPA, Leonard Langat
ICPAK Member Number: 9383


Chairman of the UFAA Board
Hon Dr CPA Francis Kigo Njenga

Date.

3/12/25

Date.

3/12/25

Date.

3/12/25


14. Statement of Financial Position as at June 30, 2025

		2024-2025	2023-2024
		Shs '000	Shs '000
ASSETS			
Current Assets			
Cash and Cash Equivalents	13	543,306	676,694
Receivables and Prepayments	14(b)	977,458	707,551
Inventories	15	1,335	2,269
Total Current Assets		1,522,099	1,386,514
Non-Current Assets			
Motor Vehicles and Equipment	17(a)	74,385	74,237
Intangible Assets	17(b)	32,420	68,053
Work in Progress	14(a)	12,646	0
Staff Houses and car loan scheme	18	249,610	249,610
Total Non-Current Assets		369,061	391,900
Total Assets		1,891,160	1,778,414
LIABILITIES			
Payables, Accruals and Provisions	19	132,116	149,611
Total Liabilities		132,116	149,611
Reserves			
Net Reserves		1,759,044	1,628,803
Total Net Reserves and Liabilities		1,891,160	1,778,414

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


C.E.O./Managing Trustee
CPA Laban Molonko


Ag. Manager Finance & Accounting
CPA, Leonard Lang
ICPAK Member Number: 9383


Chairman of the UFAA Board
Hon Dr CPA Francis Kigo Njenga

Date. 3/19/25

Date. 3/12/25

Date. 3/12/25

15. Statement of Changes in Net Assets for the Year Ended June 30, 2025

	Note	2024-2025	2023-2024
Accumulated Surplus		Shs '000	Shs '000
At Start of the year		1,628,802	1,412,018
Surplus for the year After tax		95,980	216,784
Provisions reversals	16	34,262	0
		0	0
		1,759,044	1,628,802

16. Statement of Cash Flows for the Year Ended June 30, 2025

	Note	2024-2025 Shs '000	2023-2024 Shs '000
Cashflows from operating activities			
Surplus	13	95,980	216,784
Adjustment for non-cash movements:			
Depreciation and amortization	17	60,900	48,256
Revaluation surplus	17c	(15,196)	
Operating surplus before Changes in Working Capital		141,684	265,040
Decrease/Increase in receivables and Prepayments			
	14(b)	(269,907)	254,617
Decrease/Increase in Inventories			
	15	934	(665)
Decrease/Increase in Payables, Accruals and Provisions			
	19	(17,495)	19,155
Payables reversal			
	17(c)	34,262	
Net Changes in Working Capital		(110,522)	538,135
Purchase of Property, Plant and Equipment & Intangible asset			
	17(a)	(10,220)	(77,701)
Decrease/Increase in Work in Progress			
	14	(12,646)	35,022
Non-cash reduction in net assets			
		0	0
Net Cash used in Investing Activities		(22,866)	(42,679)
Decrease in Cash and Cash Equivalents			
		(133,388)	495,468
Cash and Cash Equivalents at Start of Year/Period		676,694	440,985
Cash and Cash Equivalents at End of Year/Period		543,306	676,694

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

C.E.O/Managing Trustee
CPA Laban Molonko

Ag. Manager Finance & Accounting
CPA, Leonard Langat
ICPAK Member Number: 9383

Chairman of the UFAA Board
Hon Dr CPA Francis Kigo Njenga

Date.

3/19/25

Date.

3/19/25

Date.

3/12/25

17. Statement of Comparison of Budget and Actual Amounts for the Year Ended June 30, 2024

Item	Approved Budget	Adjustments	Final Budget	Actual	Performance difference	% Utilization	Remarks
	FY24-25		FY24-25	FY24-25	FY24-25		
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000		
Budget carryovers from the previous year*	676,694	0	676,694	676,694			
Government Grants	0						
Carry forward income	0						
Finance Income	35,500	22500	58,000	53,857	-4,143	93	a
Trust Fund Income	508,588	17300	525,889	525,889	0	0	
Other Incomes	0			6,914	6,914		b
Total Income	544,088	39800	583,889	586,660	2,771		
Expenses							
Compensation of employees	190,398	0	190,398	132,039	58,359	69	c
Goods and services	287,080	27800	314,880	246,605	68,275	70	d
Board Expenses	21,520	3000	24,520	22,889	1,631	93	e
Rent Paid	30,500	0	30,500	27,287	3,213	89	f
Total Expenditure	529,498	30800	560,298	428,820	131,478		
Surplus for the period	0	0	0	157,840			
Capital expenditure	14,590	9000	23,590	10,220	13,370		
TOTAL	544,088	39800	583,888	147,620	147,620	74	

Notes

- Favourable interest rates and availability of more cash not required for immediate use led to more call deposit income though, there were reduction in interest rate in Q4 thus shortfall in projection
- Enhanced enforcement for Audit fee refunds from holders and refunds of lost Laptop.
- Delay in approval of HR instruments and implementation of target staff complement.
- Delay in undertaking of reunification clinics activities

Reconciliation of Budget and Statement of financial performance is given as note 20

18. Notes to the Financial Statements

1. General Information

The Unclaimed Financial Assets Authority (UFAA/ the "Authority") is established by and derives its authority and accountability from the Unclaimed Financial Assets Act No.40 of 2011. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to enforce and generally administer the provisions of the Act, receive all payments required by the Act to be made to the Unclaimed Assets Trust Fund (the "Fund") among others.

2. Statement of Compliance and Basis of Preparation

The Authority'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 Authority and all values are rounded to the nearest thousand (Shs'000). 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 indirect method. The financial statements are prepared on accrual basis.

Changes in accounting policy and disclosures

(i) New and amended standards adopted by the Authority

There were no new standards that have been adopted by the Authority

(ii) New standards and interpretations not yet adopted

The accounting requirements for amalgamations in IPSAS 40 are based on existing information, which enables public sector entities to avoid unnecessary valuation costs, while still meeting users' needs. IPSAS 40 applies from January 1, 2019, with earlier adoption encouraged. This standard has no impact on the entity.

IPSAS 41, Financial Instruments, establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. The effective date of IPSAS 41 is January 1, 2022, with early adoption encouraged.

IPSAS 42 Social Benefits provides guidance on accounting for social benefits expenditure. It defines social benefits as cash transfers paid to specific individuals and/or households to mitigate the effect

of social risk. The standard requires an entity to recognize an expense and a liability for the next social benefit payment. IPSAS 42 establishes principles and requirements for:

- Recognising expenses and liabilities for social benefits;
- Measuring expenses and liabilities for social benefits.
- Presenting information about social benefits in the financial statements; and
- Determining what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the social benefits provided by the reporting entity.

The effective date for IPSAS 42 is for periods beginning on or after January 1, 2022.

These new standards that are not yet effective for the Authority are not expected to have any material impact on the financial statements of the Authority.

There are no other IPSASs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Authority.

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2025

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

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

Standard	Impact
IPSAS 43: Leases	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The standard not yet effective for financial statements as at 30th June 2025</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>The standard not yet effective for financial statements as at 30th June 2025</p>
IPSAS 45: Property Plant and Equipment	<p>Applicable 1st January 2025</p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>The standard not yet effective for financial statements as at 30th June 2025</p>

<p>IPSAS 46: Measurement</p>	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>The standard not yet effective for financial statements as at 30th June 2025</p>
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iii. Early adoption of standards

UFAA did not 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 Authority and can be measured reliably.

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 in each period.

Transfer from Trust Fund

Transfers from the Trust are recognised once approved by the Cabinet Secretary to defray costs associated with the administration of the Authority and performance of its function.

ii) Revenue from exchange transactions

Other income

Other income relates to audit fees recovered from audited holders who had undisclosed unclaimed financial assets. The income is recognised on receipt.

b) Budget information

The original budget for FY 2024-2025 was approved by the National Treasury on 30th June 2025. 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 to conclude the final budget.

The annual budget is prepared on an accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Authority. As a result of the adoption of the accrual basis for budgeting purposes, a reconciliation is required between the statement of comparison of budget and the budget and the financial of financial performance. This has been presented under note 18.

c) Taxes

The Authority being a non-trading Authority is not subject to income tax. However, other taxes accruing from employees/ Directors are recovered through the payroll and remittances filled as appropriate.

As at year-end, the Authority has recognized taxes due from call deposits interest earned for the year.

d) Investment property

None

e) Motor vehicles and equipment

All motor vehicles 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 motor vehicles and equipment are required to be replaced at intervals, the Authority 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 motor vehicles and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on motor vehicles and equipment is recognized in the statement of financial performance on a straight-line basis to write down the cost of each asset to its residual value over its estimated useful life. The annual rates in use are:

Motor vehicles, including motorcycles 4 Years
Computers and related equipment 3 Years
Office equipment and furniture 8 Years
Fittings and fixtures Lease term (6 years)

Leases

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

f) Inventories

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

For finished goods and work in progress, costs incurred in bringing each product to its present location and condition comprise cost of direct materials and labour but exclude 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.

g) Research and development costs

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

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

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

i) Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement, are classified as loans and receivables or held-to-maturity investments as appropriate. The Authority determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

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

b) Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

k) 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.

l) Contingent liabilities

The Authority 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.

m) Contingent assets

The Authority 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 Authority 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.

n) Nature and purpose of reserves

The Authority creates and maintains reserves in terms of specific requirements. The Authority has a reserve which consists of accumulated surplus/deficit realised during the year and in prior years.

o) Changes in accounting policies and estimates

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

p) Employee Benefits

Retirement benefit plans

The Authority provides retirement benefits for its employees. Defined contribution plans are postemployment benefit plans under which the Authority pays fixed contributions into a separate

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.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

r) Subsequent events

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

Financial risk management objectives and policies

a. Risks facing the Authority

The following are the main types of risks that the Authority is exposed to in the course of executing its operations:

Financial risks	Non-financial risks
- Credit risk	-Operational risk
- Market risk	-Human resource risk
- Interest risk	-Legal risk
- Liquidity risk	-Reputation risk
	-ICT Risks

The Authority was not exposed to foreign exchange risk at the statement of financial position date as its transactions are in Kenya Shillings.

(i) Credit risk

Credit risk is the risk of financial loss to the Authority if customers or counterparties to financial instruments fail to meet their contractual obligations, and it arises principally from bank balances and other receivable balances.

Management of the credit risk is through the choice of depository banks. The Authority's choice of depository banks is confined to top local and international banks that meet the set eligibility criteria of financial soundness. Therefore, the Authority does not consider there to be any significant exposure to credit risk.

Unclaimed Financial Assets Authority
Annual Reports and Financial Statements
For the year ended June 30, 2025.

	2025	2024
	Shs '000	Shs '000
KCB Bank KICC branch	32,127	192,529
Bank investments (call)	0	0
NCBA Bank	511,179	484,165
	543,306	676,694
	2025	2024
	Shs '000	Shs '000
Receivables and Prepayments		
Prepayments	5,925	5,190
Rental deposits	4,697	4,697
Water, electricity & telephone deposits	80	80
	10,702	9,967
Receivables		
Staff debtors	0	260
Audit fee-receivables trust fund	494	6,950
Income receivables-trust fund	966,262	690,374
Total Receivables and Prepayments	977,458	707,551
	2025	2024
	Shs '000	Shs '000
Work In progress		
W-I-P other job cost	12,646	0
Total	12,646	0

There were no past due or impaired balances as at 30 June 2025 (2023/24: nil).

(ii) Prepayments

The prepayment relates to medical insurance for staff which was paid during the year but run to the next financial year

(iii) Market risk

Market risk is the risk of changes in market prices, in particular interest rates, affecting the Authority's income.

Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis.

As at 30 June 2025, an increase/decrease of 100 basis points would have resulted in a decrease/increase in surplus of Ksh 78,473 (2023/24: Ksh 216,784).

(iv) Liquidity risk

Liquidity risk is the risk of the Authority not being able to meet its obligations as they fall due. The Authority's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Authority's reputation. It ensures that it has sufficient cash on demand to meet expected operating expenses through the use of cash flow forecasts and maintenance of deposits that are available on call.

b. Fair value of financial instruments

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation.

Cash and short-term deposits and receivable balances approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Authority uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3— Techniques which use inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5. Significant Judgements and Sources of Estimation Uncertainty

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

Estimates and assumptions

Useful lives and residual value

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

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

Provisions

Provisions are raised and management determine an estimate based on the information available. There were no provisions made in the current reporting period.

6. Government Grants

There was no exchequer grants received from National Treasury, Funding of the Budget was through approval of Trust Fund Income and mobilization of appropriation in Aid.

7. UFAA- TRUST FUND INCOME

	2025	2024
	Shs '000	Shs '000
Amounts Approved	525,889	761,398
	525,889	761,398

8. FINANCE INCOME

	2025	2024
	Shs '000	Shs '000
Fixed asset revaluation surplus	0	0
Forex valuation adjustment	0	0
Government subventions	0	0
Interest income from investments	0	0
Interest income from bank deposits	53,856	31,008

Unclaimed Financial Assets Authority
Annual Reports and Financial Statements
For the year ended June 30, 2025.

Receipts from development partners		0	0
Sale of tender documents		0	0
Profit on retirement of fixed assets		0	0
Interest received		0	0
		53,856	31,008

The Authority invests funds that are not required for immediate use in call deposit at KCB Bank and NCBA Bank.

9. Other Income

		2025	2024
		Shs '000	Shs '000
Other revenue		6,914	1,261
		6,914	1,261

Audit fee refunds by holders from compliance audits and refund of lost laptops by Insurance company

10. Staff Costs

		2025	2024
		Shs '000	Shs '000
Salaries and wages		85,244	90,532
Contribution to pension		10,818	8,657
Housing benefits and other allowances		28,195	30,940
Staff defined contribution - gratuity		7,782	10,958
		132,039	141,087

11. Board Expenses

		2025	2024
		Shs '000	Shs '000
Honoraria and Directors allowances		11,025	10,580
Other allowances and expenses		11,864	15,946
		22,889	26,526

12. Administrative Expenses

		2025	2024
		Shs '000	Shs '000
Utilities		4,518	3,782
Printing and information supplies		728	2,993

**Unclaimed Financial Assets Authority
Annual Reports and Financial Statements
For the year ended June 30, 2025.**

Communication supplies		3,075	7,719
Domestic travel and subsistence		8,879	9,127
Foreign travel and subsistence		0	869
Rent		27,287	32,228
Staff capacity building		10,847	14,584
Hospitality		3,727	6,015
Insurance cost		13,742	11,936
Office and general supplies		1,241	1,498
Transport cost		694	1,640
Professional fees& Consultancies		8,904	37,582
Support and Maintenance		38,428	28,293
Professional subscriptions		679	3,063
Stakeholder management		15,242	27,613
Trust fund mgt 9(i)		131,659	156,504
Other expenses		4,240	6,264
		273,890	351,710

i. Trust Fund Management

	2025	2024
	Shs '000	Shs '000
Reunification expenses	68,496	91,401
Compliance expenses	36,536	15,873
Fund administration expenses	24,313	31,171
Enforcement expenses	2,314	18,059
	0	
	131,659	156,504

13. Cash and Cash Equivalents

	2025	2024
	Shs '000	Shs '000
Office petty cash a/c	0	0
Standing imprest	0	0
KCB Bank KICC branch	32,128	192,529
Investments CKB Bank KICC (Call)	0	0
NCBA Bank Westlands Branch	511,179	484,165
	543,306	676,694

14. Work In Progress

	2025	2024	2025
14 (a)	Shs '000		Shs '000
Work In progress			
W-I-P other Costs	12,646		
	12,646		0

	2025	2024
14 (b) Receivables and repayments	Shs '000	Shs '000
Prepayments	5,925	5,190
Rental deposits	4,697	4,697
Water, electricity & telephone deposits	80	80
	10,702	9,967
Receivables		
Staff debtors	0	260
Audit fee-receivables trust fund	494	6,950
Receivables from suppliers	0	0
Income receivables-trust fund	966,262	690,374
Interest receivable from bank	0	0
	966,756	697,584
	0	
Total Receivables and prepayments	977,458	707,551

(a) Ageing Analysis

	2025	% of the Total	2024	% of the Total
Under one year	525,889	54	695,676	98.8
1-2 years	440,867	45	7,098	0.67
2-3 years	5,925	0.6		
Over 3 years	4,777	0.5	4,777	0.53
	977,458	100	707551	100

15. Inventories

	2025	2024
	Shs '000	Shs '000
General office stationery	1,335	2,269
	1,335	2,269

16. Payables /Provisions Reversals

		2025	2024
		Shs '000	Shs '000
Provisions		34,262	6,848
		34,262	6,848

Following review of vendor balances, we noted the vendor balances for Ksh 10 million were long outstanding and no further obligation, similarly there were accumulated over provisions of expenses for Khs 24.18 million arising from previous years thus necessitating Journal entry reversals of the same to clear .

17(a) Motor Vehicle and Equipment

Year ended 1st July 2023	Motor vehicles	Computers and Printers	Fixtures and fittings	Furniture	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Cost					
At start of year	26,830	50,621	86,154	23,695	177,534
Additions	15,700	37,118	14,104	3,322	9,765
					1
At end of year	42,530	87,739	100,258	27,017	187,300
Accumulated depreciation					
At start of year	26,830	39,225	85,801	17,073	162,053
Charge for the year	981	11,626	353	1,418	13,710
Overstatement/Understatement					-6,834
At end of year	27,811	50,851	86,154	18,491	168,929
Net Book Value at end of year	14,719	36,888	14,104	8,526	74,237
Year ended 30 June 2024	Motor vehicles	Computers and printers	Fixtures and fittings	Furniture	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Cost					
At start of year	42,530	87,739	100,258	27,017	257,542
Additions		10,220	0	0	10,220
Revaluation	15,196				15,196

Unclaimed Financial Assets Authority
 Annual Reports and Financial Statements
 For the year ended June 30, 2025.

At end of year	57,726	97,960	100,258	27,017	282,958
Accumulated depreciation					
At start of year	27,811	50,851	86,154	18,491	183,307
Charge for the year	3,925	17,283	2,350	1,708	25,266
At end of year	31,736	68,134	88,504	20,199	208,573
Net Book Value at end of year 2025	25,989	29,826	11,754	6,818	74,385

17. (b) Intangible Assets

Description	2025	2024
	Shs '000	Shs '000
Cost		
At the start of the year	113,066	105,608
Additions	0	7,458
At the end of the year	113,066	113,066
Additions-Internal development	0	0
At the end of the year	113,066	113,066
Amortization brought forward	(45,013))	(11,135)
Amortization for the Year	(35,633)	(33,879)
At the end of the year	(80,646)	(45,013)
Impairment loss	0	0
At the end of the year	0	
Net Book Value	32,420	68,053

17(c) Revaluation Surplus

No	Details	NBV 30-6-2025 Ksh 000	VALUATION Ksh 000	REVALUATION SURPLUS Ksh 000
1	KCA 547 VOLKSWAGEN PASSAT	0	1,566	1,566
2	KBZ 017 TOYOTA HIACE	0	3,111	3,111
	KCA 607F TOYOTA COROLLA	0	2,913	2,913
4	GK283V PRADO	0	4,400	4,400
5	KDK 725K PRADO	10,794	14,000	3,206
		10,794	25,990	15,196

Revaluation was done for all motor vehicles as per IPSAS 17 revised IPSAS 45

18. Staff Houses and Car Loan Scheme

The Authority operates a Car and House Loan Scheme at Housing Finance Company (HFC) Limited in line with the Mortgage and House scheme policies approved by the Board of Directors and National Treasury.

This amount relates to the deposit paid by the Authority to HFC Limited.

	2025	2024
	Shs '000	Shs '000
Deposit with HF	249,610	249,610
	249,610	249,610

A separate set of financial statements is prepared for the scheme.

19. Payables Accruals And Provisions

	2025	2024
	Shs '000	Shs '000
Payables and accruals	132,116	149,611
Provisions	0	0
	132,116	149,611

19(a) Ageing Analysis

	2025	% of the Total	2024	% of the Total
Under one year	52,199	40	144,888	
1-2 years	34,352	26	4,723	
2-3 years	28,512	21		
Over 3 years	17,053	13		
	132,116	100	149,611	

20. Related Party Transactions

In the course of its operations, the Authority enters into transactions with related parties, which include the Government of Kenya through the National Treasury (the parent ministry of the Authority). The grant provided by the Government of Kenya to fund the operations of the Authority is disclosed in the Statement of financial performance.

Key management personnel

The key management personnel, as defined by IPSAS 20 Related Party Disclosures, are the members of the Authority, who together constitute the governing body of the Authority.

Key management personnel costs contd.

	2025	2024
	Shs '000	Shs '000
Salaries and allowance	30,014	50,170
National Social Security Fund	122	183
Staff defined contribution	7,782	10,958
	37,918	61,311

Board expenses are disclosed in Note 11.

Unclaimed Assets Trust Fund (UATF)

The Authority and its Chief Executive Officer act as Trustee and Managing Trustee, respectively, of the Unclaimed Assets Trust Fund (the "Fund") which was effectively created with the gazettment of the Unclaimed Financial Assets Act, No. 40 of 2011. Expenses of the Fund are borne by the Authority.

Separate financial statements have been prepared for the Fund.

21. Commitments

Operating lease commitments

The Authority leases its premise under an operating lease. The lease term is for 5 years. The future lease payments due to the rental premise is as follows:

	2025	2024
	Shs '000	Shs '000
Falling due within one year	26,372	26,372
Falling due between one and five years	0	39,558
	26,372	65,930

Capital commitments.

	2025	2024
	Shs '000	0
Office premise	0	0
	0	0

22. Reconciliation of the Budget Analysis and the Statement of Financial Performance

	Year Ended 30 June 2025
	Shs ' 000
Reconciliation of budget analysis and Statement of financial performance	
Surplus before tax as per Statement of financial performance	95,980
Less	
Capital expenditure	(10,220)
Add	
Depreciation and amortization	60,900
Carry forward funds	0
Surplus as per Budget Analysis	146,660

23. Taxation

Tax is computed from the total Kshs 53,857,000 Received from call deposits interest is Ksh 9,302,700. This amount has been provided for in the financial statements.

	2025	2024
	Shs '000	Shs '000
Provision for Tax	16,157	9,303

24. Employees

The number of employees at the end of the year was 29 (2024:31)

25. Incorporation

The Authority is created under the Unclaimed Financial Assets Act No. 40 of 2011 (the 'Act').

26. Ultimate And Holding Entity

The entity is a State Corporation under the National Treasury. Its ultimate parent is the Government.

27. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs 000

Appendix I: Progress on follow up of Auditor Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We nominate responsible Heads of Department to resolve the various issues identified in audits.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	<i>Inaccuracies in property & Equipment Balance- assets with nil balances and no revaluation of assets</i>	Revaluation of assets will be undertaken by Ministry of Public works and records updated accordingly	CEO/MT	The exercise was completed, and records updated	June 2025
2.	<i>Unsupported Payables and accruals</i>	Reconciliation of all vendor balances and provisions undertaken	Ag Manager Finance & Accounting	Complete	June 2025

Molonko.

CEO & Managing Trustee
CPA Laban Molonko

Date. *3/19/25*



Chairman of the Board
Hon. CPA Dr Francis Kigo Njenga

Date. *3/19/25*

Appendix II: Projects Implemented

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements. (Yes/No)
None	None					

Status of Projects' Completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual + Commitments	Sources of funds
None	None	None	None	None	None	None