

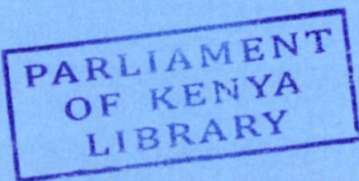
REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**




**OF**

**THE AUDITOR-GENERAL**

**ON**

**GOVERNMENT PRESS FUND**

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

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>DATE:</b> 10 MAR 2026	<b>DAY:</b> TUESDAY
<b>TABLED BY:</b>	HON. DWEN BAYA, MP
<b>CLERK-AT THE-TABLE:</b>	CHRISTINE NDIRITU



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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF THE CHIEF OF STAFF AND HEAD OF PUBLIC  
SERVICE

**GOVERNMENT PRESS FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE, 2025**

---

**GOVERNMENT PRESS FUND**

**Annual Report and Financial Statements For the year ended June 30<sup>th</sup> June, 2025**  
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**1. Key Entity Information and Management****(a) Background information**

The Government Press was established in 1895 in Mombasa by then Colonial Government to provide essential printed materials, official rubber stamps and other necessary materials for the running of Government. Government Press moved to Nairobi in 1905 under the name of Kenya - Uganda Press as the colonial Kenya-Uganda railway line was getting to Nairobi. Later, the name of the institution was changed again to its present name—Government Press. In 1988 the Government Press Fund was established under the Exchequer and Audit (Government Press Fund) Regulations, 1988.

**(b) Principal Activities**

The principal activity of the Fund is to purchase consumables for publishing, printing and dissemination of literary, accountable and educational materials to facilitate running of Government (both National and County).

The Mission of the Government Press is to provide printing services to the Kenya Government (both at National and County levels) promptly and at the most economical costs, ensure adequate security and supply of all documents needed for the running of Ministries, Departments and State Corporations. These documents include (but not limited to); accountable documents for revenue collection, legal documents as well as secret and confidential documents.

**(c) Key Management**

The *Government press fund's* day-to-day management is under the following officers:

- Government Printer (Administrator)
- Senior management (Heads of sections)

**(d) Fiduciary Management**

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

<i>No.</i>	<i>Designation</i>	<i>Name</i>
1.	Government Printer	<b>ABDI HASSAN ALI, MBS</b>
2.	Senior Deputy Government Printer	<b>GEOFFREY RUNOH</b>
3.	Head of Accounts	<b>CHRISPINUS IBALAI</b>
4.	Head of Procurement	<b>MBURUGU MUIUNGI</b>

**(e) Fiduciary Oversight Arrangements**

- Ministerial Audit Committee
- Internal Audit Unit

**(f) Entity Headquarters**

Government Press Haile Selassie  
Avenue P. O. Box 30128–00100  
Nairobi, Kenya

**(g) Entity Contacts**

Telephone :( 254)–020–2226596/7/8  
E-mail: [printer@governmentpress.go.ke](mailto:printer@governmentpress.go.ke)  
Website: [www.governmentpress.go.ke](http://www.governmentpress.go.ke)

**(h) Entity Bankers**

National Bank of Kenya  
Harambee Avenue  
P. O. Box 72866–00200, Nairobi, Kenya

**(i) Independent Auditors**

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

**(j) Principal Legal Adviser**

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

**2. Management Team**

**1. Mr. Abdi Hassan Ali, M.B.S.**  
*Government Printer/ CEO*



Mr Abdi Hassan Ali MBS, holds a Bachelor of Arts Degree in Sociology and Conflict Resolutions and a Masters of Business Administration (MBA) in Strategic Management both from the University of Nairobi. He had previously pursued a Diploma and Higher National Diploma in Printing Technology at the Technical University of Kenya (TUK). He has also been trained in various professional, Leadership and Governance programmes both locally and internationally among them: Strategic Leadership Development Programme (KSG), Senior Management course (Kenya School of Government), e-Governance Application Development, CDAC, Noida in India. He was appointed as the

Government Printer heading the Government Press Department in the Public Service. With over 31 years in Civil Service-, Abdi Hassan Ali has gained key experiences through serving in diverse Strategic Leadership and senior management roles establishing networks and linkages with relevant stakeholders globally, coordinating research in new and current digital production technology, supporting paperless technology and institutional reforms in the Public Service.

Mr Abdi is currently a member of the Presidential Taskforce on Modernisation of Government Press Department and a Council member of National Council of Law Reporting.

**2. MR. GEOFFREY RUNOH**  
***SENIOR DEPUTY GOVERNMENT PRINTER***



Mr. Geoffrey Runoh has over 20 years working experience in the Printing and Publishing Industry. He is an accomplished Manager having worked at the helm of various organizations namely; Kenya National Examination Council (KNEC), as a Senior Examination Secretary and headed the Print and Publications function at the Kenya Institute of Curriculum Development (KICD) in the capacity of Senior Assistant Director for a period of 6 years. He has a Master of Business Administration (MBA) degree specializing in Strategic Management and a Bachelor of Commerce (BCom) degree specializing in Management Science, both from the University of Nairobi.

Additionally, he has undertaken a Master of Science (Msc) degree specializing in Publishing Studies at Moi University and a Bachelor of Philosophy (BPhil) degree in Printing Technology from the Technical University of Kenya. He had previously pursued a Diploma and Higher National Diploma from the same institution.

Mr. Runoh has further attended specialized training in Security Print Production both locally and abroad. He has extensively researched on improvement of productivity in large printing and publishing firms.

**3. REPORT OF THE GOVERNMENT PRINTER**

Provision of quality printing services to the Kenya Government promptly and at the most economical costs and ensure adequate security and supply of all documents needed for the running of Ministries, Departments, Agencies, Private Sector and the General Public.

We constantly endeavor to improve capacity, ability and efficiency at the Government Press for effective and professional delivery of services.

My commitment as the Government Printer is to ensure that public services delivered by the Department are in accordance with the requirements of our Constitution and all applicable laws.

Another key responsibility I have as the Government Printer is work towards modernization of the Department and its equipment through introduction of modern technologies and innovative service delivery systems to improve speed, quality and quantity of service delivery.

Lastly but not least, as the Team Leader, I have the obligation to ensure that officers in the Department demonstrate professionalism, transparency and accountability in performing their duties and that they show courtesy, integrity and neutrality in provision of services at all times and too all our clients and stakeholders.

Name Abdi Hassan Sign [Signature]

Date 4/12/2025

**4. STATEMENT OF GOVERNMENT PRESS FUND PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2024/2025**

Government Press Fund has 3 strategic objectives within the draft Strategic Plan for the FY2025/2026- FY2029/2030. These strategic issues are as follows:

Issues 1: To improve security and supply of printed official Government documents required for the smooth running of the Government through modernization and commercialization.

Issues 2: To promote efficient and economical quality printing services to the Government of Kenya through continuous improvement of automated production operations.

Issue 3: To attract and retain competent and highly motivated staff

**Government Press Fund develops its annual work plans based on the above 3 Issues. Assessment of the management’s performance against its annual work plan is done on a quarterly basis. The Government Press Fund achieved its performance targets set for the FY 2024/2025 period for its 3 strategic pillars, as indicated in the diagram below:**

Strategic Issues	Objective	Key Performance Indicators	Activities	Achievements
Issue 1:	To improve security and supply of printed official Government documents	-More work produced. - secure/safety printed documents	Increase production capacity -Safety of Government documents	- Production capacity from 41m to 42m - Reduction of through puttime by 20%
Issue 2:	To promote efficient and economical quality printing services	Less wastage of resources and time.	-Improve throughput time - improve machine maintenance to reduce machine downtime	-Efficient service delivery.
Issue 3:	To attract and retain competent and highly motivated staff	Motivated staff	Competency development	- Implement recommendations of institutional skills gap analysis.
				- Carry out training impactassessment survey
				- Identify skills gaps andtraining needs through recruitment, capacity building, coaching and mentoring.
				-Performance appraisal

## **5. CORPORATE GOVERNANCE STATEMENT**

Government Press does not have a Board of Directors but derive its mandate as stipulated in The Exchequer and Audit (Government Press Fund) Regulations 1988 and Public Finance Management Act, 2012 on establishment and management of Public Funds.

## **6. MANAGEMENT DISCUSSION AND ANALYSIS**

The Government Press Fund was established under the Exchequer and Audit Act, 1988 to undertake production of various printing and publishing works and issue free of charge accountables and other materials in aid of revenue collection and in predetermined quantities to MDAs. In the recent past, more so since the promulgation of the new Constitution in 2010 which came with the creation of additional tiers of Government (National and County) as well as more Legislative bodies (National Assembly and Senate)— the non- chargeable jobs have increased immensely without a commensurate increment in revenue allocation from National Treasury thereby constraining GP's finances. The Department's performance has also been affected by the migration of a significant number of Government services to online platforms thereby denying Government Press revenue.

## **7. ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

Government press Fund exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organization's policies and activities that promote sustainability.

### **i) Sustainability strategy and profile**

The overall objective is 'to make the Government Press fund the preferred Printing Press of choice in Kenya and beyond offering quality, timely and cost effective printing services'

In giving effect to this objective, the Government Printer will make the press work better by linking it up with the private sector among other stakeholders; prioritize modernization of operations and pursuing the role of regulating the Printing industry. In addition, the Government Printer will initiate the culture of good corporate governance and team work.

Request customers, especially Government to plan and place orders on time to avoid interrupting scheduled work with urgent work.

Introduce a customer care desk and improve communication systems which will create a feedback mechanism, for example, a customer suggestion box and establish a complaint box and desk for external and internal customers

### **ii) Environmental performance**

Safe work Environment for Government Press employees and its surroundings as a result there is reduced incidents of cases associated with occupational hazards.

The Department is in the process of drafting its own Environmental Policy which is aligned to the National Environmental Policy and provisions of the Factories and other Places of Work Act.

**iii) Employee welfare**

Government Press is a Department in the Executive Office of the President. It is committed in staff training and development. During the year under review the department trained various members of staff on job skills, promotional and managerial courses. 257 officers attended change management course, 62 officers attended senior management course, 50 attended supervisory skills development and many others self-sponsored themselves for courses to build their careers.

It provides industrial placement for students from local colleges and universities. The department had a total of 26 attaches who went through our various sections namely Accounts, Human Resource, Engineering, ICT and procurement. In addition; it's a Centre of excellence for printing and publishing industry hence used for benchmarking.

**iv) Market place practices-**

The following efforts have been put in place:

**a) Responsible competition practice.**

Government Press Fund as The Exchequer and Audit (Government Press Fund) Regulations, 1988 states that the purpose and objective of the Fund is to procure supplies of raw materials for undertaking production of various printing and publishing works. We ensure responsible competition practices with issues like anti-corruption committees, responsible political involvement, fair competition and respect for competitors.

**b) Responsible Supply chain and supplier relations**

Government press fund maintains good business practices by adhering to procurement regulations as stipulated in The Public Procurement and Disposal Act, 2015. We treat our suppliers responsibly by honoring contracts and payments done promptly.

**c) Responsible marketing and advertisement**

Our services are mostly to MDAs which do not require marketing and advertising.

**v) Corporate Social Responsibility / Community Engagements**

Government press fund has no budget for CSR activities but employees organize themselves and do charities work. During the year under review there was no activity which took place.

**8. REPORT OF THE MANAGEMENT**

The report together with the Audited Financial Statements for the year ended 30th June, 2024 which show the state of the Government Press Funds' affairs.

**i) Principal activities**

The principal activities of the Government Press are to publish, print and disseminate literary, accountable and educational materials.

**ii) Results**

The results of the entity for the year ended 30th June, 2025 are set out on page 1 of this report.

**iii) Surplus remission**

In accordance with section 219 (2) of the Public Finance Management Act Regulations, regulatory entities shall remit into Consolidated Fund, 90% of its surplus funds reported in the audited financial statements after the end of each financial year.

The Government Press Fund does not fall into this category but it's a public fund under the Executive Office of the President, The Audit and Exchequer (Government Press Fund) 1988 states that the surplus shall be retained for the purpose for which the Fund was established.

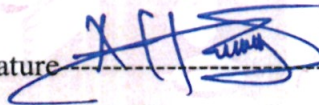
**iv) Auditors**

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

By Order of the Accounting Officer

Name: ABDI HASSAN ALI, MBS

Signature



Date

4/12/2025

Government Printer

**9. STATEMENT OF GOVERNMENT PRESS FUNDS' MANAGEMENT RESPONSIBILITIES**

Section 84 of the Public Finance Management Act, 2012 and the Exchequer and Audit (Government Press Fund) Regulations, 1988 requires the Accounting Officer to prepare financial statements in respect of Government Press Fund, which give a true and fair view of the state of affairs of the Government Press Fund, at the end of the financial year and the operating results of the Government Press Fund, for that year. The Accounting Officer is also required to ensure that the Government Press Fund keeps proper accounting records which disclose with reasonable accuracy the financial position of the Government Press Fund. The Accounting Officer is also responsible for safeguarding the assets of the Government Press Fund.

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

The Accounting officer accept responsibility for the Government Press Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act, 2012. The management are of the opinion that the Government Press Fund's financial statements give a true and fair view of the state of Government Press Fund's transactions during the financial year ended 30<sup>th</sup> June, 2025, and of the Government Press Fund's financial position as at that date. The Management further confirms the completeness of the accounting records maintained for the Government Press Fund, which have been relied upon in the preparation of the Government Press Fund's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Accounting Officer to indicate that the Government Press Fund will not remain a going concern from the date of this statement.

**APPROVAL OF THE FINANCIAL STATEMENTS**

The Government Press Fund's financial statements were approved by the Government Printer and signed on its behalf by:

  
Signature.....  
Name: **ABDI HASSAN ALI, MBS**  
Government Printer

  
Signature.....  
Name: **ARTHUR A. OSIYA, EBS**  
Accounting Officer

# REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

## **REPORT OF THE AUDITOR-GENERAL ON GOVERNMENT PRESS FUND FOR THE YEAR ENDED 30 JUNE, 2025**

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### **PREAMBLE**

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

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Government Press Fund set out on pages 1 to 24 which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net

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*Report of the Auditor-General on Government Press Fund for the year ended 30 June, 2025*

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Government Press Fund 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 Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Long Outstanding Receivables from Exchange Transactions**

The statement of financial position reflects receivables from exchange transactions balance of Kshs.406,575,834 as disclosed in Note 10 to the financial statements. Review of the receivables supporting schedule revealed that a balance of Kshs.363,639,954 has been outstanding for more than three (3) years. Further, there was no policy on the impairment of long outstanding debts casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy, valuation and recoverability of the outstanding receivables balance of Kshs.363,639,954 could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Information**

The Management is responsible for the Other Information set out on page v to xiv which comprise of Key Entity Information and Management, Management Team, Report of the Government Printer, Statement of Government Press Fund Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Management,

and Statement of Government Press Fund' Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Government Press Fund financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, 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 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**

#### **Use of Outdated Price Catalogue**

Review of the Government Press Fund price catalogue revealed that the Government Press has been using the same price list for more than fifteen (15) years for sale of publications at the Government Press Bookshop. Although a review of the prices was carried out as per a report dated 28 March, 2024, the Government Press Bookshop continues to use the outdated catalogue price list yet the cost of raw materials for production and maintenance costs of machines and equipment have increased over the years. The Fund may therefore not meet its cost of production due to increased cost of consumables.

In the circumstances, value for money from production made during the year could not be confirmed.

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

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

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Use of Outdated Machines**

Physical verification of the Fund's printing factory revealed that the entity relied on outdated machines for printing, some of which date back to the 1940s. The continued use of the outdated machines has led to frequent breakdowns due to wear and tear, resulting in slower production of documents and higher maintenance costs.

In the circumstances, the continued use of these machines impacts on the entity's ability to generate revenue effectively. Further, the efficiency and sustainability of operations could not be confirmed.

### **2. Weak Controls Over Inventory Management**

Physical verification of the stores conducted in October, 2025 revealed significant volumes of inventory in respect of copies of prior years' supplementary estimates books, copies of Kenya Gazette Notices and Acts of Parliament, some of which have since been repealed and are, therefore, outdated and obsolete.

In the circumstances, the effectiveness of internal controls over inventory management could not be confirmed.

### **3. Inadequate Management of Information Technology (IT) Systems and Operations**

Review of the entity's IT systems and operations revealed that Government Press Fund is yet to develop and adapt key ICT parameters including ICT Policies and Procedures Manual, Business Continuity Plans and Disaster Recovery Plans. Further, Government Press Fund did not have an offsite backup storage facility.

In the circumstances, the effectiveness of IT internal controls could not be confirmed.

#### **4. Slow Uptake of Enterprise Resource Planning System**

Review of the progress report for the Enterprise Resource Planning (ERP) System dated 28 June, 2024 revealed that the Committee recommended that the ERP system be put to use commencing the start of the 2024-2025 financial year and run concurrently with the manual system. However, at the time of audit in November 2025, Management was still relying primarily on the manual system.

In the circumstances, the effectiveness of the ERP system could not be confirmed.

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

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

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

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

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

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

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

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

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**15 December, 2025**

11. Statement of Financial Performance for the year ended 30<sup>th</sup> June, 2025

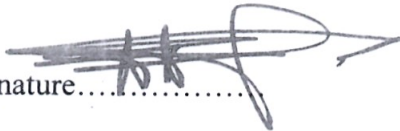
	Notes	2024-2025	2023-2024
		KSh.	KSh.
<b>Revenue from exchange transactions</b>			
Rendering of services	6		
Cash sales		483,058,481	355,093,156
Credit sales		42,935,880	146,786,400
<b>Total revenue</b>		<b>525,994,361</b>	<b>501,879,556</b>
<b>Expenses</b>			
General expenses	7	361,734,350	454,187,078
<b>Total expenses</b>		<b>361,734,350</b>	<b>454,187,078</b>
<b>Deficit/Surplus for the year</b>		<b>164,260,011</b>	<b>47,692,478</b>

The notes set out on pages 6 to 16 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Government Press Fund by:

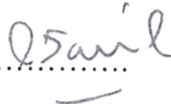
Accounting Officer

Name: Arthur A. Osiya, EBS

Signature.....

Head of Accounts

Name: Chrispinus Ibalai  
ICPAK M/No.20432

Signature.....

Government Printer

Name: Abdi Hassan Ali, MBS

Signature.....

**GOVERNMENT PRESS FUND**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June, 2025**

**12. Statement of Financial Position as at 30<sup>th</sup> June 2025**

	Notes	2024-2025	2023-2024
		KSh.	KSh.
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash And Cash Equivalent	8	187,542,418	112,779,609
Receivables From Exchange Transactions	10	406,575,834	577,136,263
Inventories	11	46,561,322	590,090,514
<b>Total Assets</b>		<b>640,679,574</b>	<b>1,280,006,386</b>
<b>Reserves</b>			
Accumulated Surplus		610,679,574	1,250,006,386
Capital Fund		30,000,000	30,000,000
<b>Net Position</b>		<b>640,679,574</b>	<b>1,280,006,386</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Government press fund by:

Accounting Officer

Name: Arthur A. Osiya, EBS  
MBS

Signature.....  
Date..... 04/12/25

Head of Accounts

Name: Chrispinus Ibalai  
ICPAK M/No: 20432

Signature.....  
Date..... 04/12/25

Government Printer

Name: Abdi Hassan Ali,

Signature.....  
Date..... 4/12/2025

**GOVERNMENT PRESS FUND**

**Annual Report and Financial Statements For the year ended June 30<sup>th</sup>, 2025**

**13. Statement of Changes in Net Assets for the year ended 30th June, 2025**

	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends		Capital/ Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs		Kshs	Kshs
As at June 30 <sup>th</sup> , 2023				1,202,313,908	0		30,000,000	1,232,313,908
As at July 1 <sup>st</sup> , 2023				1,202,313,908	0		30,000,000	1,232,313,908
Surplus/deficit for the year				47,692,478	0			47,692,478
As at June 30 <sup>th</sup> , 2024				1,250,006,386	0		30,000,000	1,280,006,386
Prior year adjustment-wrongly recognized receivables				(577,136,263)				(577,136,263)
Prior year adjustment of double counted inventory				(590,090,514)				(590,090,514)
To recognize long outstanding receivables that had not been accrued				363,639,954				363,639,954
<b>Balance after prior year adjustments</b>				<b>446,419,563</b>	<b>0</b>			<b>476,419,463</b>
Surplus/deficit for the year				164,260,011	0			164,260,011
As at June 30 <sup>th</sup> 2025				610,679,574			30,000,000	640,679,574

**1. Capital Reserve Fund**

This relates to the initial funds received from the Government of Kenya upon the establishment of the fund in the Exchequer and Audit Act of 1988 Regulations.

2. The opening balance of retained earnings of KShs. 1,250,006,386 has been adjusted by making prior year adjustments to opening balances of inventories and receivables of KShs. 590,090,514 and 577,136,263 respectively. This is because of errors of double counting of inventories and wrongly recognized receivables and as such the figures have been restated to correct the errors. Long outstanding receivables of KShs. 363,639,954 have also been included in the statement of changes in equity because they had not been accrued.

**GOVERNMENT PRESS FUND**

Annual Report and Financial Statements For the year ended June 30<sup>th</sup> , 2024

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

		2024/2025	2023-2024
	Notes		Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Rendering of services	6	483,058,481	487,841,478
<b>Total receipts</b>		<b>483,058,481</b>	<b>487,841,478</b>
<b>Payments</b>			
Use of goods and services	7	361,734,350	631,527,209
Inventories		46,561,322	
<b>Total payments</b>		<b>408,295,672</b>	<b>631,527,209</b>
<b>Net cash flows from/(used in) operating activities</b>	12	<b>74,762,809</b>	<b>(143,685,731)</b>
<b>Net cash flows from/(used in) investing activities</b>		0	0
<b>Net cash flows from financing Activities</b>		0	0
<b>Net Decrease in cash &amp; Cash equivalents</b>		<b>74,762,809</b>	<b>(143,685,731)</b>
Cash and cash equivalents at 1 July,2024	8	112,779,609	256,465,340
<b>Cash and cash equivalents at 30 June,2025</b>	9	<b>187,542,418</b>	<b>112,779,609</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Government Press Fund by:

Accounting Officer

Name: Arthur A. Osiya, EBS

Signature.....

Date.....04/12/25

Head of Finance

Name: Chrispinus Ibalai

ICPAK M/No: 20432

Signature.....

Date.....04/12/25

Government Printer

Name: Abdi Hassan Ali, MBS

Signature.....

Date.....4/12/2025

15. Statement of Comparison of Budget and Actual amounts for the year ended 30th June, 2025

	Original budget	Adjustments	Final budget	Actual on comparable Basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	B	C=(a+b)	D	e=(c-d)	f=d/c*100
<b>Revenue</b>						
Rendering of Services-Cash sales	400,000,000	0	400,000,000	483,058,481	(83,058,481)	120.76%
Credit sales				42,935,880		
<b>Total Income</b>	<b>400,000,000</b>	<b>0</b>	<b>400,000,000</b>	<b>525,994,361</b>	<b>(83,058,481)</b>	
<b>Expenses</b>						
Use of Goods and Services	400,000,000	0	400,000,000	361,734,350	38,265,650	90.43%
<b>Total Expenditure</b>	<b>400,000,000</b>	<b>0</b>	<b>400,000,000</b>	<b>361,734,350</b>	<b>38,265,650</b>	
<b>Surplus for the period</b>				<b>164,260,011</b>		

Budget notes

1. The over collection in revenue against a target of Kshs. 400 million is attributed to some of the MDAs (Who are our main customers) who partly settled their long standing debts like Ministry of Lands. The Initial challenges on transition from manual system to e-Citizen platform were also partly overcome and thus the enhanced revenue collection.
2. The Government Press Fund has approved budget of Kshs. 400,000 which is captured in the draft Strategic Plan.

**16. Notes to the Financial Statements**

**(1) General Information**

Government Press Fund is established by and derives its authority and accountability from the Exchequer and Audit (Government Press Fund) Regulations, 1988. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity’s principal activity is to publish, print and disseminate literary, accountable and educational materials.

**(2) Statement of Compliance and Basis of Preparation**

The financial statements have been prepared on a historical cost basis. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Government Press Fund’s accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Government Press Fund.

The financial statements have been prepared in accordance with the Public Finance Management Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**(3) Adoption of New and Revised Standards**

*i. New and amended standards and interpretations in issue effective in the year ended 30 June 2023.*

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

*ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30th June 2023.*

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41:</b> Financial Instruments	<b>Applicable: 1st July 2024:</b>  The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.  IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: <ul style="list-style-type: none"><li>▪ Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the</li></ul>

Standard	Effective date and impact:
	<p>objective for which the asset is held;</p> <ul style="list-style-type: none"> <li>▪ Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>▪ Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> <p><b>Standard is not relevant to Government Press fund.</b></p>
<p><b>IPSAS 42:</b> Social Benefits</p>	<p><b>Applicable: 1st July 2024</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity.</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows.</li> </ul> <p><b>Standard is not relevant to Government Press fund.</b></p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1st July 2024:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</li> <li>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</li> </ul> <p><b>Standard is not relevant to Government Press fund.</b></p>

Standard	Effective date and impact:
<p>Other improvements to IPSAS</p>	<p><b>Applicable 1st July 2024</b></p> <ul style="list-style-type: none"> <li>▪ <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>▪ <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>▪ <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p><b>Standard is not relevant to Government Press fund.</b></p>
<p>IPSAS 43</p>	<p><b>Applicable 1st July 2024</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p> <p><b>Standard is not relevant to Government Press fund.</b></p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><b>Applicable 1st January 2025</b></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><b>Standard is not relevant to Government Press fund.</b></p>

**iii. Early adoption of standards**

The Entity did not early – adopt any new or amended standards in year 2023/2024.

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

**a) Revenue recognition**

**i) Revenue from exchange transaction**

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labor hours.

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

**ii) Sale of goods**

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

**b) Budget information**

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

prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

The Government Press Fund has no approved budget; however, we have an estimate figure to realize. This figure is factored by the performance contract and the annual procurement plan.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section Statement of comparison of estimate and actual amounts of these financial statements.

**c) Taxes**

No taxation is provided for in the financial statements.

**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.

**Impairment of financial assets**

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

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

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

**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.

**a) Inventories**

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

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

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

**b) 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.

**c) Contingent liabilities**

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

**Notes to the Financial Statements (Continued)**

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

**d) Contingent assets**

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

**e) Nature and purpose of reserves**

This fund was created to procure supplies of raw materials for undertaking production of various printing and publishing works obtainable from Government press and sale thereof to government ministries and departments, state corporations or the general public. There are also supplies issued free of charge and in predetermined quantities to such departments and ministries as the officer administering the Fund may determine for the express and immediate use.

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

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

**g) 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 National Bank of Kenya at the end of the financial year.

**h) Comparative figures**

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

**i) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30<sup>th</sup>, 2024.

**Notes to the Financial Statements (Continued)**

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

**(5) Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions**

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

**Useful lives and residual value**

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

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

**Provisions**

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

The management have no provisions for either bad debts or obsolete stocks. However, for obsolete stocks they have to adhere to the Public Procurement and Assets Disposal Act.

There was no revenue realized on this item.

**GOVERNMENT PRESS FUND**

Annual Report and Financial Statements for the year ended June 30<sup>th</sup> June, 2025

**Notes to the Financial Statements (Continued)**

**(6) Sale of Goods**

Description	2024-2025	2023-2024
	KSHS.	Kshs
<b>Sale of goods</b>		
Gazettement	181,155,204	501,879,556
Probate/Administration	22,896,972	
Printing services	278,813,082	
Bookshop	193,223	
<b>Total revenue from the sale of goods</b>	<b>483,058,481</b>	<b>501,879,556</b>

Description	2024-2025	2023-2024
	KSHS.	Kshs
<b>Sale of goods</b>		
Cash sales	525,994,361	501,879,556
<b>Total revenue from the sale of goods</b>	<b>525,994,361</b>	<b>501,879,556</b>
<b>Sales as per performance</b>		
Less: Credit sales	42,935,880	146,786,400
Add: Decrease in receivables	0	132,748,322
<b>Total revenue from the sale of goods</b>	<b>483,058,481</b>	<b>487,841,478</b>

(Provide brief explanation for this revenue)

**(7) Use of Goods and Services**

Description	2024-2025	2023-2024
	KSHS.	Kshs
Consumables	361,734,350	454,187,078
<b>Total Expenses</b>	<b>361,734,350</b>	<b>454,187,078</b>

**GOVERNMENT PRESS FUND**

**Annual Report and Financial Statements for the year ended June 30<sup>th</sup> June, 2025**

**(8) Cash and Cash Equivalents**

Description	2023-2024	2022-2023
	KSHS.	KSHS.
Current Account	187,542,418	112,779,609
Money orders	Nil	Nil
<b>Total Cash and Cash Equivalents</b>	<b>187,542,418</b>	<b>112,779,609</b>

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

**(9) Detailed Analysis of the Cash and Cash Equivalents - Bank Balances**

		2024-2025	2023-2024
Financial Institution	Account number	Kshs	Kshs
<b>a) Current Account</b>			
National Bank of Kenya	01001000903100	234,975,022	157,371,018
<b>Grand Total</b>		<b>234,975,022</b>	<b>157,371,018</b>

**(10) Receivables from Exchange Transactions (Current)**

	2024-2025	2023-2024
Description	Kshs	Kshs
<b>Receivables</b>		
Exchange Debtors	406,575,834	577,136,263
<b>Total Current Receivables</b>	<b>406,575,834</b>	<b>577,136,263</b>

**Receivables - Ageing analysis**

	Current FY2024/2025	% of total	Opening statement 2024	
			1 <sup>st</sup> July	% of total
Less than 1 year	42,935,880	11%	146,786,400	25%
Between 1 - 2 years	0	0	430,349,863	75%
Over 3 years	363,639,954	89%	0	0
	<b>406,575,834</b>		<b>577,136,263</b>	

**Note:** The opening balance for receivables has been restated to correct errors because long outstanding receivables of Kshs. 363,639,954 had not been accrued.

**(11) Inventories**

	2024-2025	2023-2024
Description	Kshs	Kshs
Publications/bookshop	5,106,840	26,930,796
Dispatch	8,155,223	7,011,614
CRB Stores	33,299,259	9,122,147
Paper Store	0	290,323,119
Work-in-progress	0	256,702,838
<b>Total inventories at the lower of cost and net realizable value</b>	<b>46,561,322</b>	<b>590,090,514</b>

**Detailed Disclosure on Inventories**

Description	2024-2025
	Kshs
Opening balance	0
Additional Inventory in the year	408,295,672
Inventory Expensed in the year	361,734,350
Write downs in the year	0
Others specify	0
<b>Closing balance</b>	<b>46,561,322</b>

**Note:** The opening balance for receivables has been restated to correct errors because of double counting of inventories.

**GOVERNMENT PRESS FUND**

**Annual Report and Financial Statements for the year ended June 30<sup>th</sup> June, 2025**

**(12) Cash Generated from Operations**

	2024-2025	2023-2024
	Kshs	Kshs
<b>Surplus/Deficit for the year before tax</b>	<b>164,260,011</b>	<b>47,692,478</b>
<b>Adjusted for:</b>		
<b>Working capital adjustments</b>		
Increase/Decrease in inventory	543,529,192	(177,340,131)
Increase/Decrease in receivables	170,560,429	(14,038,078)
<b>Prior year adjustment</b>		
Inventories	(590,090,514)	-
Receivables	(577,136,263)	-
Long outstanding Inventories	363,639,954	-
	<b>74,762,809</b>	<b>(143,685,731)</b>

**(13) Financial Risk Management**

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

The Entity’s financial risk management objectives and policies are detailed below:

**i) Credit risk**

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity’s management based on prior experience and their assessment of the current economic environment.

**Financial Risk Management**

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

	Total Amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30 June 2025</b>				
Receivables from exchange transactions	406,575,834	406,575,834		
<b>Total</b>	<b>406,575,834</b>	<b>406,575,834</b>		
<b>As at 30 June 2024</b>				
Receivables from exchange transactions	577,136,263	577,136,263		
<b>Total</b>	<b>577,136,263</b>	<b>577,136,263</b>		

**i) Financial Risk Management**

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Government press fund has significant concentration of credit risk on amounts due from Ministry of Lands and IEBC.

The management sets the Government press fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**ii) Liquidity risk management**

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

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

**Financial Risk Management**

**iii) Market risk**

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

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

policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

The Government press fund has transactional currency exposures. Such exposure arises through

## GOVERNMENT PRESS FUND

### Annual Report and Financial Statements for the year ended June 30<sup>th</sup> June, 2025

purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Government press fund manages foreign exchange risk from future commercial transactions and recognized assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

#### **Fair value of financial assets and liabilities**

##### **a) Financial instruments measured at fair value.**

#### **Determination of fair value and fair values hierarchy**

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

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

##### **iv) Capital Risk Management**

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

	2024-2025	2023-2024
	Kshs	Kshs
Retained Earnings	610,679,574	1,250,006,386
Capital Reserve	30,000,000	30,000,000
<b>Total Funds</b>	<b>640,679,574</b>	<b>1,280,006,386</b>
Total Borrowings	0	0
Less: Cash And Bank Balances	187,542,418	112,779,609
Net Debt/(Excess Cash And Cash Equivalents)	<b>453,134,156</b>	<b>1,167,226,777</b>
Gearing	<b>71%</b>	<b>91%</b>

**(14) Related Party Disclosures**

**Nature of related party relationships**

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

**Government of Kenya**

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

**Other related parties include:**

- i) Executive Office of the President.
- ii) Government Printer.
- iii) Key management

**(15) Surplus Remission**

In accordance with section 219 (2) of the Public Finance 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.

The Government Press Fund does not fall on this category but it's a public fund under the Executive Office of the President, The Audit and Exchequer (Government Press Fund) 1988 states that the surplus shall be retained for the purpose for which the Fund was established.

**(16) Voted Provision**

**Voted Funds from Executive Office of the President**

The Exchequer and Audit (Government Press Fund) Regulations, 1988 states that the purpose and objective of the fund is to procure supplies of raw materials for undertaking production of various printing and publishing works. The component cost of labour, printing workshop overheads and capital outlay on procurement or replacements, additional machines, equipment, shall not be charged to the Fund but shall form a charge against the respective vote of the ministry. Therefore, the voted provision is purely for running the Department's operations as it is stated in the Regulations. The voted provision is recognized and accounted for in the financial accounts of the Executive Office of the President.

**GOVERNMENT PRESS FUND**Annual Report and Financial Statements for the year ended June 30<sup>th</sup> June, 2025**Summary of the voted funds**

Description	Approved Budget Ksh'000'	Actual Ksh '000'	Pending Bills Ksh '000'
Personal Emoluments	525,664,175	525,664,175	0
Use of Goods/services	291,871,944	283,163,949	9,890,040
Development	0	0	47,514,460
<b>Total</b>	<b>817,536,119</b>	<b>808,828,124</b>	<b>57,404,500</b>

Pending Bills			
S/No.	Recurrent		
1	Payee	Amount in KShs.	Reason for Non-Payment
2	Afro-Kent Office Equipment	1,190,040.00	Lack of recurrent vote/ budget
3	Zuphinac Ltd	4,400,000	Documents submitted for payment after 30 <sup>th</sup> June, 2025
4	Zuphinac Ltd	2,200,000	Documents submitted for payment after 30 <sup>th</sup> June, 2025
5	Manja Business Ltd	2,100,000	Documents submitted for payment after 30 <sup>th</sup> June, 2025
	<b>Sub-Total</b>	<b>9,890,040</b>	
S/No.	Development		
1	PAYEE	Amount in KShs.	
4	Maxicom Media Services Ltd	28,424,000.00	Lack of Development vote/ budget
8	R. H. Devani Ltd	3,588,494.00	Lack of Development vote/ budget
9	Intermass Technologies (EA) Ltd	4,530,000.00	Lack of Development vote/ budget
10	Maxicom Media Services Ltd	832,000.00	Lack of Development vote/ budget
11	Afro-Kent Office Equipment	4,735,350.00	Lack of Development vote/ budget
12	Intermass Technologies (EA) Ltd	1,100,000.00	Lack of Development vote/ budget
13	Atlanta Engineering Backups	1,794,500.00	Lack of Development vote/ budget
	Dalton Enterprises East Ltd	911,750.00	Lack of Development vote/ budget
	Macdavid Engineering Services	1,598,366.00	Lack of Development vote/ budget
	<b>Sub-Total</b>	<b>47,514,460.00</b>	
	<b>Grand Total Kshs</b>	<b>57,404,500.00</b>	

**(17) Events after the Reporting Period**

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

**(18) Ultimate and Holding Entity**

The Government Press Fund is a Public Fund under the Executive office of the president. Its ultimate parent is the Government of Kenya.

(19) Currency

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

(20) Audit matters

**Appendix 1: Implementation Status of Auditor-General's Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	The statement of financial position reflects receivables from exchange transactions balance of Ksh.577,136,263. However, the supporting schedule provided reflected a balance of Kshs. 430,349,863, leaving an amount of Kshs.146,786,400 unsupported. Further, as disclosed in Note 10 to the Financial Statements, receivables totaling Ksh.430,349,863 have been outstanding for a period of one to two years. In addition, the fund has no policy for impairing long-outstanding debts. Further, the receivables from exchange transactions balance is incorrectly referenced to Note 15 in the statement of financial position instead of Note. 10.	The management agrees that the issues have not been resolved but undertakes to develop a debt management policy and conduct a reconciliation of work in progress to address the issues.	Not resolved	By the 15 <sup>th</sup> December,2025
2	<b>Long Outstanding Work-In-Progress.</b> The statement of financial position reflects an inventory balance of <b>Kshs.590,090,514</b> which is disclosed in Note 11 to the financial statements, includes an amount of Kshs. 256,702,838 in respect to Work-In-Progress (WIP). However, the WIP balance includes work orders initiated as far back as 2015 that remained incomplete as at 30th June, 2024. In addition, work orders valued at Kshs. 171,468,253 have been classified as WIP for more than one (1) year.	The management resolves to carry out a reconciliation of work orders to identify completed, abandoned and ongoing work orders	Not resolved	By 15 <sup>th</sup> December, 2026
3	<b>Lack of an Approved Budget.</b> The statement of budget versus actual amounts indicates that the Fund and a revenue budget of Kshs. 400,000,000 and expenditure budget of the same amount. However, an approved budget to support the amount of Kshs. 400,000,000 was provided for audit review.	Resolved		
4	<b>Use of Outdated Machines</b> Physical verification of the Funds printing	A budget of Kshs.240,000,000 has been	Not resolved	By 31 <sup>st</sup> March,2026

**GOVERNMENT PRESS FUND**

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	factory revealed that, the entity relies on old and outdated machines for printing, some of which date back to the 1940s.	allocated in the FY2025/2026 for purchase of new machines.		
5	<b>Weak Controls Over Inventory Management</b>  Physical verification of the stores conducted in October 2024 revealed significant volumes of inventory in respect of copies of prior years' supplementary estimates books, copies of Kenya Gazette Notices and Acts of Parliament, some of which have since been repealed and are, therefore, outdated and obsolete.	The management commits to implement the ERP system and enhance the internal control systems so as to ensure a seamless work flow.	Not resolved	By 15 <sup>th</sup> of March,2025

**Guidance Notes:**

- (i) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

ABDI HASSAN ALI, MBS  
GOVERNMENT PRINTER

Signature.....  
Date ..... 4/12/2025

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