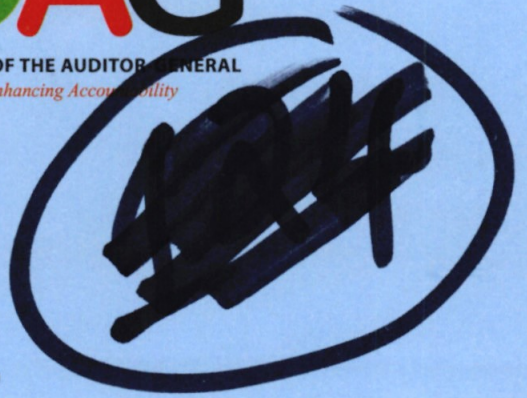


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NYANDARUA COUNTY AGRICULTURAL INSTITUTIONS REVOLVING FUND

FOR THE YEAR ENDED 30 JUNE, 2025



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**NYANDARUA COUNTY
AGRICULTURAL INSTITUTIONS REVOLVING FUND**

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

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

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

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1. Acronyms and Definition of Key Terms

A. Acronyms

AMS	Agricultural Mechanization Station
ATC	Agricultural Training Centre
CO	Chief Officer
CECM	Chief Executive Committee Member
FMC	Fund Management Committee
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

a) Background information

The Nyandarua County Agricultural Institutions Revolving Fund is established by and derives its authority and accountability from The Public Finance Management Act 2012. The Fund is wholly owned by the County Government of Nyandarua and is domiciled in Kenya.

The objectives and purpose of the Fund are: —

1. To improve efficiency and effectiveness on the management of the agricultural institutions within the county;
2. To facilitate the establishment and maintenance of agricultural support services in the following institutions:
 - i. Seed potato production unit;
 - ii. Agriculture Training Centre (ATC) Oljoro-orok;
 - iii. Agriculture Training Centre (ATC) Njabini;
 - iv. Agricultural Mechanization Station (AMS) Nyahururu; and
 - v. Agricultural Mechanization Station (AMS) Kinangop.

b) Principal Activities

The principal activity/mission/mandate of the Fund is to support agricultural institutions in the department of Agriculture, Agribusiness, Livestock and Fisheries in Nyandarua County, in their endeavour to offer mechanization services, training of farmers and other stakeholders and production and supply of potato propagation materials.

c) Fund Management Committee

Ref	Name	Position
1	Samuel Gitaka	Chief officer in charge of Agriculture
2	Fredrick Irungu	Chief Officer in charge of Finance
3	Joseph Wahome	Director in charge of finance
4	Daniel N. Muchiri	County Director of Agriculture
5	John Wachira	Fund Administrator
6	Njung'e Kariuki	Agricultural Mechanization Service Manager- Nyahururu

**Nyandarua County Agricultural Institutions Revolving Fund
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Ref	Name	Position
7	Solomon Kinyanjui	Ag Agricultural Mechanization Service Manager- Kinangop
8	Antony Kamau	Head of the Seed Potato Production Unit – Nyandarua
9	Solomon Kinyanjui	Agricultural Training Center Principal- Njabini
10	Samuel Maina	Agricultural Training Center Principal- Oljoro-orok

d) Key Management Team

Ref	Name	Position
1	John Wachira, Fund Administrator	Deputy Director in charge of Institutions / Fund Administrator.
2	Esther Muthoni	Fund Accountant.
3	Samuel Gitaka, Fund Account Signatory	Chief Officer, the Accounting officer Agriculture
4	Fredrick Irungu	Chief officer in charge of finance

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Directorate Internal Audit	Anthony Mbogo
2	County Assembly of Nyandarua	County Assembly Committee of Agriculture, Livestock and Fisheries

f) Registered Offices

P.O. Box 701 – 20303
Nyandarua County Headquarters,

g) Fund Contacts

Telephone: (+254) 020 2660859
E-mail: info@nyandarua.go.ke
Website: www.nyandarua.go.ke

h) Fund Bankers

1. Equity Bank Ltd, Olkalou
P.O. BOX 75104-00200
OLKALOU

i) Independent Auditors

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

j) Principal Legal Adviser

The County Attorney
Nyandarua County Headquarters
P.O. Box 701-20303
Olkalou, Kenya

3. Fund Management Committee

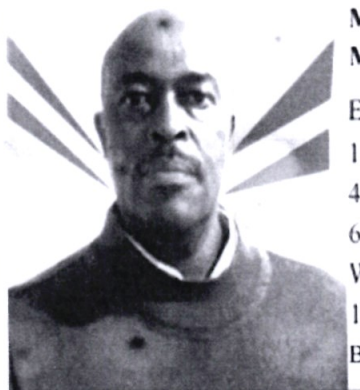
Name	Details of qualifications and experience
	<p>Mr. Samuel Gitaka Chief Officer – Agriculture</p> <p>Samuel K. Gitaka holds a Master’s degree in Business Management (Human Resource Management) from the University of Kabianga, where he earned a full scholarship due to exemplary undergraduate performance. He also holds a Bachelor’s degree in Business Management from Moi University. Samuel has extensive work experience, currently serving as the Chief Officer of Agriculture for the County Government of Nyandarua. His past roles include Chief Officer of Tourism, Trade & Industrialization, Assistant Director at the Public Service Board, Financial Advisor at Britam Insurance, and Chief Operations Officer at Ekeza Sacco. He also has teaching experience as a part-time lecturer at Murang’a University and tutorial fellow at the University of Kabianga.</p> <p>Born in 1987, he is 38 years</p>
	<p>CPA Fredrick Gichuhi Chief officer - Finance</p> <p>He is a holder of Masters degree in Finance (Kenyatta University), Bachelors degree in Agribusiness Management (University of Nairobi) and CPA (K). Previously, he was the head of Financial reporting Unit, Nyandarua County Government. He has 5 years banking experience and was born on 24th January, 1984.</p> <p>He is 41 Years</p>
	<p>MR. DANIEL N. MUCHIRI DIRECTOR –AGRICULTURE</p> <p>Daniel has a MSC Agricultural extension and BSC Horticulture from Egerton University, he has 32 years of work experience including 12 years in Nyandarua County in various posts including, DAEO (Divisional Agricultural Extension Officer), crops officer and Deputy Director - Crops. Currently he is the Director of Agriculture</p> <p>Born in 1968, he is 57 Years</p>



**CPA Joseph Wahome
Director - Finance**

Mr. Wahome is a holder of Master degree in Business Administration, CPA (K) and Bachelor degree BBA (Finance & Accounting). He has 7 years working experience in government as director finance. He has over 17 years' experience as a senior accountant. He was born on 02/01/1974. He is currently pursuing PHID in Organizational leadership at PAC university.

He is 51 years



**Mr. Kariuki Njung'e (BSc. Agric. Eng.)
Manager AMS Nyahururu**

Experience

13.5 years in the private sector (1994-June 2008)

4.5 years as Manager AMS Nakuru (July 2008- Jan 2013)

6.5 years as County Environmental Safeguards Compliance Officer (CESCO) in World Bank funded projects (2019- Jun. 2024)

1.0 year as manager AMS Nyahururu (July 2024- current date)

Born in 1967, he is 58 years



**MR. ANTONY KAMAU
Principal -Head of Nyandarua Seed Unit**

He has a Bachelor of Science in Agricultural Economics Currently pursuing Master in Applied Economics, 23 years' experience with 3 years in the floriculture sector And 19 years in public sector in various posts, M & E, Principal ATC, EU Funded donor projector coordinator, policy & institutions officer Asdsp 11, currently as Head of Seed Unit.

Born in 1978, he is 47 years



Mr. SOLOMON JULIUS KINYANJUI
Principal Njabini ATC / Ag. Manager Kinangop AMS

Solomon was born in 1965 and holds a degree in Bsc General Agriculture, he has been the Divisional Agriculture Extension Officer 8 years-Sub County Agribusiness Officer 1 year-Sub County Crops officer 2 years-Deputy Principal ATC Njabini 8 years-Principal ATC Njabini 2 years-Acting Manager Kinangop AMS 7 years.

He is 60 years



Mr. Samuel Muchai Maina
Principal - Agricultural Training Centre, Ol-joro-orok

Bachelor of Science in General Agriculture with 37 years' Experience in Public Sector, Experience in General Agriculture

Have attended National Master Farmer School Methodology

Have worked in Various Fields:

- District Agricultural office mirangine
- Sub-County Agricultural Officer
- Principal of Ol-joro-orok ATC

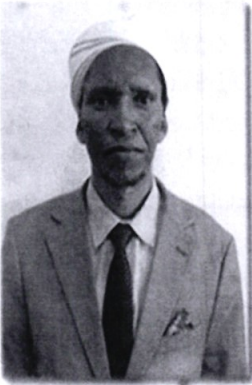


Born in 1962, he is 63 years



Mr. John M. Wachira
Fund Administrator

He holds a Master of Science in Agricultural and Applied Economics from Egerton University, in collaboration with the University of Pretoria, and a Bachelor of Science in Agricultural Economics from Egerton University. He completed the Strategic Leadership Development Program and Management Challenge Course at KSG Baringo, enhancing his leadership skills. With 32 years of public service experience, including 12 in Nyandarua County, he has served in the Ministry of Agriculture, Livestock, and Fisheries. Key roles include County Project Coordinator for KCSAP, County Service Unit Coordinator for KAPAP, and Deputy Director of Agriculture (Agribusiness). Currently, he is the Deputy Director of Institutions. Born 1967. He is 58 years

4. Management Team

Name	Details of qualifications and experience
 <p>Mr. Samuel Gitaka Chief Officer – Agriculture</p>	<p>Samuel K. Gitaka holds a Master’s degree in Business Management (Human Resource Management) from the University of Kabianga, where he earned a full scholarship due to exemplary undergraduate performance. He also holds a Bachelor’s degree in Business Management from Moi University. Samuel has extensive work experience, currently serving as the Chief Officer of Agriculture for the County Government of Nyandarua. His past roles include Chief Officer of Tourism, Trade & Industrialization, Assistant Director at the Public Service Board, Financial Advisor at Britam Insurance, and Chief Operations Officer at Ekeza Sacco. He also has teaching experience as a part-time lecturer at Murang’a University and tutorial fellow at the University of Kabianga.</p> <p>Born in 1987, he is 38 years</p>
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Principal Njabini ATC / Ag. Manager Kinangop AMS

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Manager AMS Nyahururu

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13.5 years in the private sector (1994-June 2008)

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6.5 years as County Environmental Safeguards Compliance Officer (CESCO) in World Bank funded projects (2019- Jun. 2024)

1.0 year as manager AMS Nyahururu (July 2024- current date)

Born in 1967, he is 58 years

5. Fund Management Committee Chairperson's Report

The Nyandarua County Agricultural Institutions Revolving Fund was established through the Public Finance Management (Nyandarua County Agricultural Institutions Revolving Fund) Regulations, 2023.

The Fund is meant to provide some seed capital to the Institutions in the department of Agriculture, Agribusiness, Livestock and Fisheries, to enable them to deliver on their respective mandates as well as generate some revenue for ploughing back for sustainability purposes. The institutions being supported by the Fund include: Nyahururu Agricultural Mechanization Station (AMS), Oljoro-orok Agricultural Training Centre (ATC), Nyandarua County Seed Unit, Njabini Agricultural Training Centre (ATC) and Kinangop Agricultural Mechanization Station (AMS).

For a start, the Fund received Ksh 10,000,000 as initial support for the financial year 2024/25. The money was received in November 2024, and actual spending of the funds by the Institutions began in February 2025. There was need to put in place the required structures including the Fund Management Committee, the Secretariat and preparation and approval of the Annual Work-plan and Budget. There was also need to open the institutions' operations Accounts to separate the funds generated as revenue and funds meant for spending. Another critical activity included the preparation of Guidelines and Standard Operating Procedures that were required in order to operationalize the Fund in line with the Fund regulations.

Nevertheless, the fund administration experienced some changes of staff both at the institution and fund management level.

It is hoped that the Fund will bring a major boost in the performance of these Institutions and thereby improve the well-being of the majority of the Nyandarua people in terms of food security, Agribusiness and standards of living.



Name S. Gitaka Signature..... Date 24/01/2025
Chairperson of the Fund Management Committee

6. Report of The Fund Administrator

The actual rolling out of the Nyandarua County Agricultural Institutions Revolving Fund began in 2024. We received our first funding of Ksh. 10,000,000 in November 2024. The actual spending of these funds started in February 2025 after a process of putting in place the necessary structures and mechanisms. This means, the utilization of received funds and thus implementation of many work-plan activities took place for a period of five months during the FY 2024/25.

Through the Fund, we were able to facilitate our institutions to carry out various activities as they execute their respective mandates like offering agricultural mechanization services, trainings and provision of potato seed propagation materials like apical cuttings and mini-tubers. Some of our key achievements realized through the utilization of the funds during the FY2024/25 include and not limited to:

- i. Supply of close to 20,000 potato mini-tubers and 60,000 potato apical cuttings to farmers in the county, by the Nyandarua Seed Unit
- ii. Planting of three (3) Acres of breeder potato seeds (enough to produce twenty (20) acres of basic seeds) at the Nyandarua Seed Unit field
- iii. Established: seven (7) acres of commercial maize crop, one (1) acre of cabbages, quarter (1/4) acre of clonal Pyrethrum for seed multiplication and quarter (0.25) acre apple orchard at ATC Oljoro-orok farm
- iv. Established: One greenhouse with capsicums, and quarter (0.25) acre apple orchard and quarter (1/4) acre of clonal Pyrethrum for seed multiplication at ATC Njabini farm
- v. Hosted a number of trainings by various stake-holders at both ATCs Njabini and Oljoro-orok, where we facilitated the institutions to offer conferencing and catering facilities
- vi. Repaired two farm tractors and procured one chisel plough at Nyahururu AMS, who were able to offer better and increased mechanization services to the farmers
- vii. Facilitated our institutions with fuel worth more than Ksh 1,200,000 for carrying out various activities like farm operations
- viii. Facilitated our institutions in paying their expenses like payment of regular casual workers and buying farm inputs (seeds, vet drugs, agro-chemicals etc.) as well as paying of operations like planting and weeding done using labour hired on need basis.

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

- ix. We were able to carry out five Fund Management Committee meetings, and several other management meetings mainly involving the heads of institutions

Following the utilization of the funds, our institutions were able to have a total of Ksh. 7,252,767 as receipts (credited amounts) in Revenue Accounts between 1st July 2024 and 30th June, 2025.

In the year under review, the fund had a total revenue of Kes. **15,393,494** composed of Kes. 10,000,000 from the county budget and Kes. **5,393,494** from receipts and balances carried forward from the previous FY2023/24. The total expenditure during the period amounted to **Kes. 11,530,527**.

The table below shows the income and expenditure status during the period under review:

Incomes vis-à-vis actual expenditure

S.no	Source	Amount (Ksh)
1.	Bank balances B/f July 1st 2024, Equity banks Accounts	758,794
2.	Budget allocation	10,000,000
2.	Other receipts from institutions	9,138,427
3.	Total	19,897,221
4.	Actual expenditure	11,530,527
5.	Variances/surplus	8,366,694

Successful implementation of the Nyandarua County Agricultural Institutions Revolving Fund activities will definitely restore the glory of the institutions and on top, increase the revenue being generated by these institutions. While no huge success may have been realized in the period under review, with only five months of operationalizing the Fund, there is optimism that the next coming months will be of greater achievements, in terms of revenue generation and an improved state of the respective institutions.

Challenges and lessons learnt

The following were some of the encountered challenges:

1. Inadequate conceptualization of Revolving Fund principles by some implementers
2. Procurement related challenges

3. Shortage of staff at the Institutions and those required for the Fund Secretariat
4. Quite heavy workload especially for the Fund Administrator
5. Inadequate transport
6. Some grey areas in the Regulations like chain of command for the Administrator, no principal assistant for the Administrator, the role of other directors in the department when it comes to the Fund etc.
7. The 3% provision of total fund to be used for Administration was inadequate
8. Delayed appointment of Fund Accountant

Lessons learnt

1. There is need to prioritize enterprises on their economic viability
2. Timely implementation of activities is very critical
3. There is need to reduce time taken in procurement while adhering to the Procurement Act
4. Administration involves a lot of activities and support by department is necessary
5. There is need to bring on-board other directors/subject matter specialists from the department
6. It is important that Work-plan & Budget preparation and approval be done as early as possible in the Financial Year

**7. Statement of Performance against the County Fund's Pre-Determined Objectives
Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a County Government entity shall prepare financial statements in respect of the entity in formats to be prescribed by the Public Sector Accounting Standards Board, which includes a statement of the county government entity's performance against predetermined objectives.

The key development objective and purpose of the Fund the published Public Finance Management (Nyandarua County Agricultural Institutions Revolving Fund) Regulations, 2023 are: —

1. To improve efficiency and effectiveness on the management of the agricultural institutions within the county;
2. To facilitate the establishment and maintenance of agricultural support services in the following institutions:
 - i. Seed potato production unit;
 - ii. Agriculture Training Centre (ATC) - Oljoro-orok;
 - iii. Agriculture Training Centre (ATC) - Njabini;
 - iv. Agricultural Mechanization Station (AMS)- Nyahururu; and
 - v. Agricultural Mechanization Station (AMS) - Kinangop.

Progress on attainment of objectives

Program	Objective	Outcome	Indicator	Performance
Commercialization of Institutions into Business entities	To improve efficiency and effectiveness on the management of the agricultural institutions	Improved Performance	Increased revenue generation Improved facilitation of the Institutions	Some improvement. Still too early to give a categorical verdict

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Program	Objective	Outcome	Indicator	Performance
Rehabilitation/ development of the Institutions	To facilitate the establishment and maintenance of agricultural support services	Introduction, rehabilitation and well-maintained enterprises, equipment/machinery and support services	Introduced enterprises/equipment /machinery Increased and/or improved support services	Good

Remarks:

- With the introduction of Operations Accounts, facilitation of Institutions has become much faster
- Some enterprises like Pyrethrum, Onions and Apples have been introduced at ATCs
- A number of machineries like tractors have been repaired and items like Chisel plough and chaff-cutter procured
- ATCs have improved their training facilities

8. Corporate Governance Statement

During the financial year 2024/2025 the fund committee held five meetings to deliberate on various issues like operationalization of the Fund, the progress towards achieving the objectives of the fund and its sustainability. Being the first year of the Fund, the committee approved the first Work-plan and Budget for the FY 2024/25.

The Fund Committee Members during the year under review included;

1. Chief officer in charge of Agriculture institutions
2. Chief Officer in charge of Finance
3. Director in charge of finance
4. County Director of Agriculture
5. Fund Administrator
6. Agricultural Mechanization Service Manager- Nyahururu
7. Agricultural Mechanization Service Manager- Kinangop
8. Head of the Seed Potato Production Unit – Nyandarua
9. Agricultural Training Center Principal- Njabini
10. Agricultural Training Center Principal- Oljoro-orok

The functions of the Fund Management Committee were as follows;

- ❖ Overseeing the administration of the fund
- ❖ Entering into agreement relating to the general administration of the fund
- ❖ Entering into agreement with other entities for the purpose of providing services for or on behalf of the fund
- ❖ Recommending policies relating to the general administration and management of the fund
- ❖ Opening and closing of bank accounts in accordance with the Act.
- ❖ Preparation of the annual estimates of revenue and expenditure of the fund and submit to them to the County Executive Committee Member in charge of finance
- ❖ Overseeing the monitoring and evaluation of the programmes of the programmes and activities of the fund
- ❖ Reviewing the performance of the fund and make recommendations to the fund administrator

Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025

- ❖ Recommend the utilization of surplus funds to the County Executive Committee Member of finance
- ❖ Reviewing and approval of the annual financial and non-financial statements of the fund
- ❖ Liaise and advice the CECM finance on matters relating to the administration of the fund and performing any other functions that may be assigned to it by the CECM finance

During the period under review, succession plan was not discussed since there was no anticipated change before closure of the financial year. The committee members were remunerated for services rendered in accordance to the County rates in consultation with the Salaries and Remuneration Commission guidelines. The members attended no Training or Induction sessions during the period.

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

9. Management Discussion and Analysis

The Nyandarua County Agricultural Institutions Revolving Fund is aimed at supporting agricultural institutions in the county so as to improve their performance as they offer services like mechanization of agricultural activities, training of stakeholders and supply of clean Potato propagation materials. The fund was successfully used to fund the following activities:

S/no	Items funded	Amounts (Ksh)	Remarks
1	Casual workers	2,645,407	Successfully paid
2	Catering	1,811,990	Successfully paid
3	Other operating expenses	1,707,855	Successfully paid
4	Motor vehicle repair	733,570	Successfully paid
6	Bank charges	15,335	Charged from bank accounts
7	Farm Inputs	455,737	Successfully paid
8	Airtime	25,000	Successfully paid
9	Greenhouse items and service	29,200	Successfully paid
10	Lab items and services	971,067	Successfully paid
11	Allowances /administration	238,600	Successfully paid
12	Fuels and Oils	2,050,328	Successfully paid
13	Accrued expenses	841,438	
14	Total	11,530,527	

The Fund fully complied with the laid statutory requirements as provided in the Finance Management Act of 2012 and as guided by the Nyandarua County Agricultural Institutions Revolving Fund regulations 2023.

10. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

The Nyandarua County Agricultural Institutions Revolving Fund aims at supporting our agricultural Institutions by filling in the gap left by what used to be Demonstration Farm Fund (DFF) for Agricultural Training Centers (ATCs) that is no longer there, after Agriculture was devolved. The institutions being supported are five namely: Nyahururu Agricultural Mechanization Station (AMS), Oljoro-orok Agricultural Training Centre (ATC), Nyandarua County Seed Unit, Njabini Agricultural Training Centre (ATC) and Kinangop Agricultural Mechanization Station (AMS). The Fund aims at facilitating these institutions so as to deliver on their respective mandates.

The fund receives its funds from the annual appropriations and revenue generated by the agricultural institutions. It is anticipated that, part of the generated revenue will be ploughed back/re-invested for implementation of other future activities. The other part of revenue will be retained so as to enhance the kitty/fund. This is for the purposes of making the kitty to grow beyond the initial investment and as a sustainability measure.

ii) Environmental performance

The following efforts were being put in place:

- a) Promotion of zero tillage to reduce soil erosion and land degradation by AMS Stations
- b) Farmers and other stake-holder's trainings on Soil and Water conservation at the ATCs including contour farming, cover crops, soil fertility management etc
- c) Trainings on diversification of enterprises by ATCs and practicing the same
- d) Maintenance of ground cover at the institutions to reduce land degradation

iii) Employee welfare

All persons who were involved in the implementation of the Fund activities were paid in respect of services rendered in accordance with the Nyandarua County Service Board in consultation with the Salaries and Remuneration Commission.

iv) Market place practices

a) Responsible competition practice

The Fund ensures there is fair competition by open tendering in its procurement process and respect for competitors.

b) Responsible Supply chain and supplier relations

All clients/suppliers of the Fund are served with dignity and treated with courtesy, regardless of their economic, political or social affiliations. In addition, the Fund maintains good business practices, with its suppliers, honours contracts, and allows competitive procurement of services.

c) Responsible marketing and advertisement or Responsible engagement with the citizens

Through provision of clean potato seeds, agricultural trainings as well as agricultural mechanization services (like land preparation, planting, silage chopping and hiring transport), members of the community and other stakeholders benefited from the Fund and at affordable prices and best quality.

d) Product stewardship or Awareness creation

The Fund has been very keen on observing Good Agricultural Practices (GAP) in all its activities, to ensure any products or produce from our institution are of good quality and meet the required health standards. It is also anticipated that a grievance redress mechanism already incorporated in the Fund's Guidelines will be fruitful.

v) Corporate Social Responsibility / Community Engagements

The Agricultural Training Centres engage the community as they provide training facilities for farmers and other stakeholders who are involved in agriculture. They also provide incubation for viable agribusiness projects to stakeholders who also benefit from tailor-made skills and knowledge. The Agricultural Mechanization Stations offer mechanization services like ploughing, planting, water-pans excavation/rehabilitation, foliage chopping etc, to their clients. They also offer technical advice on agriculture operations, soil and water conservation, environmental conservation and maintenance of farm equipment and machinery.

The Seed Unit mainly produces potato propagation materials like apical cuttings and mini-tubers to potato growers. In addition, the Unit offers trainings on potato seed production as well as providing a modernized storage facility to licenced out-growers and other stakeholders.

11. Report of Fund Management Committee

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

Principal activities

The principal activities of the Fund continue being to facilitate;

- i. Hosting and conducting agricultural trainings and practical demonstrations for farmers and other stakeholders
- ii. Production of clean potato seeds
- iii. Offering modernized storage facilities
- iv. Construction of water storage facilities like water-pans
- v. Demonstrations on appropriate land preparation and management operations
- vi. Production of planting materials and multiplication of pedigree livestock as well as foddors.

Results

The results of the Fund for the year ended June 30, 2025 are set out on page 1 to 7

Fund Management Committee

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

Auditors

The Auditor General is responsible for the audit of the Revolving Fund as set out in Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Fund Management Committee

.....
.....

Chair of the Fund Management Committee

Date: 24/11/2025

12. Statement of Management's Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by the Public Finance Management (Nyandarua County Agricultural Institutions Revolving Fund) Regulations, 2023 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

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


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

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

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Approval of the financial statements

The Fund's financial statements were approved by the Fund Management Committee on
10/9/ 2025 and signed on its behalf by:

.....


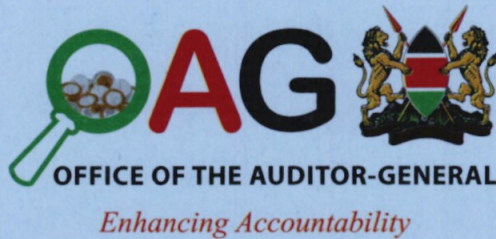
JOHN WACHIRA

Administrator of Nyandarua County Agricultural Institutions Revolving Fund

COUNTY GOVERNMENT OF NYANDARUA

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON NYANDARUA COUNTY AGRICULTURAL INSTITUTIONS REVOLVING FUND FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; 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 Nyandarua County Agricultural Institutions Revolving Fund set out on pages 1 to 41, which comprise of the statement of

financial position as at 30 June, 2025 and the statement of performance, statement of net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nyandarua County Agricultural Institutions Revolving Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Nyandarua County Agricultural Institutions Revolving Fund Regulations, 2023 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variance Between the Financial Statement and the Schedules

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects use of goods and services amount of Kshs.8,885,120 which differs with schedule total of Kshs.8,043,682, resulting in an un-reconciled variance of Kshs.841,438.

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.8,885,120 could not be confirmed.

2. Trade and Other Payables

The statement of financial position and as disclosed in Note 20 to the financial statements reflects trade and other payables amounting to Kshs.4,503,727. Review of the balance revealed the following unsatisfactory matters;

- i. Trade and other payables of Kshs.4,503,727 remained unpaid as at the end of the financial year, contrary to Section 41(2) of the Public Finance Management Act, 2012, which requires that debt service payments be treated as a first charge on the funds to prevent default on obligations.
- ii. The aging analysis to support the outstanding balance was not provided for audit. Thus, it was not possible to confirm the period for which the liabilities have been outstanding, or to assess the accuracy and completeness of the reported figure.

In the circumstances, the completeness, accuracy, and fair presentation of trade and other payables of Kshs.4,503,727 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Nyandarua County Agricultural Institutions

Revolving 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.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amount reflects total Income budget of Kshs.22,923,004 against actual receipts of Kshs.15,393,494 resulting to under-funding of Kshs.7,529,510 or 33% of the budget. Further, the statement of comparison of budget and actual amounts reflects approved expenditure budget of Kshs.19,060,551 against the actual expenditure of Kshs.11,530,527 resulting to an under-expenditure of Kshs.7,530,024 or 40% of the budget.

The under-funding of the budgets implies that the budgeted programmes may not have been implemented, thereby adversely affecting the delivery of services to the residents of Nyandarua County.

2. Unbalanced Budget

The statement of comparison of budget and actual amount for the year reflects total revenue budget of Kshs.22,923,004 against total expenditure budget of Kshs. 19,060,551 resulting to surplus amount of Kshs.3,862,453. The unbalanced budget indicates that the Management did not align total budgeted revenue with total budgeted expenditure contrary to Regulation 33(c) and (e) of Public Finance Management Regulation, 2015 on budget guideline state that budget shall be balanced and the total budget revenue shall cover the total budget expenditure.

My opinion is not modified in respect of these matters.

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 effects of the matters 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 iii to xxvi which comprise of Key Entity Information and Management, Fund Management Committee, Management Team, Fund Management Committee Chairperson's Statement, Report of the Fund Administrator, Statement of Performance against predetermined objective, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Environmental and Sustainability report, Report of the Fund

Management Committee, Statement of Managements Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Nyandarua County Agricultural Institutions Revolving Fund'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 matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements

Management of the Fund submitted the financial statements for the year ended 30 June, 2025 to the Office of the Auditor General on 1 October, 2025, instead of the statutory deadline of 31 August 2025, representing a delay of 31 days. There was no explanation for the non-compliance with National Treasury guideline Paragraph 1.8 Ref: No:AG.3/88 Vol. VII (41) of 4 December, 2024 which directs all public sector entities, for both national and County Governments, to prepare and submit annual financial statements by 31 August, 2025 to office of the Auditor General with a copy to Controller of Budget, National Treasury and Commission on Revenue Allocation.

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

2. Non-Compliance with Requirements on Board Composition and Representation

Review of the board members under Key management committee revealed that the committee does not have the director in charge of finance as a member contrary to Section 7(1 and 2) of The Public Finance Management (Nyandarua County Agricultural Institutions Revolving Fund) Regulations, 2023.

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 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 effects of the matter 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

Internal Control Environment

The Fund did not have an internal audit function during the year under audit. Further, Management did not develop its own financial and accounting manual but relied on what the County is using. Further, the review of the internal controls of the Fund revealed that the Fund did not have a risk management policy, fraud policy, approved ICT policy, ICT Steering committee and disaster recovery plans.

In the circumstance, the internal control environment during the year under review 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 Board of Management

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.

The Board of Management is 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

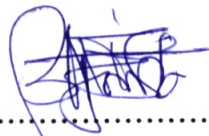
Nairobi


01 December, 2025

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

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

Description	Note	FY 2024/2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange Transactions			
Bank balances B/f EQUITY		758794	
Public Contributions and Donations	1		
Transfers from the County Government	2	10,000,000	
Fines, Penalties and Other Levies	3		
Revenue from Exchange Transactions			
Interest Income	4		
Other Income (Revenue from Institutions)	5	4,634,700	
Total Revenue		15,393,494	
Expenses			
Employee Costs	6	2,645,407	
Use of goods and services	7	8,885,120	
Depreciation and Amortization Expense	8		
Finance Costs (Bank charges) Equity	9		
Total Expenses		11,530,527	
Other Gains/Losses			
Gain/Loss on Disposal of Assets	10		
Gain /Loss on fair value of investments	11		
Surplus/(Deficit) for the Period		3,862,967	

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Name: John Wachira
Administrator of the Fund

.....

Name: Esther Muthoni
Fund Accountant
ICPAK Member Number: 33698

Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025


15. Statement of Financial Position As at 30 June 2025

Description	Note	FY 2024/2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	12	8,366,694	
Current Portion of Long- Term Receivables From Exchange Transactions	13		
Prepayments	14		
Inventories	15		
Investments in financial assets	16		
Total current assets		8,366,694	
Non-Current Assets			
Property, Plant and Equipment	17		
Intangible Assets	18		
Long Term Receivables from Exchange Transactions	13		
Investment Property	19		
Total non- current assets			
Total Assets		8,366,694	
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	20	4,503,727	
Current Portion of Borrowings	21		
Employee Benefit Obligations	22		
Social benefit liabilities	23		
Total current liabilities			
Non-Current Liabilities			
Long Term Portion of Borrowings	21		
Non-Current Employee Benefit Obligation	22		
Social benefit liabilities	23		
Total Liabilities		4,503,727	

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Net Assets		3,862,967	
Revolving Fund			
Reserves			
Accumulated Surplus		3,862,967	
Total Net Assets and Liabilities		3,862,967	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 10/9/2025 and signed by:



.....

Name: John Wachira
Administrator of the Fund



.....

Name: Esther Muthoni
Fund Accountant
ICPAK Member Number: 33698

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

16. Statement of Changes in Net Assets for the year ended 30th June 2025

Description	Revo lving Fund	Revaluat ion Reserve	Accumulated surplus	Total
		Kshs	Kshs	Kshs
Balance as at 1 July 2025 EQUITY				
Surplus/(Deficit) For the Period			3,862,967	3,862,967
Funds Received During the Year 2024/2025				
Transfers EQUITY Bank				
Revaluation Gain				
Balance as at 30 June 2025			3,862,967	3,862,967

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

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

Description	Note	FY2024/2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Balance b/fl			
Public contributions and donations			
Transfers from the county government		10,000,000	
Interest received			
Receipts from other operating activities		5,393,494	
Total receipts		15,393,494	
Payments			
Fund administration expenses		263,600	
General expenses		8,621,520	
Finance cost			
Other payments		2,645,407	
Total payments		11,530,527	
Net cash flows from operating activities	25	3,862,967	
Cash flows from investing activities			
Purchase of property, plant, equipment and Intangible assets			
Proceeds from sale of property, plant & equipment			
Proceeds from loan principal repayments			
Loan disbursements paid out			
Net cash flows used in investing activities			
Cash flows from financing activities			
Proceeds from revolving fund receipts		4,503,727	
Additional borrowings			
Repayment of borrowings			

Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Net cash flows used in financing activities			
Net increase/(decrease) in cash & cash Equivalents		8,366,694	
Cash and cash equivalents at 1 July		0	
Cash and cash equivalents at 30 June 2025		8,366,694	

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

18. Statement of Comparison of Budget and actual Amounts for the Period

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
bal b/f	758,794	0	758,794	758,794	0	
Revenue						
Public Contributions and Donations						
Transfers From County Govt.	10,000,000		10,000,000	10,000,000	0	
Interest Income						
Other Income	12,164,210		12,164,210	4,634,700	7,529,510	38
Total Income	22,923,004		22,923,004	15,393,494	7,529,510	67
Expenses						
Fund Administration Expenses	687,690		687,690	263,600	424,090	38.3
General Expenses	22,235,314		22,235,314	11,266,927	10,968,387	50.67
Finance Cost						
Total Expenditure	22,923,004		22,923,004	11,530,527	11,392,477	50.3
Surplus For the Period	0		0	3,862,967		
Capital expenditure						

Reasons for underutilization (below 90%)

Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025

1. There was delay on fund transfers from the county as the funds were received on the 2nd quarter of the Financial Year, in the month of November 2024. Therefore delay in generation of income to the fund.
2. Actual spending started in February 2025 after preparation and approval of the Work-plan and Budget for the Revolving Fund.

19. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

Nyandarua County Agricultural Institutions Revolving Fund is established by and derives its authority and accountability from Public Finance Management Act. The Fund is wholly owned by the Nyandarua County Government and is domiciled in Kenya. The Fund's principal activity is to support the five Agricultural Institutions in Department of Agriculture, Agribusiness, Livestock and Fisheries, to enable them offer agricultural trainings and mechanization services.

2. Statement of compliance and basis of preparation

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

3. Adoption of new and revised standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

	The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: 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.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> 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.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <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. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.

**Nyandarua County Agricultural Institutions Revolving Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

(i) Early adoption of standards

The Nyandarua Agricultural Institutions Revolving Fund did not early – adopt any new or amended standards in the financial year 2024/25.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

ii. Revenue from exchange transactions

Interest income

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

Dividends

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

Rental income

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

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on 4/7/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded no additional appropriations FY 2024/25 budget following the governing body's approval.

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

Summary of Significant Accounting Policies (Continued)

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented.

c) Property, plant and equipment

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

a) Intangible Assets

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

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

b) Investment property

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

Summary of Significant Accounting Policies (Continued)

c) Financial instruments

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

Financial assets

Classification of financial assets

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

Subsequent measurement

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

Summary of Significant Accounting Policies (Continued)

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 19*.

Summary of Significant Accounting Policies (Continued)

Financial liabilities

Classification

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

d) Inventories

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

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

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

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

e) Provisions

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

f) Social Benefits

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

Summary of Significant Accounting Policies (Continued)

g) Contingent liabilities

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

Contingent assets

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

h) Nature and purpose of reserves

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

i) Changes in accounting policies and estimates

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

j) Employee benefits – Retirement benefit plans

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

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

Summary of Significant Accounting Policies (Continued)

k) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

l) Borrowing costs

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

m) Related parties

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

n) 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.

o) Comparative figures

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

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 judgements, estimates and assumptions made e.g.

a) Estimates and assumptions –

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

b) Useful lives and residual values

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

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

c) Provisions

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

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

Notes To the Financial Statements Continued

1. Public contributions and donations

Description	FY 2024/2025	Comparative FY 2023 /2024
	Kshs	Kshs
Donation from Development Partners	-	-
Contributions From the Public	-	-
Total	-	-

2. Transfers from County Government

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Transfers From County Govt. – Operations	10,000,000	-
Payments by County on behalf of the Entity	-	-
Unconditional Development grants	-	-
Total	10,000,000	-

3. Fines, penalties and other levies

Description	FY 2024/2025	Comparative FY2023/2024
	Kshs	Kshs
Late Payment Penalties	-	-
Fines	-	-
Total	-	-

4. Interest income

Description	FY 2024/2025	Comparative FY2023/2024
	Kshs	Kshs
Interest Income from Mortgage Loans	-	-
Interest Income from Car Loans	-	-

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Interest Income from Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-
Total Interest Income	-	-

(Provide brief explanation for this revenue)

5. Other income

Description	FY 2024/2025	Comparative FY2023/2024
	Kshs	Kshs
Insurance Recoveries		
Income from Sale of Tender Documents		
Bad debts recovered		
Miscellaneous Income	4,634,700	
Total Other Income	4,634,700	

6. Employee Costs

Description	FY 2023/2024	Comparative FY
	Kshs	Kshs
Salaries And Wages		
Staff Gratuity		
Staff Training Expenses		
Social Security Contribution		
Other (<i>Scasual</i>)	2,645,407	
Total	2,645,407	

7. Use of Goods and Services

Description	FY 2024/2025	Previous FY 2023/2024
	Kshs.	Kshs.
General Office Expenses		
Loan Processing Costs		
Professional Services Costs		
Administration Fees		
Committee Allowances	238,600	
Bank Charges	15,335	
Electricity And Water Expenses		

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Fuel And Oil Costs	2,050,328	
Insurance Costs		
Postage And Courier		
Printing And Stationery		
Rental Costs	0	
Security Costs		
Telephone And Communication Expenses	25,000	
Bank Charges		
Audit Fees		
Provision For Doubtful Debts		
Other expenses	6,555,857	
Social benefit expenses*		
Total	8,885,120	

8. Depreciation and Amortization Expense

Description	FY 2024/2025	Comparative FY2023/2024
	Kshs.	Kshs.
Property Plant and Equipment		
Intangible Assets		
Total		

9. Finance costs

Description	FY 2024/2025	Comparative FY2023/2024
	Kshs	Kshs
Interest On Bank Overdrafts	-	-
Interest On Loans from Banks	-	-
Total	-	-

10. Gain/(loss) on disposal of assets

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Property, Plant and Equipment		-
Intangible Assets		-
Total		-

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11. Gain/ (loss) on Fair Value Investments

Description	FY 2024/2025	Comparative FY2023/2024
	Kshs	Kshs
Investments at Fair Value- Equity investments		
Fair value – Investment property		
Fair value- other financial assets (specify)		
Total Gain		

12. Cash and cash equivalents

Description	FY 2024/2025	Comparative FY2023/2024
	Kshs	Kshs
Car Loan Account		
County Mortgage Account		
Fixed Deposits Account		
On – Call Deposits		
Current Account	8,366,694	
Others (<i>Specify</i>)		
Total Cash And Cash Equivalents	8,366,694	

**Nyandarua County Agricultural Institutions Revolving Fund
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Notes to the Financial Statements Continued

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

Financial Institution	Account number	FY 2024/2025	Comparative FY 2023/2024
		Kshs	Kshs
Fixed Deposits Account	-	-	-
Kenya Commercial Bank	-	-	-
Equity Bank, etc.	-	-	-
Sub- Total	-	-	-
On - Call Deposits	-	-	-
Kenya Commercial Bank	-	-	-
Equity Bank - Etc.	-	-	-
Sub- Total	-	-	-
Current Account	-	-	-
EQUITY BANK-	-	-	-
Main Account	0620284692337	3,862,967	758,794
Oljoro-orok ATC revenue account	0620284692670	545,738	-
Njabini ATC revenue account	0620284692581	1,041,038	-
Kinangop ATC revenue account	0620284692502	55,115	-
Nyandarua seed unit revenue account	0620284692981	955,752	-
Nyahururu AMS revenue account	0620284692838	1,064,646	-
Oljoroorok ATC operations account	0620286181849	314,047	-
Njabini ATC operations account	0620286181881	9,484	-
Kinangop AMS operations account	0620286181951	58,975	-
Nyandarua seed unit operations account	0620286181927	338,735	-
Nyahururu AMS operations account	0620286181755	120,198	-
Sub- Total		8,366,694	758,794
Others (Specify)	-	-	-
Cash In Transit	-	-	-
Cash In Hand	-	-	-

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Sub- Total	-	-	-
Grand Total	-	8,366,694	758,794

13. Receivables from exchange transactions

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Current Receivables	-	-
Interest Receivable	-	-
Current Loan Repayments Due	-	-
Other Exchange Debtors	-	-
Less: Impairment Allowance	-	-
Total Current Receivables	-	-
Non-Current Receivables	-	-
Long Term Loan Repayments Due	-	-
Total Non- Current Receivables	-	-
Total Receivables From Exchange Transactions	-	-

Additional disclosure on interest receivable

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

14. Prepayments

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-

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Prepaid Electricity Costs	-	-
Other Prepayments (<i>Specify</i>)	-	-
Total	-	-

15. Inventories

Description	FY 2024/2025	Previous FY 2023/2024
	Kshs	Kshs
Consumable Stores		
Spare Parts And Meters		
Catering		
Other Inventories (<i>Specify</i>)		
Total Inventories at The Lower of Cost and Net Realizable Value		

Detailed disclosure on inventories

	Insert Current FY	Insert Comparative FY
Opening balance	-	-
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	-	-

16. Investments in financial assets

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

**Nyandarua County Agricultural Institutions Revolving Fund
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Movement of Equity Investments

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

e) Shareholding in other entities

For investments in equity share listed above, list down the equity investments under the following categories:

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		Current year	Prior year
	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

**Nyandarua County Agricultural Institutions Revolving Fund
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17. Property, plant and equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
At 1st July (Previous FY)	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
At 30th June (Previous FY)	-	-	-	-	-
At 1st July (Current FY)	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
At 30th June (Current FY)	-	-	-	-	-
Depreciation And Impairment	-	-	-	-	-
At 1st July (Previous FY)	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
At 30th June (Previous FY)	-	-	-	-	-
At 1st July (Current FY)	-	-	-	-	-
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-
At 30th June (Current FY)	-	-	-	-	-
Net Book Values	-	-	-	-	-
At 30th June (Previous FY)	-	-	-	-	-
At 30th June (Current FY)	-	-	-	-	-

**Nyandarua County Agricultural Institutions Revolving Fund
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18. Intangible assets

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

19. Investment Property

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

**Nyandarua County Agricultural Institutions Revolving Fund
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Notes To the Financial Statements (Continued)

20. Trade and other payables from exchange transactions

Description	FY 2024/2025		Comparative FY 2023/2024	
	Kshs		Kshs	
Trade Payables	841,438			
Refundable Deposits				
Accrued Expenses				
Other Payables				
Total Trade and Other Payables	841,438			
Ageing analysis (Trade and other payables)	Current FY	% of the Total	Comparat ive FY	% of the Tot al
Under one year	841,438	100%		
1-2 years				
2-3 years				
Over 3 years				
Total (tie to above total)	841,438	100%		

21. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance At the Beginning Of The Year		-	-	-
Additional Provisions		-	-	-
Provision Utilised		-	-	-
Change Due To Discount And Time Value For Money		-	-	-
Transfers From Non -Current Provisions		-	-	-
Balance At The End of The Year		-	-	-

**Nyandarua County Agricultural Institutions Revolving Fund
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Notes To the Financial Statements (Continued)

22. Borrowings

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Balance At Beginning of The Period	-	-
External Borrowings During the Year	-	-
Domestic Borrowings During the Year	-	-
Repayments Of External Borrowings During the Period	-	-
Repayments Of Domestic Borrowings During the Period	-	-
Balance At End of The Period	-	-

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

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

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

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

23. Employee benefit obligations

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	Current FY	Comparative FY 2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total	-	-	-	-	-

24. Social Benefit Liabilities

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

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25. Cash generated from operations

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year Before Tax	3,862,967	
Adjusted For:		
Depreciation		
Amortisation		
Gains/ Losses On Disposal Of Assets		
Interest Income		
Finance Cost		
Working Capital Adjustments		
Increase In Inventory		
Increase In Receivables		
Increase In Payables		
Net Cash Flow from Operating Activities	3,862,967	

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26. Related party balances

a) Nature of related party relationships

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

- a) The County Government;
- b) The Parent Government Ministry;
- c) Fund Management Committee;
- d) Key management;

b) Related party transactions

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Transfers from Related Parties'	-	-
Transfers to Related Parties	-	-

c) Key management remuneration

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Board of Trustees/ Fund Management Committee	238,600	
Key Management Compensation		
Total	238,600	

d) Due from related parties

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Due from Parent Ministry	-	-
Due from County Government	-	-
Total	-	-

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Other Disclosures Continued

e) Due to related parties

Description	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Due to Parent Ministry	-	-
Due to County Government	-	-
Due to Key Management Personnel	-	-
Total	-	-

27. Contingent assets and contingent liabilities

Contingent Liabilities	FY 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Court Case Xxx Against the Fund	-	-
Bank Guarantees	-	-
Total	-	-

(Give details)

28. Financial risk management

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

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

a) Credit risk

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2025				
Receivables from Exchange Transactions				
Receivables from Non-Exchange Transactions				
Bank Balances				
Total				
At 30 June 2025				
Receivables from Exchange Transactions				
Receivables from Non-Exchange Transactions				
Bank Balances				
Total				

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

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

The entity has no significant concentration of credit risk on amounts due .

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

b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June (Current FY)				
Trade Payables				
Current Portion of Borrowings				
Provisions				
Employee Benefit Obligation				
Total				
At 30 June (Comparative FY)				
Trade Payables				
Current Portion of Borrowings				
Provisions				
Employee Benefit Obligation				
Total				

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Notes to The Financial Statements (Continued)

c) Market risk

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

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

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

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

i. Foreign currency risk

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

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

Description		Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2025 (Current FY)			
Financial Assets			
Investments			
Cash			

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Debtors/ Receivables			
Liabilities			
Trade And Other Payables			
Borrowings			
Net Foreign Currency Asset/(Liability)			

Notes To The Financial Statements (Continued)

Foreign currency sensitivity analysis

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on Equity
	Kshs	Kshs	Kshs
(Current FY)			
Euro	10%		
USD	10%		
(Comparative FY)			
Euro	10%		
USD	10%		

ii. Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (20xx: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20xx – Kshs xxx).

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d) Capital risk management.

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

Description	Current 2024/2025	Comparative FY 2023/2024
	Kshs	Kshs
Revaluation reserve		
Revolving fund		
Accumulated surplus	3,862,967	
Total funds	3,862,967	
Total borrowings		
Less: cash and bank balances	8,366,694	
Net debt (excess cash and cash equivalents)	(4,503,727)	
Gearing		

29. Events after the reporting period

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

30. Ultimate and Holding Entity

The entity is a County Public Fund established by Public Finance Management Act under the Department of Agriculture, Agribusiness, Livestock and Fisheries. Its ultimate parent is the County Government of Nyandarua.

31. Currency

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

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20. Annexes

Annex I: Progress on Follow up of Prior Year Auditor's Recommendations

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

Reference No. on the external audit Report	Issue/ Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Fund Manager/Accounting Officer (John Wachira - Fund Administrator)

Date.....24/11/2025

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Annex II: Inter-Fund Confirmation Letter

Name of beneficiary entity: Nyandarua County Agricultural Institutions Revolving Fund

P.O BOX 701-20303 OL KALOU

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

Confirmation of amounts received by [AGRICULTURAL INSTITUTIONS REVOLVING FUND] as at 30 th June 2025							
Reference Number	Date Disbursed	Amounts Disbursed (Kshs) as at 30 th June 2025				Amount Received by [beneficiary Fund] (KShs) as at 30 th June 2025 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
RTGS	01-nov-2024	10,000,000	0	0	10,000,000	10,000,000	0
Total		10,000,000			10,000,000	10,000,000	

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

Head of Accountants department of beneficiary Fund:

Name *Esther Muriuki* Sign *[Signature]* Date

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Annex III: Reporting of Climate Relevant Expenditures

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

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Annex IV: Reporting on Disaster Management Expenditure

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