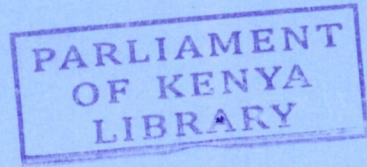
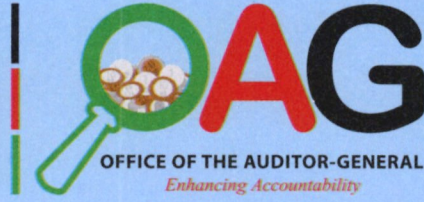


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

**KAKAMEGA COUNTY INVESTMENT AND
DEVELOPMENT AGENCY**

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

PAPERS LAID	
DATE	26/11/25
TABLED BY	J.M.H
COMMITTEE	-
CLERK AT THE TABLE	Belinda





KAKAMEGA COUNTY INVESTMENT AND DEVELOPMENT AGENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

Kakamega County Investment and Development Agency
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for the year ended June 30, 2025

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1. Acronyms and Definition of Key Terms

A: Acronyms

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor
KCIDA	Kakamega County Investment and Development Agency

B: Definition of Key Terms

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

Comparative Year- Means the prior period.

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2. Key Entity Information and Management

(a) Background information

The Kakamega County Investment and Development Agency (KCIDA) was established through an Act of the County Assembly, referred to as The Kakamega County Investment and Development Agency Act, 2018 to provide for the establishment of a legal and institutional framework for promotion and co-ordination of investment by the County government of Kakamega and for connected purposes

The Kakamega County Investment and Development Agency (KCIDA) is established by and derives its authority and accountability from Kakamega County Investment and Development Agency Act on 4th September 2018. The Agency is wholly owned by the County Government of Kakamega and is domiciled in Kenya.

(b) Principal Activities

The principal activity/mission/ mandate of the Agency is to;

- i. Hold property and assets on behalf of the County Government for the purposes of investment,
- ii. Undertake investments on behalf of the County Government for the purposes of generating revenue;
- iii. Identify strategic investment opportunities for the benefit of the County;
- iv. Undertake investment ventures in partnership with other entities for the benefit of the County;
- v. Promote economic growth within the County;
- vi. Advise the County Government on investment opportunities;
- vii. Assist and facilitate investors to establish investments in the county; and
- viii. Carry out such other roles and perform such other functions as may be necessary for the implementation of the object and purpose of the Act.

**Kakamega County Investment and Development Agency
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(c) Key Management

Kakamega County Investment and Development Agency day-to-day management is under the following key organs:

No.	Designation	Name
1.	Elizabeth Asichi	CEO
2.	CPA Samson Otieno	CO Economic Planning and investment
3.	Amboka Collins	Fund Accountant
4.	Cleophas Makokha	SCMO

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 20xx and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Elizabeth Asichi	CEO
2.	CPA Samson Otieno	CO Economic Planning and investment
3.	Amboka Collins	Fund Accountant
4.	Cleophas Makokha	SCMO

Key Entity Information and Management (continued)

(e) Fiduciary Oversight Arrangements

-

No	Entity	Role
1	Audit Committee and Finance committee activities	Provide oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations
2	Senate Committee Activities	Legislation, Oversight and Representation
3	County Assembly	Legislation, Oversight and Representation

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4	Development partner oversight activities	Predominant roles played by development partners have been shown to include capacity building, project planning, lobbying and advocacy, others (including resource mobilization) and financing respectively
5	Controller of Budget	This role involves overseeing the implementation of the budgets of both national and county governments. The Controller of Budget in this role therefore monitors the use of public funds in-year and reports to Parliament on how the funds have been utilised.
6	Office of the Auditor General	The Auditor-General (AG) is mandated to audit and report on the use and management of public resources by public entities. Article 229(6) of the Constitution requires the Auditor-General to confirm whether public money has been applied lawfully and in an effective way

(f) Entity Headquarters

P.O. Box 36-50100, 056 31850/31852/31853
 County Headquarters
 Kisumu/Kitale Highway
 Nairobi, KENYA

(g) Entity Contacts

P.O Box 662 - 50100
 Telephone: 0705050506
 E-mail: CEO-investment@kakamega.go.ke
 Website: www.kcida.co.ke

(h) Entity Bankers

1. KCB Bank Kakamega Branch
Kakamega Branch
2. Equity Bank
Kakamega Branch

**Kakamega County Investment and Development Agency
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Key Entity Information and Management (continued)

(i) Independent Auditor

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

(k) County Attorney

Office of the county Attorney,
County Government of Kakamega,
County Headquarters Annex, Room 112,
P.O. Box 36-50100,
KAKAMEGA, KENYA.
Email. kakamegalegal@gmail.com

(l) Governing Act

Kakamega County Investment and Development Agency Act, 2018.
The Kakamega County Investment and Development Agency (Amendment) Act, 2022

**Kakamega County Investment and Development Agency
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3. The Board of Directors/Council

Name	Details of qualifications and experience
 <p style="text-align: center;">Prof. Nelson H. Wawire Chairman</p>	<p>Ph.D in Economics, Master of Arts (Economics) & Bachelor of Education. Professor of Economics & Research Coordinator for Kenyatta University Women’s Economic Empowerment Hub.</p> <p>Consultancies: Commission for Revenue Allocation, African Economic Research Consortium, World Bank, COMESA Centre for Global Development; Centennial Group Holdings LLC, , UNECA, African Development Bank, UNDP, UNCRD Partnership for Economic Policy, UNESCO, KIPPRA, Transition Authority, Intergovernmental Relations Technical Committee (IGRTC), Kenya Bankers Association, Salaries and Remuneration Commission, Barclays Bank of Kenya, Centra Bank of Kenya, Competition Authority of Kenya. University of Pavia & CISP/CDN.</p>
 <p style="text-align: center;">Dr. Jeophita J. Mwajuma Chief Officer, Finance and Budget. Member</p>	<p>Ph.D in Environmental Microbiology, Masters of science degree in Microbiology and a Bachelor of Science degree(Botany/zoology) from Kenyatta University. She has undertaken strategic leadership Development Programme, senior Management Course and an IFMIS training for AIE Holders at the Kenya School of Government.</p> <p>Dr. Mwajuma has a depth of 12 years as a senior lecturer as well as senior management roles in various positions. She has previously served as the Chief Officer department of Environment, waste management and energy among other positions. She has served as the Chief Officer Department of Finance and Budget in the County government of Kakamega from November 2022 to date</p>
 <p style="text-align: center;">CPA Samson Otieno Chief Officer, Economic planning and Investment Member</p>	<p>Acted as chief Officer finance from October 2021 to December 2022, previously Head of Budget and Head of Treasury. A holder of a bachelor of Business Administration-Accounting and Finance option from Kenya Methodist University. A member of Certified Public Accountants of Kenya (ICPAK) and currently pursuing Master of Business Administration Finance from University of Nairobi. Senior management Course at the Kenya School of Government and also undertaken various trainings on public finance key among them on County Government Public Finance Management Fourteen (14) years’ experience and expertise in accounting, finance, planning and budgeting garnered from both the public and private sectors wherein he has managed preparation of annual budgets, development of key policies on finance, accounting and planning.</p> <p>Commenced career as branch accountant at Lupa caterers in 2007 before joining Prime Aluminium Casement as an accountant assistant in 2008. He subsequently joined the National Treasury in 2009 as accountant one (I) where he rose to senior accountant before joining the County Government in 2013 as budget officer through Transition Authority.</p>
 <p style="text-align: center;">Mrs. Alice Nanjala Wafula Board Member and Chair, Finance & Administration Committee</p>	<p>Ms. Alice Nanjala Wafula is an experienced accountant and administrator currently working with Nzoia Water Services Company (NZOWASCO) as a Senior Finance Officer. She also doubles up as a Part- Time Lecturer at Kibabii University. She holds a Master of Business Administration (Finance) from Kibabii University and a Business Management Degree from Masinde Muliro University.</p> <p>Ms. Nanjala brings on board a wealth of experience spanning over 30 years in various organizations and disciplines.</p>

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 <p style="text-align: center;">Mr. Robinson Oduma Board Member and Chair, Strategy and Communications Committee</p>	<p>Mr. Robinson Oduma is a senior academician and administrator with more than 30 years' work experience acquired in the academic field. He currently works as a Lecturer at Masinde Muliro University of Science and Technology (MMUST).</p> <p>Mr. Oduma is currently studying for a Doctor of Philosophy Degree at Moi University. He holds a Master of Philosophy in Linguistics and a Bachelor of Education.</p> <p>Over the years, Mr. Oduma has amassed knowledge and experience in teaching, strategic management and team leadership</p>
 <p style="text-align: center;">CPA Mumia Koroti Board Member and Chair, Audit & Risk Committee</p>	<p>CPA Mumia Koroti has over 28 years of experience in increasingly responsible roles within Accounting and Finance functions both in the Multinational and Public enterprise environments. He is currently the Chief Financial Officer, Kwale International Sugar Co. Limited (KISCOL). Previously held the positions of: Head of Finance at South Nyanza Sugar Company, Finance Manager at New KCC and Senior Factory Accountant at Firestone East Africa .</p> <p>He holds an MBA in Finance from University of Nairobi, a BA (Economics) from Moi University. A member in good standing of both the Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Directors (Kenya)-IOD (K)</p> <p>Mr. Koroti has wider exposure in project financing, financial model processes, management of syndicated financing and stakeholder relationships. Solid experience in SAP implementation, planning, controlling, risk management, reporting and performance management systems. Over 18 year's in-depth experience in handling board matters and corporate governance practices.</p>
 <p style="text-align: center;">Mr. Peter Juma Mwombe, Board Member and Chair, Investment Promotion Committee</p>	<p>Mr Mwombe hold a degree in Education, (Double economics), he also holds a diploma in computer operations management. Director Mwombe is a consummate administrator and business man with experience spanning over 30years in various fields. Currently he is the director in charge of economic diplomacy at The Kenya National Chamber of Commerce and Industries (KNCCI). In his role at the chamber he offers leadership on capacity building, HR related matters and business improvement initiatives. He is also the CEO Marian Estate agents limited and Marian Services , a real estates company.</p> <p>He brings on board a wealth of experience having worked over the years in various sectors as an administrator, IT expert, High School Principal, a councilor, Psychotherapist as well as a project manager.</p>
 <p style="text-align: center;">CS. Vivianne M. Komwonyo County Attorney Member</p>	<p>LLM, Post Graduate Diploma (PDG) In Law, Bachelor of Laws, (LLB), Certified Secretary (CS), Notary Public, Senior Management, Advocate of the High Court of Kenya</p> <p>Ag. County Attorney, Senior Legal Office County Government of Kakamega, Associate at Wetangula Adan & Makokha Advocates, Senior Litigation Counsel at Makokha Wattanga & Luyali Advocates, FIDA Kenya Probono Counsel</p>

**Kakamega County Investment and Development Agency
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Ms. Elizabeth Asichi
Chief Executive Officer
Member

Qualifications




MBA Strategic Management, BSC Quantitative Economics, Member KIM

Experience

CEO KCIDA, Ag. Deputy Director Investment -KCIDA, Senior Economist in Kakamega County, Chief Administrative Officer Kakamega County, Banker- KCB Bank (K) for 10years

**Kakamega County Investment and Development Agency
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4. Key Management Team

Name	Details of qualifications and experience
 <p>Ms. Elizabeth Asichi Chief Executive Officer Member</p>	<p>MBA Strategic Management, BSC Quantitative Economics, Member KIM CEO KCIDA, Ag. Deputy Director Investment -KCIDA, Senior Economist I Kakamega County, Chief Administrative Officer Kakamega County, Banker- KCB Bank (K) for 10years</p>
 <p>CPA Samson Otieno Chief Officer, Economic planning and Investment Member</p>	<p>Acted as chief Officer finance from October 2021 to December 2022, previously Head Budget and Head of Treasury. A holder of a bachelor of Business Administration- Accounting and Finance option from Kenya Methodist University. A member of Certified Public Accountants of Kenya (ICPAK) and currently pursuing Master of Business Administration Finance from University of Nairobi. Senior management Course at the Kenya School of Government and also undertaken various trainings on public finance key among them on County Government Public Finance Management Fourteen (14) years' experience and expertise in accounting, finance, planning and budgeting garnered from both the public and private sectors wherein he has managed preparation of annual budgets, development of key policies on finance, accounting and planning. Commenced career as branch accountant at Lupa caterers in 2007 before joining Prima Aluminium Casement as an accountant assistant in 2008. He subsequently joined the National Treasury in 2009 as accountant one (I) where he rose to senior accountant before joining the County Government in 2013 as budget officer through Transition Authority.</p>
 <p>Mr. Amboka Collins Mbalukha Accountant</p>	<p>Qualifications Bachelors Degree in Commerce Finance, Currently undertaking KASNEB Certified Public Accounts Professional Papers.</p> <p>Experience Previously worked as an accounts assistant at the Kakamega County Teaching and Referral Hospital. Has a 6 years experience in public accounts and finance. Has Served as the Accountant for KCIDA since July 2022 to date.</p> <p>Consultancy Industrial Expert, Development of Learner-Based Curriculum, Sigalagala National Polytechnic</p>

**Kakamega County Investment and Development Agency
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Cleophas Makokha
Onyango
Snr. SCMO

Has a Diploma in Purchasing and Supplies Management, Member of the Kenya Institute of Supplies Management, (KISM).
Consultancies: Kenya Institute of Public Policy Research and Analysis, KNBS and Maastricht University – Netherlands.
Brings in an experience of more than 18 Years in Public Procurement and Supplies Management.

**Kakamega County Investment and Development Agency
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5. Chairman's Statement

As the Chairperson of the Kakamega County Investment and Development Agency (KCIDA), I am pleased to present this report for the fiscal year 2024/2025. This past year has been one of change, adaptation, and growth, marked by significant developments in our governance structure and strategic direction.

During the year, there were no notable changes in our Fund's management team. The fund has maintained the same Board of Directors which has brought extensive experience in corporate governance and Investment policy formulation and implementation.

Review of the Agency's Performance

The Agency has shown commendable resilience and progress despite a challenging economic environment. Our portfolio has significantly improved by signing MOUs between the County Government and willing Investors. So far, The Agency has on-boarded Regen Organics, an Organic fertilizer Investor who is involved in processing Organic fertilizer from organic waste hence helping in Environmental sustainability initiatives in the county and by extension to the region. We have also expanded our outreach programs, reaching more beneficiaries by inviting both local and International Investors to the County and fulfilling our mandate more effectively.

Future Outlook

Looking ahead, we remain focused on driving sustainable growth and enhancing our impact. Key priorities for the coming year include diversifying our investment portfolio, improving operational efficiency, and fostering partnerships to increase our reach and effectiveness. We anticipate a dynamic year ahead, with opportunities for innovation and expansion.

Other Matters

We have undertaken an internal review of our governance practices to ensure compliance with all relevant regulations and best practices. The results have been encouraging, confirming our commitment to transparency, accountability, and good governance.

Conclusion

In conclusion, I extend my gratitude to our board members, management team, and staff for their dedication and hard work throughout the year. I also thank our stakeholders, including beneficiaries, donors, and partners, for their continued support and trust. Together, we look forward to another successful year for the Kakamega County Investment and Development Agency.

Name: Nelson Wawire Were Horace (Prof) **Signature**



Date 28th August 2025

Chairperson of the Board

Kakamega County Investment and Development Agency
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6. Report of the Chief Executive Officer

Introduction

I am pleased to present the Fund Administrator's report for the Kakamega County Investment and Development Agency for the fiscal year 2024/2025. This report provides a detailed overview of the Agency's performance, financial standing, and achievements, while also highlighting the challenges faced and the strategies adopted to mitigate risks.

Budget Performance

The Agency was allocated Kshs. 14M in the financial year 2024/2025, the Corporation incurred an expenditure of Kshs 14 M out of the budgeted funds. The Agency had a balance brought down of Kshs. 2.9M which was spent in the year 2024-2025.

Physical Progress

Since the establishment of the Kakamega County Investment and Development Agency, we have made significant progress in delivering on our mandate. The agency has had a tremendous impact in various Departments Including Department of Environment, water and Sanitation by bringing on board both organic and inorganic waste control initiatives among other initiatives.

The Kakamega County Investment and Development Agency (KCIDA) has been actively involved in several development projects during the fiscal year 2024/2025. One of the major areas of focus has been agricultural investment, particularly prioritizing crops such as avocado, sunflower, and upland rice for promotion and development across the county. These efforts are part of a broader strategy to boost food security and economic empowerment

The Agency has effectively utilized 85% of its allocated budget towards achieving these results, demonstrating a strong commitment to value-for-money principles.

Program Implementation Overview

Each program implemented by the Agency has made significant strides:

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7. Statement of Performance against Predetermined Objectives for FY 2024/2025

Introduction

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

The key development objectives of the Agency as per the the 2020-2024 strategic

- I. Attract and facilitate investments
- II. Strengthen investment promotion programs
- III. Develop partnership and collaboration framework
- IV. Develop and implement investment policies, strategies, systems and procedures
- V. Resource mobilization
- VI. Strengthen Institutional Capacity

Kakamega County Investment and Development Agency
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Progress on attainment of Strategic development objectives

Program	Objective	Outcome	Indicator	Performance
Investment Promotion	To promote Kakamega as the best investment destination and investors put up sustainable projects in Kakamega County	I. Jobs created II. Wealth created III. Improved living standards	Number of investors on boarded	During FY 2024/2025, Agency on boarded one investor (Regen Organics LV)
Partnership and collaboration Framework	To set in place policies and guidelines to be followed when getting into partnerships	I. Streamlined partnership process II. Beneficial engagements with like-minded entities	Number of partnerships established	During FY 2024/2025. TH Agency established beneficial partnerships and collaborated with; USAID, JICA, WIDU Kenya and KenInvest
Resource Mobilization	To mobilize for resources from partners to help the CGK bridge the resource gap and also make the Agency self-sustaining	I. Mobilized resources for both the Government and the Agency II. A self-sustaining Agency	Amount of Agency's mobilized from development partners and investors	The Agency developed a Resource Mobilization and Investment Promotion Strategy that has helped to enhance mobilization efforts. There is progress in terms of seeking partners
Investment Promotion Programs	To upscale investment promotion programs and activities	I. Participation in investment-related forums II. Production of various promotional materials III. Enhancing the Agency website	No. of potential investors attracted and on boarded	I. During FY 2024/2025, the Agency participated in 9 investor-related forums and summits. II. Potential investors from these forums are actively being pursued
Strengthen Institution Capacity	Hire staff Capacity build staff in key areas related to their work	Improved efficiency in service delivery	No. of staff hired No./Type of trainings attended	During FY 2024/25, Agency staff were trained on; I. How to attract an investor-By USAID II. Investment Promotion-JICA(Tokyo Japan)

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8. Corporate Governance Statement

The current Board was competitively recruited and sworn in, in the Financial Year 2022/2023 with the Board chair being retained from the previous regime. The Board held 4 full board meetings attended by all members as well as four committee meetings in the year under review. These committees are Finance & Administration Committee, Strategy and Communication, Investment Promotion Committee and Audit Assurance and Risk Committee.

At the beginning of all Board meeting members were requested to declare if they had any conflict-of-interest issues on the agenda at hand.

The Chief Executive Officer and technical staff of the agency were recruited through a competitive process by the County Public Service Board. Interviews were carried out in April 2021 and May 2021.

The roles and functions of the Board are indicated in the Board Charter prepared by the Board and it clearly defines the respective roles, responsibilities and authorities of the board of directors (both individually and collectively).

Among other roles are;

- a) Ensure proper and efficient exercise of the powers and performance of the functions of the Agency
- b) Approve the estimates of the revenue and expenditure of the Agency;
- c) Subject to approval of the Executive Committee, invest or divest in any venture;
- d) Subject to the approval of the Executive Committee, borrow money for investment ventures; and
- e) perform such other functions as are provided for under this Act or any other written law

The directors did an induction course undertaken on inauguration and training by the State Corporation Advisory Committee.

The procurement procedures of the agency are adhered to strictly in accordance with the Public Procurement and Asset Disposal Act, 2015. Members of Board Directors declare conflicts of interests in case of any during board meetings.

The Board Chairman is entitled to a monthly honorarium of Kshs. 50,000 and airtime allowance of Kshs. 5,000. Board members are paid sitting allowances of between Kshs 4,000 to Kshs. 15,000 on attending Board meetings. Independent Board members are also reimbursed travel and accommodation allowances.

Kakamega County Investment and Development Agency
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9. Management Discussion and Analysis

Kakamega County Investment and Development Agency is a County Government of Kakamega Agency. The Agency presents the Annual Financial Report and Statement for the financial year 2024-2025. The statement present the financial performance of the Agency for financial year 2024-2025.

The Financial Statements have been prepared in line with the Public Finance Management (PFM) Act, 2012 and are in line with the format prescribed by the Public Sector Accounting Standards Board. The PFM Act, 2012 requires that these statements be submitted to the Office of the Auditor General and copied to the Clerk of County Assembly, The National Treasury, The Controller of Budget and The Commission on Revenue Allocation within 3 month after the end of financial Year

The Financial Statements present the recent actual fiscal performance for the year 2024-2025 and make comparisons to the budget appropriations for the same period. They further provide a comprehensive financial review with sufficient information to show changes from the projections outlined in the latest County Fiscal Strategy Paper 2024/2025.

The Agency was allocated Kshs. 20 M in the financial year 2024/2025, the Corporation incurred an expenditure of Kshs 14 M out of the budgeted funds. The Agency had a balance brought down of Kshs. 2.9M which was spent in the year 2024-2025.

The FY 2024/2025 was the Agency's breakthrough year. The Agency, through the approval of the Cabinet and the board of directors managed to hold the First Kakamega International Investment Conference which raised a platform for the county, Local and international investors to showcase their product line. During this Conference, the county managed to sign more than 20 MOUs with different investors which are being followed up for implementation. Additionally, the Agency made concerted efforts to seek partnerships and collaborations with organizations whose objectives align with those of the County Government of Kakamega, writing proposals and concept notes to donors for funding. The Agency also partnered with the United States Agency for International Development (USAID) and the State department of Crops development through JICA to support investment promotion initiatives that led to the development of the final value chain analysis report for Avocado, sunflower and upland rice, and an upgrade of the Agency's website.

Kakamega County Investment and Development Agency is fully committed to ensuring that Kakamega County becomes the hub of choice for investors we are counting on stakeholder's support to enable us achieve this mandate.

10. Environmental and Sustainability Reporting

1. Sustainability strategy and profile -

The Agency is sustained by the County Government through treasury disbursements. The macro-economic and political shocks to the county transmits negative consequences to the agency's sustainability profile. Through regulations under approval by the relevant regulatory organs, the agency is working on enlarging the sustainability profile by increasing the MOUs signed which increases the Agencies Performance hence strengthening the sustainability profile. Despite the successes registered by the Agency, disbursement challenges caused by late disbursement of the exchequer from the National Treasury has affected the performance of the agency by hindering service delivery to the public.

2. Environmental performance

The agency has adopted the County Environmental Policy that guides its operations while seeking investors especially on matters environment. The agency has incorporated the establishment of organic fertilizer plant in its implementation framework hence the Signing of the MOUs with Regen Organics sanergy who are implementing the organic Fertilizer plant in Mumias west Sub-County.

3. Employee welfare

The agency recruits its employees competitively through the County Public Service Board and takes into account gender parity to alienate gender discrimination. The agency inducts its employees through elaborate training programs to upscale competency of the employees.

4. Market place practices-

The agency, has ensured responsible competition practices which portrays a fair and healthy competition while eliminating corruption practices. To achieve this, the agency has maintained good business practices by distributing all the procurement opportunities across the whole market spectrum including the 30% special interest group markup. Additionally, the agency advertises the open procurement opportunities to the public through county website and print media to cub against any malpractices in procurement processes.

5. Corporate Social Responsibility / Community Engagements

The agency has not done any corporate social responsibility but we endeavor to partake an elaborate corporate social responsibility.

**Kakamega County Investment and Development Agency
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11. Report of the Directors

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

Principal activities

The principal activities of the Corporation is to create an enabling environment to attract investment and facilitate investors within Kakamega County. This will in turn spur socio-economic development in the County

Results

The results of the Agency for the year ended June 30, 2025 are set out on page **1 to 8**.

Trustees

The members of the Board of Directors who served during the year are shown on page VII-XI.

Auditors

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

By Order of the Board



Name. Elizabeth Asichi

Secretary to the Board

**Kakamega County Investment and Development Agency
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12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Agency established by Kakamega County Investment and Development Agency Act 2018, shall prepare financial statements for the Agency in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the Agency is responsible for the preparation and presentation of the Agency's financial statements, which give a true and fair view of the state of affairs of the Agency for and as at the end of the financial year ended on **June 30, 2025**. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Agency; (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 Agency; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public Agency accepts responsibility for the Agency's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Kakamega County Investment and Development Agency Act, 2018. The Administrator of the Agency is of the opinion that the Agency's financial statements give a true and fair view of the state of Agency's transactions during the financial year ended **June 30, 2025**, and of the Agency's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Agency, which have been relied upon in the preparation of the Agency's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The financial statements were approved by the Board on **28th August 2025** and signed on its behalf by:



Name. Nelson Wawire Were Horace (Prof)

Chairperson of the Board



Name: Elizabeth Asichi

Accounting Officer

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON KAKAMEGA COUNTY INVESTMENT AND DEVELOPMENT AGENCY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kakamega County Investment and Development Agency set out on pages 1 to 44, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance,

Report of the Auditor-General on Kakamega County Investment and Development Agency for the year ended 30 June, 2025

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kakamega County Investment and Development Agency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Kakamega County Investment and Development Agency Act, 2018 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Board Expenses

The statement of financial performance reflects board expenses amounting to Kshs.682,200 which, as disclosed in Note 9 to the financial statements relates to sitting allowances. However, key supporting documents including board calendar, annual work plan, attendance registers, board charter, and minutes of meetings were not provided for audit verification.

In the circumstances, the accuracy and completeness of Board expenses amounting to Kshs.682,200 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.20,000,000 and Kshs.14,000,000 respectively, resulting to under-funding of Kshs.6,000,000 or 30% of the budget. Similarly, the Agency expended a total of Kshs.16,928,894 against an approved budget of Kshs.30,939,051 resulting to an under-expenditure of Kshs.14,010,157 or 45% of the budget. Further, the balance was unbalanced and approved budget was not provided for audit review.

In the circumstances, Management did not observe fiscal discipline.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the report for the previous year, several issues were raised under Report on the Financial Statements, Report on Lawfulness and Effectiveness in the Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance, as detailed in **Appendix I**. However, although Management has indicated that some of the issues have been resolved under implementation status of Auditor-General's recommendations section of the financial statements, no evidence was provided for audit review indicating whether or not the issues had been resolved. Further, no justification has been provided for the delay in resolving the other issues.

In the circumstances, the issues remain unresolved.

Other Information

The Directors are responsible for the Other Information set out on page iv to xxi which comprise of Key Entity Information and Management, Board of Directors, Key Management Team, Chairman's Report, Report of the Chief Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Statement of Director's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Agency'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 and I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on the 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

Long Outstanding Trade and Other Payables

The statement of financial position reflects trade and other payables balance of Kshs.3,785,740 as disclosed in Note 13 to the financial statements, which includes a balance of Kshs.3,704,585 that had been outstanding for more than two years. However, Management did not provide evidence of efforts made to settle the long outstanding payables. This was contrary to Regulation 41(2) of the Public Finance Management (County Governments) Regulations, 2015 which states debt service payments shall be a first charge on the County Revenue Fund and the Accounting Officer shall ensure this is done to the extent possible that the County Government does not default on debt obligations.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Risk Management Policy

During the year under review, the Agency had not put in place a risk management policy and formal risk assessment was not performed during the year under audit contrary to

Section 158 (1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015, which states that the Accounting Officer shall ensure that the county government entity develops risk management strategies, which include fraud prevention mechanism and the county government entity develops a system of risk management and internal control that builds robust business operation.

In the circumstances, the Agency was exposed to financial and operational risks.

2. Inadequate Internal Controls on Information and Communication Technology (ICT)

During the year under review, the Agency did not have in place ICT Strategy, Steering Committee, ICT Security Policy, Disaster Management and Recovery Policies to ensure data confidentiality, integrity and availability. Further, the Agency did not have anti-virus and firewall programs on all computers. In addition, the Agency did not have a policy on physical access to ICT infrastructure.

In the circumstances, the adequacy of internal controls on Information, Communication and Technology 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 Agency's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease its 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 Agency'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

12 November, 2025

Appendix I

Unresolved Prior Year Audit Issues

Reference No. on the Auditor-General's Report	Observation
	Report on the Financial Statements
1	Unsupported Board, Committees and Conference Expenses
2	Unsupported Depreciation and Amortization Expenses
3	Variance in Cash Generated from Operations
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Presentation and Disclosure of Financial Statements
2	Lack of an Updated Non-Current Asset Register
	Report on the Effectiveness of Internal Controls, Risk Management and Governance
1	Lack of an Internal Audit Committee
2	Lack of Risk Management Policy
3	Inadequate Internal Controls on Information Communication Technology (ICT)

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025

14. Statement of Financial Performance for the year ended 30 June 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from county Treasury	6	14,000,000	47,900,000
Public contributions and donations	7	0	36,241,774
		14,000,000	84,141,774
Revenue from exchange transactions			
Total revenue		14,000,000	84,141,774
Expenses			
Use of goods and services	8	16,327,849	88,172,724
Board Expenses	9	682,200	0
Depreciation and amortization expense	10	356,224	343,105
Total expenses		17,366,273	88,515,829
Other gains/(losses)			
Surplus/ (deficit) before tax		(3,366,273)	0
Surplus/(deficit) for the period/year		(3,366,273)	(4,374,055)
Net Surplus for the year		(3,366,273)	

The notes set out on pages 6 to 42 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



Name: Elizabeth Asichi

Accounting Officer

Date: 28th August 2025



Name: Amboka Collins

Head of Finance

ICPAK M/No:

Date: 28th August 2025



Name: Nelson Wawire Were

Horace (Prof)

Chairman of the Board

Date: 28th August 2025

Kakamega County Investment and Development Agency
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15 Statement of Financial Position as at 30 June 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	11	10,157	2,939,051
Total Current Assets		10,157	2,939,051
Non-Current Assets			
Property, Plant and Equipment	12	831,189	1,187,413
Total Non- Current Assets		831,189	1,187,413
Total Assets (A)		841,346	4,126,464
Liabilities			
Current Liabilities			
Trade and Other Payables	13	3,785,740	3,704,585
Total Current Liabilities		3,785,740	3,704,585
Non-Current Liabilities			
Total Non- Current Liabilities		0	0
Total Liabilities (B)		3,785,740	3,704,585
Net Assets (A-B)		(2,944,394)	421,879
Represented by:			
Accumulated Surplus		(2,944,394)	421,879
Capital Fund		0	
Net Assets		(2,944,394)	421,879

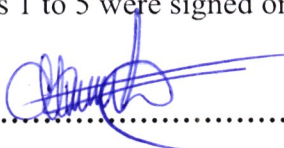
The financial statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



.....

Name: Elizabeth Asichi
Accounting Officer

Date: 28th August 2025



.....

Name: Amboka Collins
Head of Finance
ICPAK Member Number:

Date: 28th August 2025



.....

Name: Nelson Wawire Were
Horace (Prof)
Chairman of the Board

Date: 28th August 2025

Kakamega County Investment and Development Agency
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16. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at July 1, 2023	-	-	-	4,795,934	-	-	4,795,934
Surplus/ deficit for the year	-	-	-	(4,374,055)	-	-	(4,374,055)
As at June 30, 2024	-	-	-	421,879	-	-	421,879
As at July 1, 2024	-	-	-	421,879	-	-	421,879
Surplus/ (deficit) for the year	-	-	-	(3,366,273)	-	-	(3,366,273)
As at June 30, 2025	0	0	0	(2,944,394)	0	0	(2,944,394)

Note:

1. *For items that are not common in the financial statements, the Entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.*
2. *Prior year adjustment should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done.*

Kakamega County Investment and Development Agency
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17. Statement of Cash Flows for the year ended 30 June 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from the County Government of Kakamega		14,000,000	47,900,000
Public contributions and donations		0	36,241,774
Total receipts		14,000,000	84,141,774
Payments			
Use of goods and services		16,246,694	84,468,139
Board Expenses		682,200	0
Total payments		16,928,894	84,468,139
Net cash flows from/(used in) operating activities	14	(2,928,894)	(326,365)
Cash flows from investing activities			
Purchase of PPE and Intangible assets		0	(1,029,420)
Net cash flows from/(used in) investing activities		0	(1,029,420)
Cash flows from financing activities			
Net cash flows from financing Activities		0	0
Net increase/(decrease) in cash & Cash equivalents		(2,928,894)	(1,355,784)
Cash and cash equivalents at 1 July 2024	11	2,939,051	4,294,835
Cash and cash equivalents at 30 June 2025	11	10,157	2,939,051

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18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	2,939,051	0	2,939,051	0	0	0
Receipts						
Transfers from County Govt.	28,000,000	(8,000,000)	20,000,000	14,000,000	6,000,000	70%
Total Receipts	28,000,000	(8,000,000)	20,000,000	14,000,000	6,000,000	70%
Payments						
Use of Goods and Services	28,939,051		28,939,051	16,246,694	12,692,357	56%
Board Expenses	2,000,000		2,000,000	682,200	1,317,800	34%
Total Payments	30,939,051		30,939,051	16,928,894	14,010,157	73%
Surplus/(Deficit)	0	0	0	(2,928,894)	0	0

Budget notes

1. Provide a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)
2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	(2,928,894)
1	Reason for differences	2,939,051
2	Reason for differences	0
3	Reason for differences	0
4	Reason for differences	0
	Closing Cash and Cash Equivalent as per the statement of Cash flows	10,157

**Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025**

19. Notes to the Financial Statements

1. General Information

Kakamega County Investment and Development Agency is established by and derives its authority and accountability from The Kakamega County Investment and Development Agency Act, 2018. The entity is wholly owned by the Kakamega County Government and is domiciled in Kenya. The principal activity of the Corporation is to create an enabling environment to attract investment and facilitate investors within Kakamega County. This will in turn spur socio-economic development in the County.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *Entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Entity*. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025**

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 30 June 2025.*

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.

**Kakamega County Investment and Development Agency
Annual Report and Financial Statements
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	<ul style="list-style-type: none"> ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<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 entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

Kakamega County Investment and Development Agency
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iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
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Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Taxes, Levies and fines

The *Entity* recognizes revenues from taxes, levies, 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 Entity 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 *Entity* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sale of goods

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

Interest income

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

Dividends

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

Rental income

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

b) Budget information

The original budget for the Current FY was approved by the National Assembly on xxx. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded additional appropriations of xxx on the 20xx budget following the governing body's approval.

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Budget information (continued)

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

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the *Entity* operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable *Entity* and the same taxation authority.

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii) When receivables and payables are stated with the amount of sales tax included
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.* ***(entity to amend appropriately based on the model adopted)*** 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.

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Entity*. 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 *Entity* 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 *Entity* 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.

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

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

g) 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. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

h) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

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

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

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

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 entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

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

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

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.

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

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 *Entity*.

Kakamega County Investment and Development Agency
Annual Report and Financial Statements
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

l) Provisions

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

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 entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

n) Contingent liabilities

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

o) Contingent assets

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

**Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025**

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

p) Nature and purpose of reserves

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

q) Changes in accounting policies and estimates

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

r) Employee benefits

Retirement benefit plans

The *Entity* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation. *(the entity to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies)*

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.

**Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025**

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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

v) Service concession arrangements

The *Entity* analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* 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 *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**Kakamega County Investment and Development Agency
Annual Report and Financial Statements
for the year ended June 30, 2025**

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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

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

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, 2025.

Kakamega County Investment and Development Agency
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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity's* financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all 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 Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

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

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

Provisions

Provisions 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.

(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

Kakamega County Investment and Development Agency
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Notes to the Financial Statements (Continued)

6. Transfers from Other Government entities

Description	2024/2025	2023/2024
	KShs	KShs
Unconditional Grants		
Transfers from the County Government of Kakamega	14,000,000	49,700,000
Development grants	0	0
Other Grants	0	0
Total Unconditional Grants	14,000,000	49,700,000
Conditional Grants amortised/ transferred to revenue		
Housing Development Grant	0	0
Total Government Grants And Subsidies	14,000,000	49,700,000

b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial performance. * KShs	Amount deferred under deferred income. KShs	Amount recognised in capital fund. KShs	Total transfers	2023/2024
				2024/2025	KShs
County Treasury	14,000,000	0	0	14,000,000	49,700,000
Total	14,000,000	0	0	14,000,000	49,700,000

The decrease in revenue compared to the previous financial year is mainly attributed to income generated from a major conference organized and conducted by the Agency on behalf of the County Government.

7. Public Contributions and Donations

Description	2024/2025	2023/2024
	Kshs	Kshs
Other Public Donations (Specify)	0	36,241,774
Total Transfers and Sponsorships	0	36,241,774
Reconciliation Of Public Contributions and Donations		
Balance Unspent at Beginning of The Year	0	0
Current Year Receipts	0	0
Conditions Met - Transferred to Revenue	0	0
Conditions To Be Met - Remain Liabilities	0	0

(Provide brief explanation for this revenue)

Kakamega County Investment and Development Agency
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8. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Electricity	0	0
Water	0	0
Professional Services	0	0
Subscriptions	0	0
Advertising	2,197,545	6,666,585
Catering Services	3,239,604	13,217,130
Audit Fees	0	0
Conferences and Delegations	0	0
Consulting Fees	0	0
DS	101,500	0
Fuel and Oil	53,500	273,500
Foreign Travel	598,945	354,200
Foreign Accommodation	0	654,657
Boards and conferences	0	2,138,368
Licenses and Permits	0	0
GOS	214,000	132,261
Water Purification Cost	0	0
Postage	0	26,837
Printing and Stationery	1,908,130	9,619,848
Event Management – Setup	0	36,445,516
Event Management – Communication	0	339,720
Contracted Consultancy Services	0	3,357,634
DSA	1,501,200	5,829,125
Skills Development Levies	0	0
Sanitary materials	0	29,005
Internet	0	48,139
Telephone	0	251,376
Telecommunication	385,782	0
Training	0	0
Domestic Accommodation	4,529,800	6,522,823
Travel, Subsistence & Other Allowances	1,561,228	2,201,821
Bank charges	36,615	64,179
TOTAL	16,327,849	88,172,723.45

Kakamega County Investment and Development Agency
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Notes to the Financial Statements (Continued)

9. Board Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Sitting Allowances	682,200	0
Total	682,200	0

10. Depreciation and Amortization Expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, plant and equipment	356,225	343,106
Total depreciation and amortization	356,225	343,106

11. Cash and Cash Equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	10,157	2,939,051
Savings Account	0	0
Total Cash and Cash Equivalents	10,157	2,939,051

(The amount should agree with the closing and opening balances as included in the statement of cash flows. List all bank accounts. Provide brief explanation on cash variations compared to the previous year)

Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1262461561	7,566	2,904,944
Kenya Commercial Bank	1322808619	392.5	10,932
Equity Bank,	0500285212970	2,198	23,175
Sub- Total		10,157	2,939,051
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Sub- Total		0	0
c) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Sub- Total		0	0
d) Others (Specify)			
Cash In Transit		0	0
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		10,157	2,939,051

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12. Property, Plant and Equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment (30%)	Total
Cost	KShs	KShs	KShs	KShs	KShs
At 1st July 2023				693,132	693,132
Additions				1,029,420	1,029,420
Disposals				-	-
Transfers/adjustments				-	-
At 30th June, 2024				1,722,552	1,722,552
At 1st July 2024				1,722,552	1,722,552
Additions				-	-
Disposals				-	-
Transfer/adjustments				-	-
At 30th June, 2025				1,722,552	1,722,552
Depreciation and impairment					
At 1st July 2023				192,033	192,033
Depreciation				343,105	343,105
Impairment				-	-
At 30th June, 2024				535,138	535,138
At 1st July 2024				535,138	535,138
Depreciation				356,225	356,225
Disposals					
At 30th June, 2025				891,363	891,363
Net book values					
At 30th June 2024				1,187,413	1,187,413
At 30th June 2025				831,189	831,189

(Include a brief description of WIP as a footer.)

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13. Trade and Other Payables

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade payables	3,785,740		3,704,585	
Employee payables	0		0	
Other payables	0		0	
Total trade and other payables	3,785,740		3,704,585	
		% of the	Comparative	% of
Ageing analysis: (Trade and other payables)	Current FY	Total	FY	Total
Under one year	3,785,740	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	3,704,585	%
Over 3 years	0	%	0	%
Total (tie to above total)	3,785,740		3,704,585	

(Provide brief explanation)

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Notes to the Financial Statements (Continued)

14. Cash Generated from Operations

Description	2024/2025	2023/2024
	Kshs	Kshs
Surplus for the year before tax	(3,366,273)	0
Adjusted for:		
Depreciation	356,225	0
Non-cash grants received	0	0
Working capital adjustments		
Increase in payables	81,155	0
Net cash flow from operating activities	(2,928,894)	0

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

15. Financial Risk Management

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

i) Credit risk

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

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Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0
As at 30 June (Previous FY)				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0

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

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from xxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2024				
Trade payables	0	0	0	0
Current portion of borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred income	0	0	0	0
Employee benefit obligation	0	0	0	0
Total	0	0	0	0
As at 30th June 2025				
Trade payables	0	0	0	0
Current portion of borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred income	0	0	0	0
Employee benefit obligation	0	0	0	0
Total	0	0	0	0

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Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

The *Entity* has put in place an internal audit function to assist it in assessing the risk faced by the *Entity* on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the *Entity's* income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The *Entity's* Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the *Entity's* exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The *Entity* has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The *Entity* manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

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Financial Risk Management

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

Current FY

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June (Current FY)			
Financial Assets	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors	0	0	0
Total Financial Assets	0	0	0
Financial Liabilities			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
Total Financial Liabilities	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

Foreign currency sensitivity analysis

Current FY

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June (Current FY)			
Financial Assets	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors	0	0	0
Total Financial Assets	0	0	0
Financial Liabilities			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
Total Financial Liabilities	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

Financial Risk Management

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

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
Current FY			
Euro	10%	0	0
USD	10%	0	0
Previous FY			
Euro	10%	0	0
USD	10%	0	0

b) Interest rate risk

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

Management of interest rate risk

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

Financial Risk Management

Sensitivity analysis

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

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Notes to the Financial Statements (Continued)

Financial Risk Management

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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Notes to the Financial Statements (Continued)

Financial Risk Management

The following table shows an analysis of financial and non-financial instruments recorded at fair value by level of the fair value hierarchy:

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June (Current FY)				
Financial Assets				
Quoted Equity Investments	0	0	0	0
Non- Financial Assets				
Investment Property	0	0	0	0
Land And Buildings	0	0	0	0
Total	0	0	0	0
As at 30th June (Previous FY)				
Financial Assets				
Quoted Equity Investments	0	0	0	0
Non- Financial Assets				
Investment Property	0	0	0	0
Land And Buildings	0	0	0	0
Total	0	0	0	0

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	0	0
Capital Reserve	0	0
Total Funds	0	0
Total Borrowings	0	0
Less: Cash and Bank Balances	0	0
Net Debt/(Excess Cash And Cash Equivalents)	0	0
Gearing	0	0

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Notes to the Financial Statements (Continued)

16. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the *Entity* 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 *Entity*, holding 100% of the *Entity's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the *Entity*, both domestic and external.

Other related parties include:

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Rent income from govt. Agencies	0	0
Water sales to govt. Agencies	0	0
Others (specify) e.g. interest and bank charges	0	0
Total	0	0
B) purchases from related parties		
Purchases of electricity from KPLC	0	0
Purchase of water from govt service providers	0	0
Rent expenses paid to govt agencies	0	0
Training and conference fees paid to govt. Agencies	0	0
Others (specify)	0	0
Total	0	0
b) Grants /transfers from the government		
Grants from national govt	0	0
Grants from county government	0	0

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Description	2024/2025	2023/2024
	Kshs	Kshs
Donations in kind	0	0
Total	0	0
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for employees	0	0
Payments for goods and services for other entities	0	0
Total		
d) Key management compensation		
Directors' emoluments	0	0
Compensation to key management	0	0
Total	0	0

17. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Entity to present segmental information of each geographic region or department to enable users understand the Entity's performance and allocation of resources to different segments)

18. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	0	0
Assets Arising from Determination Of Court Cases	0	0
Reimbursable Indemnities and Guarantees	0	0
Receivables From Other Government Entities	0	0
Others (Specify)	0	0
Total	0	0

(Give details)

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Contingent Liabilities

Description	2024/2025	2023/2024
	Kshs	Kshs
Contingent Liabilities	0	0
Court Case xx against the Entity	0	0
Bank Guarantees in Favour of Subsidiary	0	0
Contingent Liabilities arising from Contracts Including PPPs	0	0
Others (Specify)	0	0
Total	0	0

(Give details)

19. Capital Commitments

Capital Commitments	2024/2025	2023/2024
	Kshs	Kshs
Authorised for	0	0
Authorised and contracted for	0	0
Total	0	0

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing).

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20. Program for Results (PforR) Disclosure

This disclosure note is for entities implementing Programs for Results (PforR). Implementing entities are required to make disclosures in accordance with their respective financing agreements. The disclosure should capture the program's goal and expenditures designated in the expenditure framework.

Name of PforR:		Name of Financing Partners:				
Expenditure Details*	Opening Cumulative for Previous FYs		Current FY		Total Cumulative	
	Budget	Actual	Budget	Actual	Budget	Actual
Program code						
Sub-program						
Sub-program						
Sub-total						
Program code						
Sub-program						
Sub-program						
Sub-total						
Total						

Expenditure Details - Provide the details per your expenditure framework requirements. (Program, sub-program, and or economic Item)*

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21. Events after the Reporting Period

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

22. Ultimate And Holding Entity

The Entity is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Finance. Its ultimate parent is the Government of Kenya.

23. Currency

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

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20. Appendices

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Unsupported Board, Committees and Conference Expenses	The issue discussed with County Assembly for resolution	Not Resolved	
2	Unsupported Depreciation and Amortization Expenses	The issue discussed with County Assembly for resolution	Resolved	
3	Variance in cash generated from operations	The issue discussed with County Assembly for resolution	Resolved	
1	Presentation and Disclosure of Financial Statements	The issue discussed with County Assembly for resolution	Resolved	
2	Lack of an Updated Non-Current Asset Register	The issue discussed with County Assembly for resolution	Resolved	
1	Lack of an Internal Audit Committee	The issue discussed with County Assembly for resolution	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2	Lack of Risk Management Policy	The issue discussed with County Assembly for resolution	Not Resolved	
3	Inadequate Internal Controls on Information Communication Technology (ICT)	The issue discussed with County Assembly for resolution	Not Resolved	

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 Entity responsible for the implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to the National Treasury.



.....
C.E.O

Date: 28th August 2025

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Appendix II: Projects implemented by Kakamega County investment and Development Agency

Projects implemented by the State Corporation/ SAGA Funded by development partners and/ or the Government.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements. (Yes/No)

Status of Projects completion

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

SN	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds

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Appendix IV: Transfers 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				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Planning and Devolution	0	Recurrent	0	0	0	0	0	0	0
Ministry of Planning and Devolution	0	Development	0	0	0	0	0	0	0
USAID	0	Donor Fund	0	0	0	0	0	0	0
Ministry of Planning and Devolution	0	Direct Payment	0	0	0	0	0	0	0
Total			0	0	0	0	0	0	0

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Appendix V- Inter-Entity Confirmation Letter

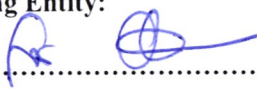
Name of Transferring entity: County Government of Kakamega

Name of Beneficiary entity: Kakamega County Investment and Development Agency

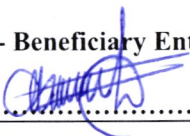
Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
County Treasury Disbursement	05/11/2024	7,000,000	0	7,000,000	Operations
County Treasury Disbursement	19/05/2025	7,000,000	0	7,000,000	Operations
Total		14,000,000	0	14,000,000	

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

Head of Accounts Department - Disbursing Entity:

Name CPA Wycliffe Wabuche Sign  Date 28th August 2025

Head of Accounts Department - Beneficiary Entity:

Name Amboka Collins Sign  Date 28th August 2025

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Appendix VI: Reporting of Climate Relevant Expenditures

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

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Appendix VII: Reporting on Disaster Management Expenditure

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