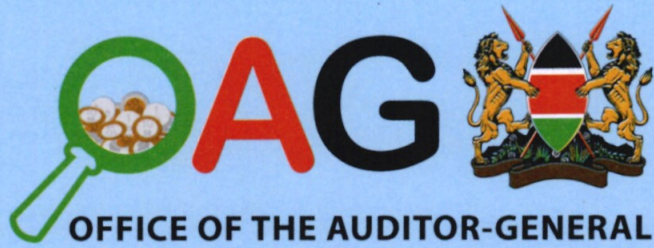


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

**STATE DEPARTMENT FOR GENDER
AND AFFIRMATIVE ACTION**

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

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 MAR 2026	DAY: WEDNESDAY
TABLED BY:	LEADER OF MAJORITY PARTY Hon. OWEN BAYA, MP
CLERK AT THE TABLE:	J. LEMERELLE

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**MINISTRY OF GENDER, CULTURE AND CHILDREN SERVICES
STATE DEPARTMENT FOR GENDER AFFAIRS AND AFFIRMATIVE ACTION**

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

Transitional International Public Sector Accounting Standards (IPSAS) Financial Statements

State Department for Gender and Affirmative Action
Annual Report and Financial Statements for the year ended June 30th 2025.

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1. Acronyms and Definition of Key Terms

A: Acronyms and Abbreviations

<i>CS</i>	<i>Cabinet Secretary</i>
<i>PS</i>	<i>Principal Secretary</i>
<i>CBK</i>	<i>Central Bank of Kenya</i>
<i>ICPAK</i>	<i>Institute of Certified Public Accountants of Kenya</i>
<i>IPSAS</i>	<i>International Public Sector Accounting Standards</i>
<i>OCOB</i>	<i>Office of the Controller of Budget</i>
<i>OAG</i>	<i>Office of the Auditor General</i>
<i>OSHA</i>	<i>Occupational Safety and Health Act of 2007</i>
<i>PFM</i>	<i>Public Finance Management</i>
<i>PPE</i>	<i>Property Plant & Equipment</i>
<i>PSASB</i>	<i>Public Sector Accounting Standards Board</i>
<i>SAGAs</i>	<i>Semi-Autonomous Government Agencies</i>
<i>SC</i>	<i>State Corporations</i>
<i>TNT</i>	<i>The National Treasury</i>
<i>WB</i>	<i>World Bank</i>

B: Definition of Key Terms

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

2. Key MDA Information and Management

(a) Background information

The State Department for Gender Affairs and Affirmative Action was established by Executive Order No. 1 of 2025. It is under the Ministry of Gender, Culture and Children Services. Previously, the State Department for Gender Affairs was established by Executive Order No. 1 of 2016 under the then Ministry of Public Service, Youth and Gender Affairs. Through Executive Order No. 1 of 2020, the Department was renamed as the State Department for Gender under the then Ministry of Public Service, Gender, Senior Citizens Affairs and Special Programmes.

At the Cabinet level, the State Department for Gender Affairs and Affirmative Action is represented by the Cabinet Secretary for Gender, Culture, and Children Services, who is responsible for the general policy and strategic direction of the State Department for Gender Affairs and Affirmative Action.

(b) Mandate

To promote gender equality and women's empowerment, coordinate affirmative action initiatives, and mainstream gender considerations across government programs. The State Department is also mandated to spearhead efforts to prevent and respond to Gender-Based Violence (GBV), and to facilitate economic empowerment programs targeting vulnerable and marginalized groups.

(c) Key Management

The State Department for Gender and Affirmative Action's day-to-day management is under the following key Directorates:

- Gender Balance and Equality;
- Gender Policy, Research and Documentation;
- Gender Based Violence Mitigation;
- Social Economic Empowerment; and
- General Administration and Planning

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(d) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Anne Wang'ombe
2.	Secretary Administration	Moses Ivuto
3.	Secretary Gender	Josephine Obonyo
4.	Director, Economic Planning	Isaiah Byegon
5.	Director, Administration	Mutuku Mwenga
6.	Director, Gender Balance and Equality	Jackline Makokha
7.	Director, Gender Policy, Research and Documentation	Verity M. Mganga
8.	Director, Gender Based Violence Mitigation	Michael Kariuki
9.	Director, Social Economic Empowerment	Grace Wasike
10.	Director, Human Resources Management & Development	Dr. Joel Kaburu
11.	Senior Chief Finance Officer	Sephone Ombachi
12.	Deputy Accountant General	Dudney Matagi
13.	Director, Supply Chain Management Service	David Mamati

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(e) Fiduciary Oversight Arrangements

a) Ministerial Audit Committee

During the Financial Year 2024/2025, the committee had the following members:

S/No.	Name	Membership
1.	Mr Pius Nduatih	Chairman
2.	Mr John P Ogwel	Secretary
3.	Mr Abdi S Ali	Member
4.	Mr Ambrose Agenga	Member
5.	Mr Joshua S Mollo	Member
6.	Ms Isabella Kosgei	Member
7.	Mr Nicholas M Kinoti	Secretariat
8.	Mr Job Ondieki	Secretariat
9.	Mr Geoffrey Wandera	Secretariat
10.	Mr Jotham Gitonga	Secretariat
11.	Ms Jerida Lasoi	Secretariat
12.	Ms Ebby Adhiambo	Secretariat
13.	Ms Purity Muriuki	Secretariat

The Terms of reference for the committee were to:

- (i) Evaluate adequacy of management procedures with regard to governance, risk management, fraud and control.
- (ii) Review and approve of the internal audit charter and the internal risk based audit plan.
- (iii) Review the system established to ensure sound public financial management and internal control, compliance with policies, laws, regulations, procedures, plans and ethics.
- (iv) Initiate special audits/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with Accounting Officer.
- (v) Whistle Blowing
- (vi) Communicate with internal and external auditors the changing financial reporting requirements, audit findings including comments on controls on the proposed audit coverage as well as approaches with respect to complex high risks and judgment areas and finally review management responses to specific audit observations and recommendations.
- (vii) Evaluate the Internal Audit function particularly in the areas of planning, monitoring and reporting
- (viii) Perform any other tasks which are within the mandate of the committee.

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b) Departmental Budget Implementation Committee (BIC)

During the Financial Year 2024/2025, the committee had the following members:

No.	Name	Membership
1.	Mr Sephone Ombachi	Chairperson
2.	Ms. Josephine Obonyo	Member
3.	Mr. Mutuku Mwenga	Member
4.	Mr Henry Omosa	Member
5.	Ms Grace Wasike	Member
6.	Ms Verity Mganga	Member
7.	Mr Isaiah Byegon	Member
8.	Mr Michael Kariuki	Member
9.	Ms. Leah Githuku	Member
10.	Mr. Phoebe Makungu	Member
11.	Ms. Catherine Kayaro	Member
12.	Mr Dickson Gisiora	Member
13.	Beatrice Wanjiru	Secretariat
14.	Jack Owuor	Secretariat

The Terms of reference for the committee were to:

- (i) Review and consider the cash flow plans;
- (ii) Review the utilization of cash limits and consider any changes as may be required;
- (iii) Review the utilization of Development Partners funds voted for the Department;
- (iv) Advise the Accounting Officer on any challenges related to the budget implementation;
- (v) Review and recommend reallocation of expenditures;
- (vi) Review and approve the submission of the expenditure returns, IPPD, pending bills and A.I.A. returns for the Department and recommend actions to be taken;
- (vii) Participate in the Sector Working Group;
- (viii) Prepare the budget for the State Department in consultation with the Heads of Departments.

c) Senior Management Committee.

The committee is chaired by the Principal Secretary and it comprises of all the Head of Departments and Units. The committee monitors the implementation of the State Department's programmes and performance. It receives reports from the Departments and Units, build consensus on State Departments for Gender and Affirmative Action responses to emerging issues, challenges and risks, and ensures that the decisions made are implemented in time.

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d) Departmental Human Resource Management (DHRMAC)

The committee is chaired by the Principal Secretary. During the Financial Year 2023/2024, the committee had the following members:

No.	Name	Membership
1.	Moses Ivuto	Chairperson
2.	Isaiah Byegon	Member
3.	Grace Wasike	Member
4.	Jackline Makokha	Member
5.	Verity Mghanga	Member
6.	Michael Kariuki	Member
7.	Sephone Ombachi	Member
8.	Jodephine Obonyo	Member
9.	Joel Kaburu	Secretary

The Terms of reference for the committee were:

1. Recruitment, Selection and Appointment
2. Promotions
3. Confirmation in Appointment
4. Training and Development including induction of new staff
5. Training Impact Assessment
6. Management of Skills Inventory
7. Proposal of Establishment and Complement Control
8. Payroll Management
9. Deployment
10. Promotion of Values and Principle of Public Service
11. Administration of the biannual and final declaration of Income, Assets and Liabilities and the Public Service Code of Conduct and Ethics for Officers in CSG and below
12. Quarterly reports on the initial and final declaration of Income, Assets and Liabilities for all Public Officers.
13. Quarterly reports on the discharge of human resource function including on implementation of Public Service Commission decisions.
14. Staff welfare, health and safety.
15. Recommendation for waiver of requirements of the Scheme of Service

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16. Recommendation for secondments and unpaid leave
17. Recommendation for retirement 'Under the 50 Year Rule'
18. Recommendation for retirement under Medical Grounds.
19. Recommendation for Public Excellence Awards
20. Recommendation for re-designation
21. Recommendation for engagement and renewal of contract
22. Disciplinary control.

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(f) **MDA Headquarters**

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Telposta Towers
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Nairobi, Kenya

(g) **MDA Contacts**

Telephone: (254) 020-2216500
E-mail: info@gender.go.ke
Website: gender.go.ke

(h) **MDA Bankers**

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

(i) **Independent Auditors**

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

(j) **Principal Legal Adviser**

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

3. Profile of Cabinet Secretary

Ms. Hanna Wendot Cheptumo, serves as the Cabinet Secretary for the Ministry of Gender, Culture and Children Services in the Republic of Kenya, following her appointment by His Excellency President William Ruto in April 2025. Her portfolio covers gender equality, children's rights and welfare, cultural preservation, social protection, and the empowerment of women, youth and vulnerable groups, positioning her at the centre of the nation's social development agenda.

Her career reflects a wealth of experience in public service, law, and governance. She served for 17 years as a Cooperative Officer in the Ministry of Cooperatives and Marketing before establishing her private legal practise where she practiced as an Advocate of the High Court of Kenya.

Ms. Cheptumo holds a Bachelor of Laws (LL.B.) degree from the University of Nairobi and a Diploma in Cooperative Management from the Cooperative University of Kenya. She brings to the Ministry strong expertise in administration, policy formulation, and community development, with a leadership anchored on accountability, inclusivity, and empowerment.

4. Profiles of Accounting Officer and Key Management.

Accounting Officer and Key Management



Anne Njoki Wang'ombe was appointed Principal Secretary for the State Department for Gender and Affirmative Action in July 2023. She holds a Master's Degree in Education Administration and Planning from the University of Nairobi, a Bachelor's Degree in Education from Kenyatta University, and an Advanced Certificate in Human Resource Management.

She has over 20 years of professional experience in education, human resource management, and public administration. Her career includes serving as Assistant Director – Human Resources and Administration at the Kenya Medical Research Institute (KEMRI), Manager of the Kenya Revenue Authority Staff Pension Scheme, and as a Lecturer in various universities and teacher training institutions.

As Principal Secretary, she provides leadership in the formulation and implementation of government policies and programs on gender equality, affirmative action, women's empowerment, and the prevention of gender-based violence, bringing to the Department a strong record in governance, performance management, and public sector reforms.

5. Statement by the Cabinet Secretary



During the year under review, the Ministry of Gender, Culture and Children Services concentrated on advancing gender equality and women's empowerment, in line with the Government's development agenda.

The Ministry continued to address challenges of gender-based violence, unequal access to economic opportunities, and limited participation of women in decision-making. To respond effectively, we prioritized the implementation of key policy instruments including the National Policy on the Prevention of and Response to Gender-Based Violence, the Standard Operating Procedures for GBV Service Providers, the Male Engagement Strategy, and the Women Economic Empowerment Policy. These frameworks strengthened prevention and response to GBV, promoted the active engagement of men and boys in advancing gender equality, and expanded opportunities for women to participate in economic growth. We also enhanced access to government empowerment funds, scaled up affirmative action programs targeting vulnerable women and girls, and intensified community sensitization aimed at changing harmful cultural norms that perpetuate gender inequality.

Looking ahead, the Ministry remains committed to building strong partnerships, strengthening institutional mechanisms, and ensuring that gender equality and women's empowerment remain central pillars of national development.

A handwritten signature in black ink, appearing to read 'Hanna Wendot Cheptumo'. The signature is stylized with a large, sweeping initial 'H' and 'W'.

Hanna Wendot Cheptumo

Cabinet Secretary

Ministry of Gender, Culture and Children Services

**State Department for Gender Affairs and Affirmative Action
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6. Statement by the Accounting Officer

During the year under review, the State Department for Gender and Affirmative Action implemented programs aimed at advancing gender equality, women's economic empowerment, and National Government Affirmative Action Fund (NGAAF) was able to financially support vulnerable members of the society through disbursement of bursaries to 58,050 needy students, disbursed grants to 2,783 groups for table banking and supported 1,360 groups with value addition initiatives.

The Women Enterprise Fund disbursed loans worth Kshs. 457.4 million to 189,500 women entrepreneurs. Moreover, 120,556 women entrepreneurs were trained on financial literacy and value addition and 821 entrepreneurs were linked to large enterprises.

To eliminate Gender Based Violence, the State Department strengthened GBV legal and policy frameworks through review of the National Policy on the Prevention of and Response to Gender Based Violence, development of a legal framework for establishment of Gender Based Violence Protection Centres and development of Standards and Procedures of Standards And Protocols For The Operation Of Gender Based Violence Helplines In Kenya. Other achievements include: commemoration of 16 days of activism campaigns that was launched in Makueni County and undertaken in the other 46 counties;

The State Department for Gender and Affirmative Action complied with International and Regional treaties and convention through participation, preparation, submission of country reports and development and implementation of action plans on gender to relevant monitoring bodies. To ensure that gender mainstreaming is entrenched in MDAs, The Department also launched a male engagement and inclusion strategy and National Gender and Climate Change Action Plan to mainstream gender issues in the discourse of climate change.

In the FY 2024/25 period, the State Department for Gender Affairs and Affirmative Action implemented three programmes and two sub programmes. The priorities identified for implementation were aligned to BETA priorities, Cabinet decisions, programmes that address the core mandate of the SDGAA, requirements for furtherance and implementation of the Constitution of Kenya 2010, the Vision 2030 and its flagship projects as well as the Fourth Medium Term Plan (2023-27) and Sustainable Development Goals.

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In the FY 2023/24, the State Department for Gender Affairs and Affirmative Action was allocated a gross budget of Kshs 4,818,488,049 which comprised of Kshs. 1,847,588,643 and Kshs 2,825,899,404 for the Recurrent and Development vote respectively. The gross budget was distributed among the three programmes at the State Department as follows:

- a) Community Development – Kshs 3,694,270,406
- b) Gender Empowerment – Kshs 790,580,399
- c) General Administration and Planning– Kshs 333,637,244

a) Programme 1: Community development

The focus of the programme is to promote socio economic empowerment of women, girls, men and boys, and enhance participation in community development. The programme was allocated Kshs 3,694,270,406 representing 76% of the budget.

b) Programme 2: Gender Empowerment

The programme focuses on mainstreaming gender in public and private sectors and promotion of gender equality for socio-economic development. The programme was allocated Kshs. 790,580,399 representing 24% of the budget. The amount was spent under the following sub programme:

- a. Sub-programme 2.1: Gender mainstreaming Kshs 434,509,818
- b. Sub Programme 2.2 Gender and social economic empowerment Kshs 356,070,581

c) Programme 3: General Administrative and Planning

The aim of the programme is to ensure efficiency and effectiveness in administrative, financial, planning and other support services. The programme was allocated Kshs. 333,637,244. The amount was spent under the following sub programme;

- a. Sub-programme 3.1: Administration and Planning Kshs, 221,208,786
- b. Sub Programme 3.2 Field Services Kshs. 112,428,458

Budget Utilisation

The State Department spent Kshs 4,657,445,718 against an approved budget of Kshs 4,818,488,047 representing absorption of 97%. Utilisation of the budget was carried out through various activities (economic classifications) as shown in the table below;

Item	Approved Budget Allocation	Actual Payments	Variance
Compensation of Employees	287,666,140	273,126,010	14,540,130
Use of goods and services	318,279,987	309,257,117	9,022,870
Transfers to Other Government Units	4,206,394,951	4,069,773,901	136,621,050
Acquisition of assets	6,146,969	5,288,690	858,279
Total Payments	4,818,488,047	4,657,445,718	1,716,558

**State Department for Gender Affairs and Affirmative Action
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It is noted that 87% of the State Department's budget was used in Transfers to Other Government entities i.e., Semi-Autonomous Government Agencies (SAGAs), 6% of the budget was utilised on Employee Compensation while 1% was utilized in Acquisition of Assets and 6% of the budget was used on Goods and Services.

Actual Performance against Budget for Year to 30th June 2024.

Financial Performance	Printed Estimates	Actual Expenditure	Variance	Utilisation Variance
	Kshs	Kshs	Kshs	%
Total Receipts	4,818,488,047	4,662,345,742	156,142,305	97%
Total Payments	4,818,488,047	4,657,445,718	1,716,558	97%
Surplus for the Year	-	4,900,024		

Challenges.

- (i) Inadequate funding for implementation of gender programmes and projects.
- (ii) Inadequate entrepreneurship skills of the loan beneficiaries which affects the repayment of the loan.
- (iii) Inadequate staff in the State Department for Gender and Affirmative Action and its agencies.
- (iv) Inadequate office space, office furniture and general equipment.
- (v) Emerging trends such as medicalization of FGM, reduction in age at which girls are cut and cross border cutting has made it a bit harder for law enforcement officers to detect when the practice is being done.
- (vi) Inadequate gender statistics for evidenced based decision making.
- (vii) Persistence socio-cultural norms that perpetuate FGM, GBV and child marriages.



 Anne Njoki Wang'ombe
 Principal Secretary

7. Statement of Performance Against Predetermined Objectives for FY2024/25

The key strategic objectives of the State Department for Gender and Affirmative Action are:

- a) To mainstream gender and affirmative action in public and private spheres.
- b) To coordinate and implement policies and programmes to end gender-based violence, FGM and other harmful practices.
- c) To promote special programmes for empowerment of women and other vulnerable groups.
- d) To domesticate international/regional treaties/conventions to eliminate gender discrimination and promote gender equality.
- e) To enhance production, availability and use of gender statistics for evidence-based decision making.
- f) To strengthen institutional capacity

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

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Table 1: Programme performance

Programme	Outcome	Output	Key Outputs	Key Performance Indicators	Annual Target(s)	Actual as at 30th June 2025	Variance	Remarks
Community Development	To promote special programmes for empowerment of women and other vulnerable groups	Increased allocation of resources to special needs and empowerment of women and other vulnerable groups	Financial support to vulnerable members of society	No of students supported with bursaries and scholarships	52,808	58,050	5,275	Target achieved
				Affirmative action groups funded for socio-economic empowerment	2,626	2,783	157	Target achieved
				Affirmative action groups supported for value addition initiatives	1,288	1,360	72	Target achieved
Gender empowerment	Reduced gender inequalities	Engagement with County Anti-FGM Steering Committees	Number of steering committees reached	22	12	10	Target not met due to inadequate funds	

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			Sensitization of Youth Anti-FGM Network Kenya (YANK)	Number of counties reached	4	7	(3)	Target surpassed
			Engagements with Survivors	Number of survivors	1,000	1,000	-	Target achieved
			Sensitization /awareness/Capacity building of Resource persons on effects of FGM	Number of Resource persons	6,000	6,500	(500)	Target surpassed by only 500 resource persons
			Dialogue with Elders	Number of counties reached	4	5	(1)	Target surpassed by only one county
			Leading the country in observing International Days (Zero Tolerance, IDG)	Number of people sensitized during International Days	2,000	3,500	(1,500)	Target surpassed as it was supported by partners
			Reviewed National Policy on Prevention and Response to GBV	Reviewed National Policy on Prevention and Response to GBV 2025	1	1	0	Target achieved
			Print and launch the reviewed National policy on prevention and response to GBV	Printed Copies	1500	0	0	Target achieved

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			Dissemination of reviewed National Policy on Prevention and Response to GBV	Dissemination Reports	10 Counties	10	0	Target Achieved
			Data Base of Existing GBV protection Centres	Data Base	1	1	0	Target Achieved
			Develop legal frameworks on Gender Based Violence Protection Centres	Legal Framework	1	1	0	Target achieved
			National strategy for male engagement on prevention & elimination of GBV/FGM developed		1	1	0	Target Achieved
			Develop National strategy for male engagement on prevention & elimination of GBV/FGM	Strategy	1	1	0	Target Achieved
			Mainstream GBV & FGM in the county Annual Development Plans and emergency preparedness and response	action plans developed	1	1	0	Target Achieved
			Mainstream GBV & FGM in the county Annual Development Plans and emergency preparedness and response	Report	1	1	0	Target Achieved
			Develop a framework for regulating operations of GBV Toll free help lines	Standard Operating Procedures (SOPs)	1	1	0	Target Achieved
			Purchase and distribute dignity kit to survivors in safe houses	report	4000	4000	0	Target Achieved

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			Hold dialogues with GBV survivors in counties and build their capacity on access to Affirmative Action Funds	Report	10	10	0	Target Achieved
			Develop a Framework to establish a GBV Survivors Fund	Legal Framework	1	1	0	Draft awaiting finalization
			Convene fora to build capacity of multi-Sectoral working group on GBV/FGM at National level	Report	10	10	0	Target Achieved
			Build capacity of County Gender Sector Working Groups (GSWG) on GBV/FGM in 10 counties	Report	10	10	0	Target Achieved
			Convene quarterly GBV GSWG meetings	report	4	2	2	Partially achieved
			Build capacity of police officers deployed at gender desks/ units	Report	100 Police Officers	100	0	Target Achieved
			Build capacity of duty bearers and right holders on the elimination of GBV, FGM and other harmful practices	Report	500	500	0	Target Achieved
			Map- out tele-counsellor service providers and build capacity on psycho-social management of GBV survivors	Report	100 service providers	0	100	target not achieved
			Build capacity of duty-bearers on referral mechanism, access to GBV services and evidence management	Report	500	500	0	Target Achieved
			Sensitize GBV service providers on GBVRC guidelines and other strategic documents	Report	100	100	0	Target Achieved

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		Identify and build capacity of male champions to end GBV and FGM at county level	Report	1000	1000	0	Target Achieved
		Build capacity of grassroots women on alternative justice systems, mediation and digital peace building	Report	100	100	0	Target Achieved
		Train stakeholders in the public transport sector on GBV in 5 counties	reports	5 counties	5	0	Target Achieved
		Enter into partnerships with 5 media houses to create awareness on GBV	report	5	5	0	Target Achieved
		Build capacity of institutions of higher learning and identify young champions on GBV prevention and response	report	4	0	4	target not achieved
		Disseminate PADV rules to National constitutional /independent institutions	report	10 counties	10	0	Target Achieved
		Activate and capacity build GEF structures in 10 counties	report	10 counties	6	4	Partially achieved
		Develop an annual progress report on implementation of GEF commitments	Annual report	1	1	0	achieved
		Hold quarterly GEF county meetings	Report	1	1	1	achieved
		Facilitate the formation of Women, Peace and Security chapters in 5 hotspot counties	Report	5	5	0	Target not Achieved
		Conduct pre-feasibility studies on establishment of GBV protection centres	Report	1	1	1	Achieved

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			Train members of county peace keeping committees on mediation and conflict management	Report	1	1	0	achieved
			Conduct an assessment on implementation of KNAP II (2020-2024)	report	1	1	0	Target Achieved
			Develop Knap III	KNAP III	1	1	0	Target Achieved
			Coordinate the commemoration of 16 Days of Activism, International Day of the Girl –Child, and Zero Tolerance to FGM in 20 counties	Report	20	20	0	Target Achieved
			Train members of county peace keeping committees on mediation and conflict management	Report	1	1	0	achieved
			A training manual on Gender Mainstreaming developed	Training manual on Gender Mainstreaming developed	1		1	More facilitation needed
			Capacity build officers of MDACs on gender mainstreaming	200 Officers in MDACs capacity built on gender mainstreaming	200	80	120	More facilitation needed
			To finalize SDfGAA Gender and GBV Policies	SDfGAA Gender and GBV workplace	2	-	2	More facilitation needed

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				Policies finalized				
			Disseminate report of the Multi-Sectoral Working Group on the realization of not more than two-thirds gender principle disseminated in two (2) national fora	A report of the Multi-Sectoral Working Group on the realization of not more than two-thirds gender principle disseminated in two (2) national fora	2	2	-	Done
			Hold Four (4) consultative meetings with relevant stakeholders on the enactment and implementation of the not more than two-thirds gender principle	Four consultative meetings with relevant stakeholders on the enactment and implementation of the not more than two-thirds gender principle held	4	4	4	Achieved

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			Develop a Male Engagement and Inclusion Strategy	National Male Engagement and Inclusion Strategy developed	1	1	-	Developed
			Conduct an analysis of the implementation of the Two-Thirds Gender Principle in MDAs	Analysis of the implementation of the Two-Thirds Gender Principle in MDAs conducted	1	1	-	Developed
			Develop a National Action Plan on Gender and Climate Change	National Action Plan on Gender and Climate Change developed	1	1	-	Developed
			Commemorate the International Women's Day	International Women's Day commemorated on 8th March, 2025 at Homabay County	1	1	-	Held in Homabay

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			Convene two meetings of the National Gender Sector Working Group	Two meetings of the National Gender Sector Working Group convened	1	1	-	Achieved
			Business support services	No of women entrepreneurs trained on financial literacy	90,000	97,480	7,480	Target Achieved
				No of women entrepreneurs trained on value addition	100	107	7	Target Achieved
				No of women entrepreneurs trained on AGPO	1,500	4,987	3,487	Target Achieved
				No of women entrepreneurs supported to market their products through participation in exhibiti	200	287	87	Dropped due to budget constraints

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				ons and selected trade fairs					
			Financial Services	Amount disbursed	2,000,000,000	457,400,000	-1,542,600,000		The stopping of lending deprived women from accessing loans
General Administration, Planning and Support Services	To strengthen institutional capacity	Enhanced institutional operations for effective and efficient service delivery	Final Accounts Report	No of Final Accounts Report	4	4	-	Annual Target achieved	
			Annual Budget Estimates	Preparing Annual Budgets	1	1	-	Annual Target achieved	
			Supplementary Budgets	Preparation of Supplementary Budgets	2	2	-	Annual Target achieved	
			Budget Reports (Sub-Sector, PBB, PPR and Sector Report)	Preparation of the Sector Reports	3	3	-	Annual Target achieved	
			Controller of Budget Reports	Budget implementation Reports	4	4	-	Annual Target achieved	
			AIEs transferred to sub counties	Transfer of AIEs to sub counties	184	184	-	Annual Target achieved	
			Quarterly Budget Implementation Meetings held	Hold quarterly Budget Implementation meetings	4	4	-	Annual Target achieved	

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			Appointment of AIE Holders and PFMS-Committee-members	Preparation of appointment letters	12	12	-	Annual Target achieved
			Controller of budget Report	No of Controller of budget reports	4	4	-	Annual Target achieved
			Quarterly Performance contract reports	No of Performance contract reports	4	4	-	Annual Target achieved

8. Governance Statement

The State Department for Gender Affairs and Affirmative Action operates under the Ministry of Gender, Culture, and Children Services, in accordance with the Constitution of Kenya (2010), the Executive Order No 1 on the Organisation of the Government (2025), and other enabling legislation. The overall policy direction is provided by the Cabinet Secretary, who is responsible for national gender policy formulation, oversight of affirmative action programmes, and alignment with Kenya's Vision 2030, Medium Term Plan IV (MTP IV), and the Sustainable Development Goals (SDGs). The Principal Secretary serves as the Accounting Officer, providing strategic leadership, coordinating inter-departmental functions, and ensuring adherence to public finance and procurement laws.

The Department's structure consists of 5 main Directorates:

- Directorate of Gender Balance and Equality – Oversees the promotion of equal opportunities, monitoring gender parity in public and private sectors, and mainstreaming equality in policy, legislation, and programme implementation
- Directorate of Gender Policy and Research – Responsible for formulating gender-related policies, conducting research, reporting on gender related international obligations and advising on evidence-based gender interventions
- Directorate of socio-economic empowerment – Implements socio-economic empowerment programmes for women, youth, persons with disabilities, and other marginalised groups, including oversight of affirmative action funds and economic inclusion initiatives
- Directorate of GBV Prevention and Response – Leads the prevention, response, and management of Gender-Based Violence (GBV) cases, coordinates inter-agency efforts to address GBV, and oversees the management and operational support of Gender Violence Protection Centres (GVPCs) countrywide
- Directorate of Administration and Support Services – Manages human resources, finance, ICT, and planning services

The State Department for Gender and Affirmative Action remains committed to full compliance with:

- The Constitution of Kenya (2010)
- Public Finance Management Act, 2012
- Public Procurement and Asset Disposal Act, 2015
- Leadership and Integrity Act, 2012

**State Department for Gender Affairs and Affirmative Action
Annual Report and Financial Statements for the year ended June 30, 2025.**

- Access to Information Act, 2016
- Gender-Based Violence Laws and Treaties (including the Sexual Offences Act, 2006, and ratified international conventions)

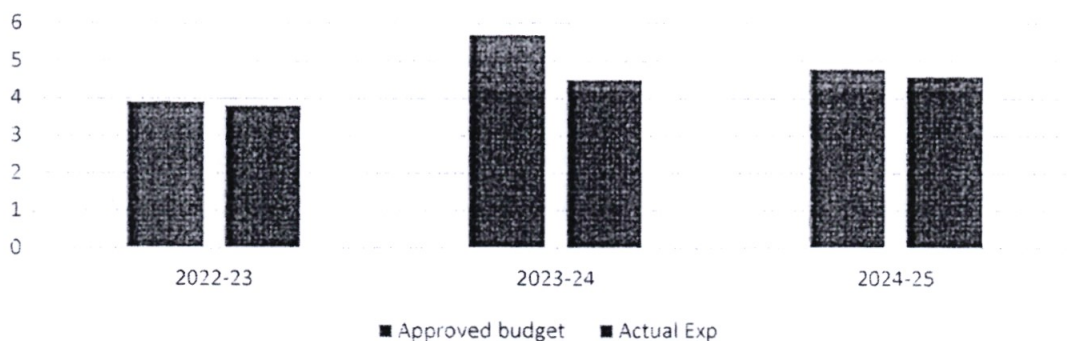
Internal audits and periodic compliance reviews confirmed that the Department met statutory deadlines for financial reporting, followed prescribed procurement procedures, and adhered to ethical standards. Recommendations from the Office of the Auditor-General, the National Treasury, and the EACC were implemented promptly to strengthen governance systems.

9. Management Discussion and Analysis

The mandate of the State Department for Gender and Affirmative Action is to advance gender equality and empower all women and girls, as articulated in Executive Order No. 2 of 2023. Additionally, it is tasked with ensuring adherence to affirmative action principles as outlined in the Constitution of Kenya.

During the 2022/23 to 2024/25 review period, the State Department was allocated KSh 3.9 billion, and KSh 5.7 billion for FY2022/23, FY2023/24 respectively and 4.8 billion for FY 2024/2025. The actual expenditure for the respective fiscal years was KSh 3.8 billion in FY 2022/23, KSh 4.5 billion in FY 2023/24 and KSh 4.6 billion in FY 2024/25. This represents absorption rate of 96%, 78% and 97% respectively. During the review period from 2022/23 to 2024/25, the State Department achieved significant progress in several key areas.

Budget Allocation against absorption



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The National Government Affirmative Action Fund (NGAAF) allocated KSh 3.3 billion to Affirmative Action Groups for bursaries, scholarships, table banking, and value addition initiatives. Additionally, the Department enhanced the capacity of 379 Ministries, Departments, and Agencies in gender mainstreaming, commemorated International Women's Day, and observed the 16 Days of Activism against Gender-Based Violence (GBV). Furthermore, training was provided to Police Officers assigned to Gender Desks in Police Stations nationwide. The Women Enterprise Fund (WEF) disbursed KSh 5.7 billion to support 365,737 women entrepreneurs and provided financial literacy training to 413,025 women entrepreneurs.

Compliance with Statutory Requirements

The Department has maintained a strong record of compliance with statutory and regulatory requirements:

- a) Public Finance Management (PFM) Act, 2012 – Adherence to budget preparation, expenditure reporting, and audit requirements.
- b) Labour and Employment Regulations – Timely remittance of statutory deductions such as PAYE, NHIF, and NSSF.
- c) Gender and Inclusivity Laws – Alignment of programs with the Constitution, SDGs, and international treaties ratified by Kenya.
- d) Audit Recommendations – Progressive implementation of recommendations from the Auditor-General and the Internal Auditor to strengthen accountability.
- e) Nonetheless, the Department continues to address gaps in timely reporting and fund absorption, particularly for donor-funded projects.

Major Risks Facing the Department


The Department faces several risks that affect program implementation:

- a) Inadequate and Unpredictable Funding – Resource limitations and delayed disbursements hinder full implementation of planned programs.
- b) Gender Norms and Resistance – Deeply entrenched cultural practices, including FGM and child marriage, pose challenges to gender equality initiatives.
- c) GBV Prevalence – Rising cases of GBV, exacerbated during national emergencies such as COVID-19, place heavy demand on services.
- d) Data Gaps – Limited disaggregated gender data affects evidence-based policy-making.
- e) Technological Risks – Cyber security concerns linked to digital fund disbursement platforms.

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Risk mitigation strategies include resource mobilization, partnerships, community sensitization, and strengthening of monitoring and evaluation systems.

During the Medium-Term period from 2025/26 to 2027/28, the State Department is committed to implementing several key priorities. These include the expansion of socio-economic opportunities for women, youth, and persons with disabilities (PWDs), with a particular emphasis on enhancing financial inclusion. The Sanitary Towels Programme will be sustained through the provision of sanitary towels to girls in public primary and junior secondary schools, thereby promoting menstrual hygiene and improving retention rates in educational institutions

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 MAR 2026	DAY: WEDNESDAY
TABLED BY:	LEADER OF MAJORITY PARTY HON. OWEN BAYAJ MP
CLERK-AT THE-TABLE:	J. LEMERELLE

10. Environmental and Sustainability Reporting

a) Sustainability strategy and profile

The State Department remains committed to embedding sustainability into its core operations in line with national development priorities, international best practices, and the Sustainable Development Goals (SDGs). Our strategy integrates social responsibility, and sound governance practices. We recognise that emerging global trends—such as climate change, rapid urbanisation, resource scarcity, and shifting macroeconomic conditions—demand innovative and resilient approaches to sustainability.

Top management, under the leadership of the Accounting Officer, has prioritized sustainable resource management and inclusive social policies. Notable achievements include the integration of sustainability indicators into performance frameworks, stakeholder awareness initiatives, and collaboration with international partners. Nonetheless, gaps remain in data collection, monitoring, and financing, which the Department is actively addressing through capacity building and resource mobilisation.

b) Environmental Performance, Climate Change, and Mitigation of Natural Disasters

Several strides have been made amid some challenges in addressing the gendered impacts of climate change. These include integration of gender issues into the Climate Change (Amendment) Act (2023), updated NDCs (2020), and implementation of our gender related commitments under the United Nations Framework Convention on Climate Change (UNFCCC). Additionally, the state Department planted 78,000 trees as well as established a Climate Change Unit to oversee the mainstreaming of gender into climate action internally and across sectors.

c) Employee Welfare

Human capital remains at the centre of sustainable development. The organisation's hiring policies emphasize diversity, inclusion, and gender parity in line with the Constitution of Kenya (2010) and international labour standards.

Skills development is enhanced through targeted training, mentorship, and career progression frameworks. Performance appraisal are transparent and aligned to productivity, while safety remains paramount.

d) Operational Practices

The State Department upholds responsible practices in its supply chain. Procurement policies require suppliers to comply with ethical business standards, environmental safeguards, and prompt delivery. Suppliers are treated fairly, with contracts honoured and payments made within agreed timelines, thereby strengthening trust and accountability.

e) Community Engagements

The State Department for Gender actively engages communities across the country to advance gender equality, women's empowerment, and social inclusion in line with the Constitution of Kenya (2010), Vision 2030, and international commitments such as the SDGs and CEDAW.

During the reporting period, the Department implemented several initiatives with direct community impact through campaigns against Gender-Based Violence (GBV) Prevention and Response, capacity building on Women Economic Empowerment on entrepreneurship, financial literacy, and access to credit through the Women Enterprise Fund.

11. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government MDA shall prepare financial statements in respect of that MDA. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the State Department for Gender Affairs and Affirmative Action is responsible for the preparation and presentation of the MDA's financial statements, which give a true and fair view of the state of affairs of the MDA for and as at the end of the financial year (period) ended on June 30, 20xx. 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 MDA, (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 MDA; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Gender Affairs and Affirmative Action accepts responsibility for the MDA's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the MDA's financial statements give a true and fair view of the state of MDA's transactions during the financial year ended June 30, 20xx, and of the MDA's financial position as at that date. The Accounting Officer further confirms the completeness of the accounting records maintained for the MDA, which have been relied upon in the preparation of the MDA's financial statements as well as the adequacy of the system of internal controls.


The Accounting Officer in charge of the State Department for Gender Affairs and Affirmative Action confirms that the MDA has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the MDA's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that the MDA's financial statements have been

State Department for Gender Affairs and Affirmative Action
Annual Report and Financial Statements for the year ended June 30, 2025.

prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

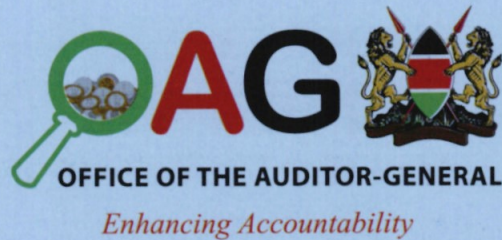
The *MDA*'s financial statements were approved on 17/0/25 2025 and signed by:


.....

Anne Wang'ombe

Accounting Officer

REPUBLIC OF KENYA



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

Telephone: +254-(20) 3214000
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REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR GENDER AND AFFIRMATIVE ACTION FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on 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

Opinion

I have audited the accompanying transitional IPSAS financial statements of State Department for Gender and Affirmative Action set out on pages 1 to 59, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial

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

In my opinion, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of the State Department for Gender and Affirmative Action 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) including the transitional provisions permitted under IPSAS 33, and comply with the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025

Basis for Opinion

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

The following issues raised by the Auditor-General in the previous audit reports remain unresolved;

1. Inaccuracies in the Statement of Cashflows
2. Budgetary Control and Performance
3. Pending Accounts Payable
4. Failure to Maintain One-Third Rule on Net Pay
5. Motor Vehicles in the Asset Register Without Values
6. Inadequate Asset tagging/Identification
7. Unaccounted for Motor Vehicles

Other Information

The Management is responsible for the Other Information set out on page iii to xxxv which comprise of Key Entity Information and Management, Profile of Cabinet Secretary, Profile

of Accounting Officer and Key Management Team, Statement by the Cabinet Secretary, Statement by the Accounting Officer, Statement of Performance against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the State Department'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 THE LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unapproved In-Posts

Review of approved staff establishment for the State Department revealed unapproved staff in positions beyond the approved establishment.

Failure to comply with the approved staff establishment is a violation of Section A.15 of the Human Resource Policies and Procedures Manual for the Public Service, 2016, which requires the Ministerial Human Resource Management Advisory Committee, to make recommendations to the Authorized Officer regarding among others Establishment and Complement control.

In the circumstances, Management was in breach of the Human Resources Policies and Procedures Manual, 2016.

2. Ageing Workforce

Section H.14(1) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 states that Authorized Officers are expected to develop, update and

maintain a skills inventory for all officers in their respective State Departments for purposes of identifying the available, and the required skills. The inventory will guide the training, recruitment and succession management decisions.

However, review of payroll data for the State Department had revealed that over 45% of the staff are above fifty (50) years. As a result, in the next few years, the succession of the entity will be doubtful considering the expected reduced manpower due to retirements.

In the circumstances, Management was in breach of the Human Resources Policy and Procedures Manual, 2016.

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

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

Conclusion

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

Basis for Conclusion

1. Absence of Risk Assessment Policy and Risk Register

Review of the Internal Control Systems revealed that Management claimed to conduct periodic risk assessments. However, no risk assessment policy or supporting framework specific to the State Department was provided. Further, it was also observed that the entity did not have a risk register in place. However, Management explained that it was in the process of developing a risk register.

In the circumstances, Management was in breach of the principles outlined in ISO 31000 Risk Management Guidelines and best practices in public sector risk management, which require structured, documented approaches to risk identification and mitigation.

2. Lack of Internal Control Policy Documents

Review of the internal control systems at the State Department indicated compliance with internal control procedures. However, it failed to provide its internal policies and operational manuals to support this assertion except for those dealing with procurements. This is contrary to Regulation 9 of the Public Finance Management (National

Government) Regulations, 2015, which emphasizes the documentation and enforcement of internal control systems. The absence of these documents suggests lapses in procedural documentation and may hinder consistent application of controls across operational areas.

In the circumstances, it was not possible to confirm existence of policy documents that could guarantee effective internal controls.

3. Non-Provision of Internal Audit Reports

In its oversight of the State Department and its semi-autonomous agencies such as National Government Affirmative Action Fund (NGAAF), the State Department claimed that internal audit functions - through both its own units and external bodies like State Corporations Advisory Committee (SCAC), provides oversight. However, no internal audit reports or coverage schedules were provided to confirm this assertion. This contravenes Section 73 of the Public Finance Management Act, 2012, which mandates effective internal audit for all public entities. The failure to document and present internal audit reviews points to poor audit planning or weak coordination with semi-autonomous entities.

In the circumstances, the existence of an effective internal audit department to ensure existence of an efficient system of internal controls could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the State Department'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


10 December, 2025


State Department for Gender Affairs and Affirmative Action
Annual Report and Financial Statements for the year ended June 30, 2025.

13. Statement of Financial Performance for the year ended 30th June, 2025

	Notes	30 th June, 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from Exchequer	6	4,652,345,742
Transfers from Other Government entities	7	10,000,000
Total		4,662,345,742
Total revenue		4,662,345,742
Expenses		
Employee costs	8(a)	267,181,671
Use of goods and services	9(a)	300,811,697
Transfers to other Government Entities	10(a)	3,606,334,623
Depreciation and amortization expense	11	1,115,700
Total expenses		4,175,443,690
Surplus/Deficit for the year		486,902,052

The Financial Statements set out on pages 1 to 7 were signed by:


.....
Anne Wang'ombe
Accounting Officer


.....
Dudney Matagi
Head of Accounting Unit
ICPAK M/No. 5552

State Department for Gender Affairs and Affirmative Action
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14. Statement of Financial Position as at 30th June, 2025

	Notes	30 th June, 2025	Opening Statement 1 st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	12	11,976,491	21,471,566
Receivables from Non-Exchange Transactions	13	588,922	753,438
Total Current Assets		12,565,413	22,225,004
Non-Current Assets			
Property, Plant and Equipment	14	2,603,300	-
Total Non- Current Assets		2,603,300	-
Total Assets (a)		15,168,713	22,225,004
Liabilities			
Current Liabilities			
Trade and Other Payables	15	10,120,101	483,574,489
Refundable Deposits	16	5,252,557	5,271,957
Current Provision	17	2,621,800	-
Total Current Liabilities		17,994,457	488,846,445
Non-Current Liabilities			
Non-Current Provisions	17	2,072,326	10,638,466
Total Non- Current Liabilities		2,072,326	10,638,466
Total Liabilities (b)		20,066,784	499,484,911
Net Assets (a-b)		(4,898,071)	(477,259,907)
Represented by:			
Accumulated Surplus		(4,898,071)	(477,259,908)
Net Assets		(4,898,071)	(477,259,908)

The financial statements set out on pages 1 to 7 were signed by:

.....
Anne Wang'ombe
Accounting Officer

.....
Dudney Matagi
Head of Accounting Unit
ICPAK M/No5552

State Department for Gender Affairs and Affirmative Action
Annual Report and Financial Statements for the year ended June 30, 2025.

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

	Accumulated Surplus	Reserves	Capital Fund	Total
Fund balance as at 30th June 2024	16,953,047	-	-	16,953,047
Adjustments				
Recognition of Assets	-			
Recognition of Liabilities	(494,212,955)			(494,212,955)
As at July 1, 20xx	(477,259,908)	-	-	(477,259,908)
Return to Exchequer	(14,540,215)			(14,540,215)
Surplus/ deficit for the year	486,902,052			486,902,052
Capital funds received in the year			-	
As at June 30, 2024	(4,898,071)	-	-	(4,898,071)

State Department for Gender Affairs and Affirmative Action
Annual Report and Financial Statements for the year ended June 30, 2025.

16. Statement of Cash Flows for the year ended 30th June, 2025

		<i>30th June, 2025</i>
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Transfers from exchequers		4,652,345,742
Transfers from Domestic and Foreign Partners		10,000,000
Total receipts		4,662,345,742
Payments		
Employee costs		273,126,010
Use of goods and services		309,848,001
Transfers to other Government Entities		4,070,607,591
Total payments		4,653,581,602
Net cash flows from/(used in) operating activities		8,764,141
Cash flows from investing activities		
Purchase of PPE		(3,719,000)
Net cash flows from/(used in) investing activities		(3,719,000)
Cash flows from financing activities		
Return to Exchequer		(14,540,215)
Net cash flows from financing Activities		(14,540,215)
Net increase/(decrease) in cash & Cash equivalents		(9,495,074)
Cash and cash equivalents at 1 st July,2024	12	21,471,566
Cash and cash equivalents at 30th June,2025	12	11,976,492

State Department for Gender Affairs and Affirmative Action
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17. Statement of Comparison of Budget and Actual amounts for the year ended 30th June, 2025


Recurrent and Development Combined

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
Exchequer releases	5,779,541,404	(1,106,053,357)	4,673,488,047	4,652,345,742	21,142,305	100%
Proceeds from domestic and foreign grants	200,000,000	-190,000,000	10,000,000	10,000,000	-	100%
Miscellaneous receipts	135,000,000	-	135,000,000	-	135,000,000	0%
Total Receipts	6,114,541,404	(1,296,053,357)	4,818,488,047	4,662,345,742	156,142,305	97%
Payments						
Compensation of employees	314,100,000	(26,433,860)	287,666,140	273,126,010	14,540,130	95%
Use of goods and services	581,517,043	(263,237,056)	318,279,987	309,257,117	9,022,870	97%
Transfers to other government entities	5,189,340,745	(982,945,794)	4,206,394,951	4,069,773,901	136,621,050	97%
	6,084,957,788	(1,272,616,710)	4,812,341,078	4,652,157,028	160,184,050	97%
Capital items						
Acquisition of assets	29,583,616	(23,436,647)	6,146,969	5,288,690	858,279	86%
Total expenses -Development	29,583,616	(23,436,647)	6,146,969	5,288,690	858,279	86%
Total Payments	6,114,541,404	(1,296,053,357)	4,818,488,047	4,657,445,718	1,716,558	97%
Surplus	-	-	-	4,900,024	(4,900,024)	


(a) **Variance analysis:** The underutilisation in the Acquisition of assets was due to delay in exchequer funding.

(b) **Reallocations within the year:** The changes between the original and final budget are as a result of reallocations within the budget.

The entity financial statements were approved on 15/10/25 2025 and signed by:


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Anne Wang'ombe
Accounting Officer


.....

Dudney Matagi
Head of Accounting Unit
ICPAK M/No5552

Budget Reconciliation to the Statement of Cash Flows

Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	4,900,024
1 Basis difference	-
2 Timing differences	21,471,566
3 Classification differences	(14,540,215)
Closing Cash and Cash Equivalent as per the statement of Cash flows	11,831,375

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Budget Execution by Programmes and Sub-Programmes for FY 2024/2025

Programme/Sub-programme	Original Budget Kshs	Adjustments Kshs	Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
Programme 1 0911000000	4,483,400,000	(799,020,000)	3,684,380,000	3,683,658,969	721,031
Sub-programme 0911010000	4,483,400,000	(799,020,000)	3,684,380,000	3,683,658,969	721,031
Programme 2 0912000000	1,364,692,755	(464,286,964)	900,405,791	751,324,503	149,081,288
Sub-programme 1 0912010000	1,013,592,755	(464,286,964)	549,305,791	535,224,503	14,081,288
Sub-programme 2 0912020000	0	0	0	0	0
Sub-programme 3 0912030000	351,100,000	0	351,100,000	216,100,000	135,000,000
Programme 3 0913000000	266,448,649	(32,746,393)	233,702,256	222,462,246	11,240,010
Sub-programme 1 0913010000	253,955,179	(32,746,393)	221,208,786	209,974,517	11,234,269
Sub-programme 2 0913020000	12,493,470.00	0	12,493,470	12,487,729	5,741
Total	6,114,541,404	(1,296,053,357)	4,818,488,047	4,657,445,718	161,042,329

4. Notes to the Financial Statements

1. Establishment

The State Department for Gender Affairs and Affirmative Action is established by and derives its authority and accountability from Executive Order No. 1 of 2025. State Department for Gender Affairs and Affirmative Action is wholly owned by the Government of Kenya and is domiciled in Kenya. The MDA's principal activity is to promote gender equality and women's empowerment, coordinate affirmative action initiatives, and mainstream gender considerations across government programs.

2. Statement of Compliance and Basis of Reporting

Statement of compliance

These financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and the entity has taken advantage of the transition provisions under International Public Sector Accounting Standards (IPSAS 33) and therefore these 1st/ 2nd/ 3rd/year financial statements are transitional financial statements and the following elements of the financial statements have not been recognised as the State Department has taken advantage of the transition provisions outlined in IPSAS 33.

- i) Furniture and fittings-full recognition in the subsequent two years of transition.
- ii) Computer and ICT Equipment- full recognition in the subsequent two years of transition.
- iii) Recognition of PPE is based on historical figures. Full recognition of PPEs will be in subsequent 2 years of the transition.

These financial statements were authorized for issue by the Accounting Officer on 29th August 2025.

Reporting Period

The reporting period for these financial statements is for the period ended 30 June, 2025.

Guiding note during the transition period

1. The State Department has recognised all fixed assets acquired in the Financial Year 2024/225. Fixed Assets acquired in the prior periods will be recognised in the 2nd and 3rd year Financial Statements once the valuation process is done.

Notes to the financial statements

Reporting period

The reporting period for these financial statements is for the period ended 30th June, 2025

Basis of preparation

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows) Under an accrual basis, revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling The accounting policies adopted have been consistently applied to all the years presented

Critical accounting judgements

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

Recognition of revenue

A revenue is an increase in the net financial position, other than increases arising from ownership contributions Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned

Recognition of non-exchange expenses and liabilities

A liability is a present obligation of *MDA* for an outflow of resources that results from a past event Expenses (and other liabilities) are recognized when there is a present obligation (legal or constructive) as a result of a past event An outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate of the obligation can be made Judgment is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported

The *MDA* pursues a number of policy targets and outcomes However the commitment to these targets and outcomes, generally, do not of themselves constitute a present obligation unless the *MDA* is clear on the cost it intends to incur, when payment will be made, and to whom and as a consequence has raised a valid expectation As a consequence, liabilities are not reported for costs associated with the *MDA* policy objectives and targets Where a policy choice gives rise to an

obligation that exists independently of the *MDAs* future actions, expenses (and other related liabilities) are recognized for that policy

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO₂eq. *MDAs* commitment to climate change action does not constitute a present obligation on the balance sheet but are disclosed separately.

Physical assets

An asset is a resource presently controlled by the *MDA* as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an MDA.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>The standard is not applicable to the entity in the current reporting period.</i></p>
IPSAS 44:	<p><i>Applicable 1st January 2025</i></p>
Non- Current Assets Held for Sale and Discontinued Operations	<p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><i>The standard is not applicable to the entity in the current reporting period.</i></p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of</p>

Standard	Effective date and impact:
IPSAS 46	<p>PPE shall be recognised as assets if they meet the criteria in the standard</p> <p>IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples The standard has clarified existing principles</p> <p>e.g., valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets</p> <p><i>This standard is relevant and has been applied accordingly</i></p>
Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li data-bbox="443 891 1409 1037">i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used <li data-bbox="443 1059 1409 1149">ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; <li data-bbox="443 1171 1409 1317">iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures <p>The standard also introduces a public sector specific measurement bases called the current operational value</p> <p><i>This standard is relevant and has been applied accordingly</i></p>
IPSAS 47-	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions This standard brings all the guidance of accounting for revenue under one standard The objective of the standard is to establish the principles that an MDA shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions</p> <p><i>This standard is not yet effective</i></p>
Revenue	

Standard	Effective date and impact:
IPSAS 48- Transfer Expenses	<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 <i>This standard is not yet effective</i>
IPSAS 49- Retirement Benefit Plans	<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 <i>This standard is not yet effective</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<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: 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>This standard is not yet effective</i>

iii) Early adoption of standards

The MDA did not early – adopt any new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The MDA recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the MDA and the fair value of the asset can be measured reliably

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 MDA and can be measured reliably Recurrent grants are recognized in the statement of comprehensive income Development grants are recognized in the statement of financial performance after meeting the revenue recognition criteria Conditional grants are recognized as revenue upon fulfilment of the set conditions

ii) Revenue from exchange transactions

Rendering of services

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for FY 2024/25 was approved by the National Assembly on July 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 MDA upon receiving the respective approvals in order to conclude the final budget. Accordingly, the MDA recorded additional appropriations of (1,106,053,357) on the 2024/25 budget following the governing body's approval. The MDA'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. 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 cash flows has been presented under section xxx of these financial statements.

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an year period. 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. Transfers are made to or from investment property only when there is a change in use.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

d) **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 MDA 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.

e) **Right of use asset**

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the MDA incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the MDA expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

Notes to the Financial Statements (Continued)

f) Tangible Natural Resources

The MDA recognises a tangible natural resource recognized if, and only if: It is probable that service potential associated with the natural resource will flow to the MDA; the MDA controls the tangible natural resource as a result of past events; and The tangible natural resource can be measured reliably Where this criteria is not met, the MDA discloses the tangible natural resource in the notes to the financial statements Where a tangible natural resource is recognized as an asset as the result of an event that is not a transaction in an orderly market, including non-exchange transactions, the asset shall be measured initially at its deemed cost An MDA shall apply IPSAS 46, Measurement, when measuring the deemed cost of such a recognized tangible natural resource A recognized tangible natural resource acquired through an exchange transaction shall be measured at its cost Historical cost model is applied after initial recognition less any depreciation and impairment losses

g) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the MDA Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments The MDA also recognizes the associated lease liability at the inception of the lease The liability recognized is measured as the present value of the future minimum lease payments at initial recognition Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability Finance charges are recognized as finance costs in surplus or deficit An asset held under a finance lease is depreciated over the useful life of the asset However, if there is no reasonable certainty that the MDA will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term

Notes to the Financial Statements (Continued)

h) 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.

i) Research and development costs

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

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

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

j) 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 MDA 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 MDA and a financial liability or equity instrument of another MDA. At initial recognition, the MDA 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

a) Financial assets

Classification of financial assets

The MDA 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 MDA'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 MDA 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 MDA classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Notes to the Financial Statements (Continued)

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

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

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 MDA 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

Impairment

The MDA 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 MDA recognizes a loss allowance for such losses at each reporting date Critical estimates and significant judgments are made by management in determining the expected credit loss (ECL).

b) Financial liabilities

Classification

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

Notes to the Financial Statements (Continued)

k) Inventories

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

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

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

l) Provisions

Provisions are recognized when the *MDA* 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 *MDA* 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.

Notes to the Financial Statements (Continued)

m) 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 MDA 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 MDA will incur in fulfilling the present obligations represented by the liability

n) Contingent liabilities

The MDA 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

o) Contingent assets

The MDA 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 MDA 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

p) Nature and purpose of reserves

The MDA does not create and maintains reserves in terms of specific requirements.

q) Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

r) **Employee benefits**

Retirement benefit plans

The *MDA* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an *MDA* pays fixed contributions into a separate *MDA* (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.

s) **Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

t) **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.

u) **Related parties**

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

v) **Service concession arrangements**

The *MDA* analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *MDA* recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price

In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement Any assets so recognized are measured at their fair value To the extent that an asset has been recognized, the *MDA* also recognizes a corresponding liability, adjusted by a cash consideration paid or received

w) **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

x) **Comparative figures**

In preparing these financial statements, the *MDA* has elected to apply paragraph 79 of IPSAS 33, which allows for the election by an *MDA* to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position as at the time of first-time adoption of the accrual basis of accounting

y) **Subsequent events**

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the MDA'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:

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 MDA 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 MDA. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40.

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

Notes to the Financial Statements (Continued)

6. Transfers from Exchequer

Nature of transfer	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Total transfers Period ended Sep*/Dec*/March*/June* 2025
	Kshs	Kshs	Kshs
Recurrent	1,831,146,893.20	-	1,831,146,893.20
Development	2,821,198,849.00	-	2,821,198,849.00
Total	4,652,345,742.20	-	4,652,345,742.20

7. Transfers from Domestic and Foreign Partners

Description	30 th June, 2025
	Kshs
Grants in Cash from Bilateral donors	10,000,000
Total	10,000,000

Details on Transfers from domestic and foreign partners

Name Of The MDA Sending The Grant/Transfer	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Total transfers 2024-2025
	Kshs	Kshs	Kshs
KENYA- FINLAND	10,000,000	-	10,000,000
Total	10,000,000	xxx	10,000,000

Notes to the Financial Statements (Continued)

8. a. Employee Costs

Description	30 th June, 2025
	Kshs
Basic salaries of permanent employees	189,023,832
Personal allowances – part of salary	78,157,838
Employee costs	267,181,671

8 b. Adjusted Employee Costs - Cashflow

Description	30 th June 2025
	Kshs
Employee Costs	267,181,671
Employer contributions to compulsory national health insurance schemes	8,566,140
Gratuity payable current year	(2,621,800)
Employee costs Cashflow	273,126,010

9. a. Use of Goods and Services

Description	30 th June 2025
	Kshs
Utilities, supplies and services	
Communication, supplies and services	4,816,369
Domestic travel and subsistence	92,664,958
Foreign travel and subsistence	10,210,651
Printing, advertising, and information supplies & services	10,085,054
Rentals of produced assets	42,517,257
Training expenses	20,916,867
Hospitality supplies and services	66,925,499
Specialized materials and services	1,266,872
Office and general supplies and services	23,122,314
Fuel Oil and Lubricants	9,471,145
Routine maintenance – vehicles and other transport equipment	2,467,280
Routine maintenance – other assets	914,110
Other operating expenses	17,082,902
Pending Bills Paid	(1,649,580)
Total	300,811,697

9b. Adjusted Use of Goods and Services - Cashflow

Description	30 th June 2025
	Kshs
Use of goods and services	300,811,697
Payable from previous years	11,216,934
Less: Payables incurred but not paid	(2,035,514)
Decrease in Receivables	(164,516)
Decrease in Payables - Refundable Deposits	19,400
Total	309,848,001

10. a. Transfers to Other Government Entities

Description	30 th June, 2025
	Kshs
Transfers to national govt entities- SAGAs & SC	4,070,607,591
Adjustment for payments relating to pending bills	(464,272,968)
Total	3,606,334,623

10.b Adjusted Transfers to Other Government Entities – Cashflow

Description	30 th June, 2025
	Kshs
Transfers to national govt entities- SAGAs & SC	4,070,607,591
Total	4,070,607,591

11. Depreciation and Amortization Expense

Description	Insert Current FY
	Kshs
Computers and Related Equipment	1,115,700
Total	1,115,700

Notes to the Financial Statements (Continued)

12. Cash and Cash Equivalents

Description	30 th June 2025	Opening statement 1 st July 2024
	Kshs	Kshs
Recurrent Account	6,604,857	2,697
Development Account	25,604	14,537,523
Deposits Account	5,252,557	5,242,557
Project Bank Accounts	93,474	1,688,794
Cash on Hand	-	
Total	11,976,491	21,471,571

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Notes to the Financial Statements (Continued)

(a) Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	30 th June 2025 Kshs	Opening statement 1 st July 2024 Kshs
Recurrent Account Central Bank of Kenya		6,604,857	2,697
<i>CBK001</i>	1000303344		
Development Accounts Central Bank of Kenya		25,604	14,537,523
<i>CBK002</i>	1000303368		
Deposits Accounts Central Bank of Kenya	1000303387	5,252,557	5,242,557
Project Bank Account (UNFPA 10 TH PROGRAM) Central Bank of Kenya	1000709588	24574	1,619,894
Women Empowerment For Gender Equality	1000643803	68,900	68,900
Others (Specify)			
Cash on Hand		-	-
Sub- Total		11,976,491	21,471,571
Grand Total		11,976,491	21,471,571

Notes to the Financial Statements (Continued)

13. Receivables from Non-Exchange Transactions

Description	30 th June 2025		Opening statement 1 st July 2024	
	Kshs		Kshs	
District Suspense	588,922		753,438	
Total receivables from non- exchange transactions	588,922		753,438	
Ageing Analysis- Receivables from non- exchange transactions	Current FY	% of the total	Opening Statement/ 1 st July 20XX	% of the total
Less than 1 year	-	%	--	%
Between 1-2 years	588,922	78%	753,438	100%
Over 3 years	-	%	-	%
Total	588,922	%	753,438	%

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Notes to the Financial Statements (Continued)

14. Property, Plant, and Equipment

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & IT Equipment	Heritage assets	Work in progress	State projects assets	Costs
Depreciation Rate		2-10%	10-16.67%	2-20%	12.5%	33.3%	x%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	3,719,000	-	-	-	3,719,000
Disposals	-	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-	-
As At Jun 2025	-	-	-	-	-	3,719,000	-	-	-	3,719,000
Depreciation And Impairment										
Depreciation	-	-	-	-	-	(1,115,700)	-	-	-	(1,115,700)
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-	-
As At	-	-	-	-	-	-	-	-	-	-
Net Book Values										
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	2,603,300	-	-	-	2,603,300

Notes to the Financial Statements (Continued)

Valuation

Items of PPE are valued at Historical cost at the point of recognition in the financial statements Where historical cost is not available or the item has been acquired at no charge, PPE has been valued at the current operational value which is the amount the MDA would pay for the remaining service potential of an asset at the measurement date

15. Trade and Other Payables

Description	30 th June,2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Trade payables	10,120,101		483,574,489	
Payments received in advance	-		-	
Employee payables	-		-	
Third-party payments	-		-	
Other payables	-		-	
Total trade and other payables	10,120,101		483,574,489	
Ageing analysis: (Trade and other payables)	Current FY	% of the Total	1 st July,2024	% of the Total
Under one year	-	%	-	%
1-2 years	10,120,101	%	483,574,489	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	10,120,101		483,574,489	

16. Refundable Deposits and Prepayments

Description	30 th June, 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Customer deposits	5,252,556.50		5,271,956.50	
Total deposits	5,252,556.50		5,271,956.50	
Ageing analysis: (Refundable deposits)	30 th June,2025	% of the Total	1 st July,2024	% of the Total
Under one year	-	%	-	%
1-2 years	5,252,556.50	100%	5,271,956.50	100%
Total	5,252,556.50		5,271,956.50	

17. Provisions

Description	Gratuity Provision	Total
	Kshs	Kshs
Opening balance 1 st July,2024	10,638,466.15	10,638,466.15
Additional provisions	2,621,800.10	2,621,800.10
Provision utilised	(8,566,139.75)	(8,566,139.75)
Total provisions year end	4,694,126.50	4,694,126.50
Current provisions	2,621,800	2,621,800
Non-current Provisions	2,072,326.50	2,072,326.50

Notes to the Financial Statements (Continued)

18. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

Other related parties include:

- i) The Parent Ministry.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) UNFPA & NGAAF
- v) Key management.
- vi) Board of directors.

Notes to the Financial Statements (Continued)

	<i>Insert Current FY</i>
	Kshs
Transactions with related parties	
B) purchases from related parties	
Rent expenses paid to govt agencies (Telposta Pension Towers)	42,517,257
Total	42,517,257
a) Grants /transfers from the government	
Grants from national govt	4,652,345,742
Total	4,652,345,742

19. Events after the Reporting Period

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

20. Ultimate And Holding MDA

The MDA ultimate parent is the Government of Kenya

21. Currency

The financial statements are presented in Kenya Shillings (Kshs) and is rounded off to the nearest shilling

19 Appendix

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

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

Reference No on the external audit Report	Issue/Observations from Auditor	Management comments	Status: (Resolved/ Not Resolved)	Timeframe (If a date when you expect the issue to be resolved)
FINANCIAL YEAR 2021/2022				
1709. Unresolved Prior Year	Matters in the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Although Management indicated that some of the issues were responded to, the matters remained unresolved.	<p>-In the financial year 2020/21 para 1585 of fixed asset register, the department was to submit the same to the National Treasury and National Assembly which was done.</p> <p>-FY 2021/22, the Department was to submit to the National assembly the underlisted which has been done as directed by the committee vide letter ref. MGCAH/SDGAA/FIN.3/VOL.II (16) dated 20th September, 2024.</p> <p>1) Financial agreement Kenya Finland Project (Par 1707)</p> <p>2) Pending bills exchequer requests and respective payment dates (Para 1908)</p>	The Accounting Officer appeared before the National assembly PAC for Auditor General Report 202/2023. Resolved waiting the adoption of the report.	The issues were a discussed in the National Assembly PAC while examining Auditor General Report FY 2022/23 and was resolved.

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		<p>3) Letters to the AG on follow up of recovery of irregular payments made in FY 2018/2019 (Para 1910)</p> <p>4) Appointment of ICT Policy Steering Committee - draft ICT Policy (Para 1712)</p> <p>The issues were discussed in the National Assembly PAC FY 2022/23 and was resolved.</p>		
<p>1710. Failure to implement Public Accounts Committee's Recommendations</p>	<p>The Public Account Committee (PAC) deliberated on the Department's report of the Auditor-General on the financial statements for the financial year 2018/2019 on 17th May, 2022. The Committee recommended that within three (3) months of tabling and adoption of the report, the Accounting Officer should recover the amount overpaid or irregularly paid to the officers. A review of the position as at 8 December, 2022 however revealed that out of the total irregular payment of Kshs. 6,296,000.00, the Department</p>	<p>As at 30 June, 2023 out of the total payments of Kshs 6,296,000 the Department has recovered Kshs. 4,277,000.00 leaving a balance of Ksh 2,019,000.</p> <p>The committee observed that the explanation given by the accounting officer with regards to recovery of the balance was satisfactory as the State Department continue pursuing balance.</p>	<p>The Accounting Officer to recover the outstanding dues to be recovered within three (3) months of adoption of the report, failure to which the accounting officer be fully surcharged. The matter was discussed during the examination of the Auditor General on accounts of National Government for the financial year</p>	<p>The accounting officer commits to fully comply with the Human Resource Policy and Procedure manual 2016</p>

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	<p>has only recovered Kshs. 3,688,385.40 or 58.6% of the total amount leaving a balance of Kshs. 2,607,614.60.</p> <p>Thus, the recommendations of the PAC have not been fully implemented as required.</p>		<p>ended 30th June, 2023. Resolved waiting the adoption of the report by the National Assembly.</p>	
<p>1711. Failure to Update Fixed Assets Register</p>	<p>The statement of receipts and payments reflects acquisition of assets amount of Kshs.88,388,080 which includes purchase of office furniture and general equipment amount of Kshs.7,579,080 as disclosed in Note 8 to the financial statements. The amount includes expenditure on purchase of fixed assets of Kshs.955,840 incurred at the county offices. The details of the assets, including date of purchase, cost, supplier's name and location of the assets have however, not been updated in the asset register contrary to Regulation 143 of the Public Finance Management (National Government) Regulations,</p>	<p>The assets register updated accordingly. The Accounting officer to continue updating the Asset register at all times.</p>	<p>The committee recommends the Auditor General to confirm the status of Assets register.</p>	<p>The Auditor General confirmed the Asset register and the matter was resolved.</p>

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	2015 which requires the Assets Register to be updated with all assets acquisitions. In the circumstances, Management was in breach of the law.			
1712. Lack of Information Communication Technology Policy	A review of the Department's information technology systems revealed that it has in place systems to manage its operations. The Department did not however, have an approved IT policy for governance and management of its ICT resources. In addition, there is no ICT steering committee in place to assist in the development of ICT policy framework to enable the Department to realize long-term ICT strategic goals. Lack of an approved IT policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the Department's ICT assets. Further, without a sound and approved framework, users do	Discussed and responded through a letter date 18 th March 2024, Awaiting for PAC recommendation	The Accounting Officer ensure the office has an IT Security Policy and avails a status report within three(3) months of adoption of the report.	The department has developed a draft ICT policy waiting finalization once budget is available. This also include the development of Business continuity Plan/disaster Recovery Plan.

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	not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.			
FINANCIAL YEAR 2022/2023				
1793. Pending Bills	According to Note 17.2 to the financial statements, the Department had pending accounts payable balance of Kshs.19, 084,805.00. Management did not provide a satisfactory explanation for the failure to settle the bills during the year they occurred. Further, failure to settle bills during the year in which they relate distorts the budget of the subsequent year as they constitute a first charge on the budget.	It is true the State Department reported pending bills of kshs.19, 084,805.00 as at 30 th June, 2023. Ksh 18,904,805.00 being development expenditure and Ksh.180, 000.00 donor fund. (Appendix 1) The pending bills were occasioned by: -Failure by suppliers to submit documents on time especially at the closure of the financial year -Lack of exchequer for development vote at the closure of the year. (Appendix 2) -Kshs 18,904,805.00 development pending bills were cleared the FY 2023/24. -Kshs 180,000.00 donor fund couldn't be paid due to lack of supporting documents which the		

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		<p>service provider needed to submit. (Appendix 16)</p> <p>The Department commits to continue impressing on the National Treasury to release exchequer in good time.</p>		
<p>1794. Unresolved Prior Year Matters</p>	<p>In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Other Matter and Report on Lawfulness and Effectiveness in Use of Public Resources. Although, the Management has indicated that some of the issues were responded to, the matters remained unresolved.</p>	<p>Regarding the unresolved matters the State Department took action as follows;</p> <p>-In the financial year 2020/21 para 1585 on fixed asset register, the Department was to submit the same to the National Treasury and National Assembly which was done as recommended by this committee. (Appendix 3)</p> <p>-In the FY 2021/22, the Department was to submit to the National Assembly the following which was done vide letter ref. MGCAH/SDGAA/FIN.3/VOL.II (16) dated 20th September, 2024. 4) Financing agreement Kenya - Finland Project (Para 1707)</p>		

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		<p>5) Pending bills exchequer requests and respective payment dates (Para 1908)</p> <p>6) Letters to the AG on follow up of recovery of irregular payments made in FY 2018/2019 (Para 1910)</p> <p>4) Appointment of ICT Policy Steering Committee - draft ICT Policy (Para 1712)</p> <p>(Appendix 4)</p>		
1795. Budgetary Control and Performance	<p>The statement of comparison of budget and actual amounts reflects a final budget and actual receipts on comparable basis of Kshs.3,945,967,500 and Kshs.3,415,892,726 respectively, resulting to an underfunding of Kshs.530,074,774 or 13% of the budget. Similarly, the State Department spent an amount of Kshs.3,404,780,236 against an approved budget of Kshs.3,945,967,500 resulting to an under expenditure of Kshs.541,187,264 or 14% of the budget. The underfunding and underperformance</p>	<p>It is true the underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public. This mainly arose from the project Strengthening, prevention and response to GBV in Kenya which was co-financed by GoK and Government of Finland. The Appropriation In Aid of Kshs 320,000,000.00 was not reflected in the vote book as it was spent directly by the development partner while GOK the counterpart fund there was no exchequer issue of Kshs 58,000,000. Women Enterprise Fund</p>		

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	<p>affected the planned activities and may have impacted negatively on service delivery to the public.</p>	<p>(WEF) a SAGA under the state department did not receive exchequer of Kshs 127,000,000. The Exchequer for WEF and the Kenya-Finland project were given during the FY 2023/24 for delivery of planned activities and the pending bills were cleared as first charge in FY 2023/24.</p> <p>The Kenya –Finland project ended February 2025</p>		
<p>1796. Irregular Commutation of Leave</p>	<p>The Department paid Kshs.1,533,363.00 as a commutation for leave to thirty-one (31) officers who could not proceed on leave due to exigency of work. Although Management explained that the commutation of leave for cash was approved by the accounting officer, the payment vouchers, leave allowance application forms and personal files did not indicate specific duties the officers were retained to undertake. In the circumstances, the regularity</p>	<p>It is true that 31 officers commuted their leave for cash due to exigency of service/duty. This was in pursuant to section E3 (1) of the Human Resource Policies and Procedures Manual, 2016, where officers are allowed to take leave for recuperative purposes. However, Section E4 (2&3) (Appendix 5), provides that when an officer is unable to utilize his/her leave days within the leave calendar year due to exigency of services, he/she can be allowed to commute leave days for cash subject to the approval of the accounting officer and the availability of funds.</p>		

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	of the payment of commutation of leave of Kshs.1,533,363 could not be confirmed.	<p>Among other reasons as to why the officers could not be allowed to proceed on their leave included the finalization of the Performance Contracting requirements for the State Department for Gender and Affirmative Action, administrative matters on staff welfare, and the sixteen (16) days of activism, which required the input of nearly all the 31 officers enumerated. These reasons were specifically mentioned in the write up for commutation for leave. (Appendix 6)</p> <p>It should be noted that the commutation of leave for cash has now been put on hold vide the Head of Public Service Circular Letter No. OP/CAB.2/1 Dated 27th September, 2023. (Appendix. 7)</p>		
1797. Corporate Governance	Review of the Department's documents revealed that the State Department did not have an approved risk management policy, a risk register or an ICT policy. The lack of an approved risk management policy may result in unclear directions regarding risk	<p>Audit Issue: The Department did not have an approved risk management policy and risk register.</p> <p>Response: The Department has prepared its Strategic Plan for the period 2023-2027, which guides the Department's priorities during this timeframe. As part of the strategic</p>		

	<p>identification and appropriate mitigation measures. Further, the State Department had planned to implement the activities outlined in its Strategic Plan 2018-2022. However, the achievement of Strategic Issue 1.1- Policies, legislation, programs and plans on gender equality and women empowerment and Strategic Issue 5.3 – Planning, monitoring, and evaluation were not assessed and reported in the financial statements. In the circumstances, the effectiveness of risk management and overall governance of the State Department could not be confirmed.</p>	<p>planning process, the Department identified all potential risks, assessed their likelihood, and outlined mitigation measures. The Strategic Plan, which includes a comprehensive risk management approach, was approved and signed by both the Cabinet Secretary (CS) and the Principal Secretary (PS). (Appendix 8)</p> <p>This plan effectively serves as a guiding document for managing risks within the Department. In addition, a Risk Management Committee has been constituted and trained on the development of a standalone Risk Management Policy. (Appendix 9)</p> <p>The committee has conducted an in-depth risk identification process aligned with the implementation of the Strategic Plan and has appointed risk champions in all Directorates/Departments to oversee the implementation of the risk management policy across the Department.</p>		
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		<p>Audit issue: Monitoring and evaluation of the strategic plan.</p> <p>Response: The State Department prepared its work plan based on the priorities outlined in the Strategic Plan 2023-2027. The Central Planning and Project Monitoring Department (CPPMD) conducted quarterly monitoring and evaluation (M&E) exercises to assess the progress of implementation and provide actionable recommendations. Additionally, CPPMD developed a performance management framework for the first year of the Strategic Plan's implementation. The results from the M&E exercises were disseminated to all Heads of Department to ensure alignment and informed decision-making moving forward.</p> <p>(Appendix 10)</p>		
<p>1798. Failure to Comply with Human Resource</p>	<p>Review of staff establishment revealed that the State Department had in place one hundred and ninety-eight (198) members of staff</p>	<p>- It is true that the State Department has a deficit of ten officers (10) various Cadres.</p>		

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<p>Plan/Staff Establishment</p>	<p>against the authorized establishment of two hundred and eight (208) officers, resulting to a deficit of ten (10). Further, analysis of staff biodata revealed that ninety-six (96) employees or 46% of total employees are above the age 50 years. This indicates poor succession planning as services offered by staff in critical areas will be affected as the most experienced staff exit the service. In addition, the State Department received from the Public Service Commission (PSC) fifteen (15) new employees and subsequently processed their appointments and deployments. However, no formal request by the State Department was submitted to Public Service Commission for their recruitment, contrary to Part. B 2 (1) of the Human Resource Policies and Procedures Manual, 2016 which requires every State Department to develop annual recruitment plans which will</p>	<p>-In order to address the issue of under-established posts in the Gender cadre, the State Department vide our letter No. MPSG/SDG/HRM/4/1 dated 13th June, 2023 requested the PSC authority to recruit officers in various grades in order to fill gaps in the establishment.</p> <p>(Appendix 11)</p> <p>The approved authorized establishment for all cadres is attached as (Appendix 12)</p> <p>-The State Department for Gender and Affirmative Action received from Public Service Commission and processed appointment for the following officers without any requisition from the Department.</p> <ul style="list-style-type: none"> • Five (5) Clerical Officer II, JG F; • Two (2) driver II JG E; and • Eight (8) Senior Support Staff/Cleaning Supervisor III, JG D; <p>The candidates were appointed by the Public Service Commission vide authority letter No.</p>		
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	<p>be forwarded to the Commission at the beginning of each financial year to enable it to fill the vacancies. In the circumstances, the effectiveness of internal controls relating to human resource management could not be confirmed.</p>	<p>PSC/CORRE/21B/IV/ (31) dated 6th July, 2022. (Appendix 13)</p> <p>The appointed candidates were distributed to all MDAS for deployment including our state department.</p> <p>-It is true that 46 % of the workforce in the State Department for Gender and Affirmative Action is aged 50 years and above. This is attributed to the employment embargo that was implemented by the Government of Kenya in the early 90s.</p> <p>However, the Department was granted authority the public service Commission to commence review of organizational structure, authorized establishment and optimal staff levels vide letter Ref. No. PSC/EMCS/21/ (30) dated 9th June 2021. (Appendix 14)</p> <p>The restructuring exercise has already commenced and the draft report is now ready awaiting the approval of relevant Government Agencies.</p> <p>It's envisaged that the creation of additional vacancies in the department</p>		
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		and their filling with new officers will address the succession management. -in addition, On 9th June, 2021, the Public Service Commission (PSC) vide their letters No. PSC/EMCS/21/ (30) and PSC/EMCS/21/VOL.1/16 promoted officers in the Gender cadre to different grades to address succession management in the State Department. (Appendix 15)		
1800. Budgetary Control and Performance	As disclosed under project information on the funding summary in the financial statements, the Project duration was one year from 1 July, 2022 to 30 June, 2023 with an approved budget funding amounting to Kshs.46,972,322.00. However, funding totalling to Kshs.33,563,257, or 71% of the total budget had been disbursed resulting in an underfunding of Kshs.13,409,065 or 29% of the donor commitment yet the implementation period had lapsed. Further, the Project had unutilized funds balance	The initial budget or donor commitment was Kshs. 46,972,322. However, the donor released kshs 33,563,267.00 only. The unutilized funds balance of Kshs.1,978,094.00 was for the activities which had not been approved by the donor		

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	of Kshs.1,978,094 as of 30 June, 2023. The underfunding affected the planned activities and may have impacted negatively on service delivery to the public.			
1801. Pending Bills	The financial statements as disclosed under other important disclosures reflects pending accounts payable balance of Kshs.180,000.00 which relates to the supply of services that was not settled as at the year end. No justification was provided for the failure to pay the bills by 30 June, 2023. Failure to clear pending bills in the year to which they relate distorts the budget of the following year as they constitute a first charge on the budget.	As earlier stated, the bills of kshs 180,000.00 couldn't be paid due to lack supporting of documents which the service provider was to submit. On 20 th October, 2024, the department wrote to the service provider but is yet to respond (Appendix 16)		
1803. Lack of Internal Audit Report	During the year, the Management did not submit the internal audit report for the Project. In the circumstances, reasonable assurance through the audit committee on the state of risk management, control and governance within the Project			

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	and review of the effectiveness of the financial and non-financial performance management systems could not be confirmed.			
FINANCIAL YEAR 2023/2024				
Inaccuracies in the Statement of Cashflows	The statement of cash flows reflects unsupported prior year adjustment of Kshs.10,658,871 as detailed in note 14 to the accounts.	The amount of Ksh 10,658,871 is a summary of all bank accounts balances. As explained in note 14, the prior adjustments relate to the Recurrent, Development and UN Women unspent/closing balances which were returned to the National Treasury in line with requirements of section 45 of the PFM act and advised in regulations 84 of the PFM regulations broken down into; Recurrent Ksh 8,712,938.00 Development ksh 7,338.00 UN Women Ksh1,938,871.00		
Budgetary Control and Performance	The statement of comparison of budget and actual amounts reflects final receipt budget and actual on a comparable basis of Kshs.5,739,527,741 and Kshs.4,961,395,823 respectively resulting in an underfunding of	The under expenditure of kshs 794,631,346 arose as a result of non-exchequer issue to pay procured goods worth 483,394,489.00. The under absorption was also contributed by delayed expenditure due to late approve of supplementary and closure of IFMIS procurement module.		

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	<p>Kshs.778,131,918 or 14% of the budget. Similarly, the State Department spent an amount of Kshs.4,944,896,395 against an approved budget of Kshs.5,739,527,741 resulting in an under expenditure of Kshs.794,631,346 or 14% of the budget.</p> <p>In the circumstances, the budget under-funding and under-absorption affected the planned activities and may have impacted negatively on service delivery to the public.</p>	<p>In addition, late transfer of sanitary towels from the ministry of Basic Education to the state department of Gender delayed the process of procuring the item as out of kshs 483,394,489.00 pending bills, ksh 458m relates to procurement of sanitary towels.</p>		
<p>Unresolved Prior Year Matters</p>	<p>In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Other Matter and Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the matters have remained unresolved.</p>	<p>The issues raised by the Auditor-General during the prior year and management comments were provided.</p>		

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Pending Accounts Payable	<p>According to Note 17.2 (Annex 1) to the financial statements, the Department had pending accounts payable balance of Kshs.483,394,489. Out of this figure, Kshs.458,338,968.00 relates to pending bills in respect of sanitary towels. However, Management did not provide evidence that the bills were settled as a first charge as required by Regulation 42. (1)(a) of the Public Finance and Management (National Government) Regulations ,2015.</p> <p>In the circumstances, Management was in breach of the law.</p>	<p>It Is true the state department closed with pending bills of kshs 483,394,489.00. this can be a tribute to;</p> <p>1. Late approval of sup Unapproved In-posts</p> <ol style="list-style-type: none"> 1. plementary Estimates II FY 2023/24 2. Lack of exchequer especially close the end year 3. The complexity of the items procured during the financial year and 4. Late transfer of sanitary towels budget from the ministry of Basic education to the State Department of Gender being received 2nd half of 23/24. <p>The State Department can report that as these pending bills form first charge in the current financial an amount of kshs 469,334,958.00 has been paid as per the Presidential directive on pending bills as the attached summary.</p>		
Unapproved In-posts	<p>Review of approved staff establishment for the State Department has revealed unapproved staff in positions</p>	<p>It is true that there are sixty four (64)) officers who are occupying non-authorized posts in the Authorized Establishment in the State Department for Gender and Affirmative Action. A</p>		

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	<p>beyond the approved establishment.</p> <p>Failure to comply with the approved staff establishment is a violation of Section A.15 of the Human Resource Policies and Procedures Manual for the Public Service, 2016, which requires the Ministerial Human Resource Management Advisory Committees, to make recommendations to the Authorized Officer regarding among others Establishment and Complement control.</p>	<p>total number of forty five (45) officers in the Support Services Cadres including Human Resources, Administration, Accounts, Finance, Supply Chain Management, Central Planning Management Unit, Information Communication, Technology, and Records Management have been posted to the State Department for Gender and Affirmative Action by their respective Schemes Administrator without regard to the existing Authorized Establishment. Although they have been deployed and have been working in the State Department, arrangements are being made to liaise with the respective schemes administrators to rationalize their numbers.</p> <p>In addition, the State Department for Gender and Affirmative Action is restructuring the department to ensure that it has optimal staffing levels for effective and efficient work performance. It is hoped that once this restructuring is complete, the in posts currently in force will be rationalized so that the Authorized Establishment and in posts will be equal. A zero-draft on the restructuring report is available. The Technical Cadre (Gender Officers)</p>		
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		<p>whose Scheme of Service is administered by the Principal Secretary, State Department for Gender and Affirmative Action, excess numbers in some designations and job groups across the directorates have been occasioned by mere distribution and right-sizing of officers across all directorates. Action is being taken to rationalize the same</p>		
<p>Failure to Maintain One-Third Rule on Net Pay</p>	<p>Audit examination of the payroll data for the year under review has revealed a number of officers who are earning net salary which is below one-third of their basic pay.</p> <p>Failure to comply with the one-third rule is a violation of the Section C.1 (3) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 which requires Public officers not to over-commit their salaries beyond two thirds (2/3) of their basic salaries and Heads of Human Resource Units to ensure compliance.</p>	<p>It is true that in FY 2023/2024, eighteen (18) officers had salary over commitments above the 2/3 basic rule guideline, hence fell below 1/3 of the basic rule. However, we have served the affected officers with cautionary letters dated 22nd April 2024, (a sample copy attached-Annex 1) and advised them to adjust their financial commitments to be within the 1/3 rule as recommended by the Service Regulations.</p> <p>However, these over commitments of salaries beyond the required limits, has been occasioned by the Government measures that are beyond the officers' control including introduction of Public Service Superannuation Scheme (PSSS), National Social Security Fund (NSSF), Social Health Authority (SHA) and Housing Levy among others which often catch the officers off-guard.</p>		

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<p>Ageing Workforce</p>	<p>Section H.14 (1) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 states that authorized Officers are expected to develop, update and maintain a skills inventory for all officers in their respective State Departments for purposes of identifying the available, and the required skills. The inventory will guide the training, recruitment and succession management decisions.</p> <p>However, review of payroll data for the State Department has revealed that over 44% of the staff are above fifty (50) years. As a result, in the next few years, the succession of the entity will be doubtful considering the expected reduced manpower due to retirements</p>	<p>It is true that 44% of the workforce in the State Department for Gender and Affirmative Action is aged 50 years and above. This can be attributed to the employment embargo that was implemented by the Government of Kenya in the early 90s.</p> <p>In addition, the aging workforce is not strictly an issue affecting only the State Department for Gender and Affirmative Action but rather an issue that cuts across all Ministries, Departments and Agencies (MDAs) across the Public Service.</p> <p>In addition, the State Department for Gender and Affirmative Action is restructuring the department to ensure that it has optimal staffing levels for effective and efficient work performance. It is hoped that once this restructuring is complete, new vacancies will be created at the entry levels in order to bring on board young officers for future succession management.</p> <p>The National Treasury provided Concurrence to fill the posts of Gender Officer II JG J/CSG II vide letter Ref No.RES1212/24/01 'A' (14) dated 10th</p>		
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		<p>September,2024. (copy attached-Annex 2) and recruitment exercise is in progress.</p> <p>Where aged staff are from Support Services cadres that are administered by different schemes administrators, consultations are being made with those administrators for the rationalization of those cadres.</p>		
<p>Motor Vehicles in the Asset Register Without Value</p>	<p>Annex 3 to the financial statements reflects a summary of fixed assets totalling Kshs.69,687,901. This includes purchase of vehicles and other transport equipment balance of Kshs.32,311,979 procured during the year under review.</p> <p>However, out of thirteen (13) motor vehicles in custody of State Department, vehicles Registration Nos GKA298S, GKB 500J and GKA 985T had no values indicated. This is a violation of Section 143 (1) of Public Finance Management Regulations, 2015 which requires, the Accounting Officer to maintain a register</p>	<p>The updated asset register has been provided and copies of logbooks have been attached.</p>		<p>Registration process underway</p>

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	of assets under his or her control or possession as prescribed by the relevant laws.			
Inadequate Asset tagging/Identification	The State Department has maintained an asset register as provided for in the law. It was however noted that most items had not been labelled for identification, control, traceability and for ease of verification. Failure to label the assets is a violation of Section 77(6) of guidelines on asset and liability management in the public sector 2020, which provides that an accounting officer shall develop and implement an asset identification system.	Arrangements for tagging of assets is already underway		Tagging has been done
Unaccounted for Motor Vehicles	Annex 3 on the financial statements reflects net book value of motor vehicles amounting to Kshs.96,889,959. However, Motor vehicles GKA 985T and GKB 662V were not physically available and explanation provided is that, the two vehicles have not been	A revised summary of fixed asset register (Annex 4) has been availed. As for the vehicles that were not physically available during the audit, they are in the garage.		


	<p>on the road for the last three years. Further, the vehicles were not physically verified. This may result to loss of public assets. This is contrary to the provisions of Regulation 139(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which provides that the Accounting Officer of a national government entity shall take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse.</p>			
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Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your MDA responsible for implementation of each issue;

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(iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury


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Anne Wang'ombe
Accounting Officer
Date

Appendix II: Projects implemented by (The MDA)

Project title	Project Number	Donor	Period/duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
GOK-UNFPA 10 TH COUNTRY PROGRAMME	10007028 18	UNITED NATIONS POPULATION FUND (UNFPA) KENYA	01.07.2022 – 30.6.2026	YES	YES	YES

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Status of Projects completion

(Summarise the status of project completion at the end of each quarter, ie total costs incurred, stage which the project is etc)

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of fund.
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Appendix III: Fixed Asset Register

	Historical Cost/lt (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers In/(out) during the year	Historical Cost of Current Year (Kshs)
Land	-	-	-	-	-
Buildings and structures	-	-	-	-	-
Transport equipment	-	-	-	-	-
Office equipment, furniture and fittings	-	-	-	-	-
ICT Equipment	-	3,719,000	-	-	3,719,000
Machinery and Equipment	-	-	-	-	-
Biological assets	-	-	-	-	-
Infrastructure Assets- Roads, Rails	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-
Intangible assets	-	-	-	-	-
Work in Progress	-	-	-	-	-
Total	-	3,719,000	-	-	3,719,000

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Appendix IV: Transfers from Other Government Entities.
 The department did not have transfer from other government entities.

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature Recurrent/ Development/ Others	Total Amount KES	Statement of Financial Performance	Where Recorded/ recognized:				
					Deferred Income	Receivables	Others	Other	Total

Appendix VI: Reporting of Climate Relevant Expenditures.

The department did not have climate expenditure.

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

Appendix VII: Disaster Expenditure Reporting Template

The MDA did not have disaster related expenditure.

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