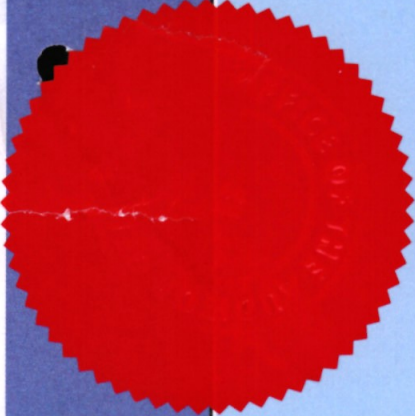


REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

STATE DEPARTMENT FOR CULTURE, THE ARTS AND HERITAGE

FOR THE YEAR ENDED	
30 JUNE, 2025	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	25 FEB 2026
	DAY: WEDNESDAY
TABLED BY:	HON. NAOMI WAQO, MP DEPUTY MAJORITY WHIP
CLERK-AT-THE-TABLE:	ESTHER NGINYO



STATE DEPARTMENT FOR CULTURE, THE ARTS AND HERITAGE

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

**Transitional IPSAS Financial Statements Under International Public Sector Accounting
Standards (IPSAS)**

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

Table of Contents

Page

1. Acronyms and Definition of Key Terms	ii
2. Key MDA Information and Management	iii
3. Profile of Cabinet Secretary/Commissioners/Speaker/Chief Justice	ix
4. Profile of Accounting Officer and Key Management.	x
5. Statement by the Cabinet Secretary /Chair of the Commission/Speaker/Chief Justice	xv
6. Statement by the Accounting Officer	xvi
7. Statement of Performance Against Predetermined Objectives for FY2024/2025.....	xviii
8. Governance Statement	xxv
9. Management Discussion and Analysis.....	xxvi
10. Environmental and Sustainability Reporting.....	xxviii
11. Statement of Management Responsibilities	xxxii
12. Report of the Independent Auditor for the State Department for Culture, the Arts and Heritage.....	xxxiv
13. Statement of Financial Performance for the year ended 30 June 2025.....	17
14. Statement of Financial Position as at 30 June 2025.....	2
15. Statement of Changes in Net Assets for the year ended 30 June 2025.....	4
16. Statement of Cash flows for the year ended 30 th June 2025.....	5
17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2025.....	6
18. Notes to the Financial Statements	9
19. Appendix.....	44

1. Acronyms and Definition of Key Terms

A: Acronyms and Abbreviations

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

B: Definition of Key Terms

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

<i>AIE</i>	-Authority to Incur Expenditure
<i>CFO</i>	-Chief Finance Officer
<i>HAU</i>	- Head of Accounting Unit
<i>IPSAS</i>	-International Public Sector Accounting Standards
<i>OCOB</i>	-Office of the Controller of Budget
<i>OAG</i>	-Office of the Auditor General
<i>PFM</i>	- Public Finance Management

2. Key MDA Information and Management

(a) Background information

- (b) The State Department support the country's economic and social development agenda through the promotion and exploitation of Kenya's diverse cultures, access to public records & archives; promotion of natural products industry; natural and cultural research, conservation & preservation of Kenya's heritage for national pride and harmony; promotion of cultural tourism; promotion of creative talent/economy industry, strengthen capacity of production skills for women doing beadwork in pastoralist communities and provision for identification, recognition of heroes & maintenance, preservation, education, and development of Kenya's niche diverse cultures.
- (c) The State Department for Culture, the Arts and Heritage was formed through Executive Order No.2 of November, 2023 in the Ministry of Gender, Culture and Children Services under the Cabinet Secretary Ms. Hanna Wendot Cheptumo who is responsible for the general policy and strategic direction of the Ministry. Before its existence, the Ministry was created from the restructuring of the Ministry of National Heritage and Culture and Ministry of Youth Affairs and Sports to form the Ministry of Sports Culture and the Arts following the Executive Order No. 2 of May 2013. Further, the Ministry was restructured and renamed Ministry of Sports, Culture and Heritage vide Executive Order No. 1 of June 2018 (revised) titled "Organization of the Government of the Republic of Kenya".
- (d) The State Department for Culture, the Arts and Heritage is headed by the Principal Secretary Ms. Ummi Bashir, CBS who is the Accounting Officer.

(e) Mandate

1.1 Vision:

A world leader in celebrating cultural diversity and inspiring creativity for sustainable development

1.2 Mission:

To develop, promote and preserve culture, the arts and heritage for national pride and sustainable development

1.3 Mandate

The State Department for Culture, The Arts and Heritage is mandated with the following: -

1. National Heritage Policy and Management;
2. Management of Culture Policy;
3. Policy on Kenya's Heroes and Heroines;
4. Library Services;
5. Language Management Policy;
6. National Archives/Public Records Management;
7. Research and Conservation of Music;
8. Management of National Museums and Monuments; and Historical Sites Management.

1.4 Core Values

The Core Values for the State Department are Appreciation of diversity, Customer focus, Integrity, Teamwork, Creativity and Innovation, Professionalism, Participatory Approach. The State Department is committed to upholding the following Core Values as the guiding principles in the medium and long-terms:

- i. **Appreciation of diversity:** We recognize and value the diversity of our cultural and national heritage.
- ii. **Customer focus:** We are committed to upholding the highest standards in our service delivery to all customers.
- iii. **Integrity:** We are committed to acting in an honest, impartial, fair, accountable and transparent manner.
- iv. **Teamwork:** Employees' involvement and contribution at all levels shall be the hallmark of the State Department.
- v. **Creativity and Innovation:** We are a State Department that encourages and facilitates creativity, innovative performance, and embraces change.
- vi. **Professionalism:** We shall be patriotic to the course of the State Department and be guided by professional ethics in all our undertakings.
- vii. **Participatory Approach:** We undertake to seek the views of and involve stakeholders in all our programs and activities.

(f) Key Management

The State Department for Culture, the Arts and Heritage Day-to-day management is under the following key organs: -

Departments

1. Department of Culture
2. Permanent Presidential Music Commission of Kenya (PPMC)
3. Kenya National Archives and Documentation Service (KNADS)
4. Department for Library Services
5. Public Records & Information Management
6. Ushanga Kenya Initiative and General Administration & Support Services

Semi-Autonomous Government Agencies (SAGA's) in the State Department are:

1. The National Heroes Council
2. National Museums of Kenya
3. Kenya Cultural Centre
4. Kenya National Library Services
5. Bomas of Kenya
6. Kenya Copyright Board

(g) Fiduciary Management

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

No	Designation	Name	Date of Appointment
1	Cabinet Secretary	Ms. Hannah Wendot Cheptumo	
2	Principal Secretary	Ms. Umami Bashir, CBS	
3	Secretary Administration	Mr. Patrick Mukuria	
4.	Coordinator/Ushanga Initiative	Ms. Dorothy Mashipei	
5.	Director Kenya National Archives & Documentation Service	Mr. Francis Mwangi	
6.	Head/Human Resource Management	Ms. Nancy Wachira	
7.	Director Culture	Dr. Ivan Kiprop Lagat	
8.	Director Library Services	Mr. Stephen G. Mau	
9.	Director PPMC	Dr. Donald Otoy	
10.	Head/ICT	Mr. George Muhoro	

State Department for Culture, The Arts and Heritage

Annual Report and Financial Statements for the year ended June 30, 2025.

No	Designation	Name	Date of Appointment
11.	Head/Finance	Mr. Joseph Gikonyo	
12.	Ag. Director Planning	Mr. Peterson Njenga	
13.	Head/Accounts Unit	CPA. Jason Gitonga	
14.	Head/Supply Chain Management Unit	Mr. David Wabwile	
15.	Director Records Management	Dr. Naftal O. Chweya	
16.	Head/ Legal	Ms. Lornah Kerubo	

(h) Fiduciary Oversight Arrangements

- *Audit committee activities*
- *Public Finance Management Committee*
- *Senior Management Committees*
- *Budget Implementation Committee*
- *Parliamentary Committees*
- *Others (specify)*

(i) State Department for Culture, the Arts and Heritage Headquarters

Kenya National Library Services
P.O. Box 30221-00100
Upper Hill
NAIROBI, KENYA

(j) State Department for Culture, the Arts and Heritage Contacts

Telephone: +254 (020) 2251164, +254 (005) 2250576
E-mail: psculture@cultureheritage.go.ke
Website: www.cultureheritage.go.ke

(k) State Department for Culture, the Arts and Heritage Bankers

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

(l) Independent Auditors

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

(m) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambee Avenue

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

P.O. Box 40112
City Square 00200
Nairobi, Kenya

1. Profile of Cabinet Secretary



Ms. Hanna Wendot Cheptumo
Cabinet Secretary
Ministry of Gender, Culture
and Children
Services

She is a distinguished public servant and legal professional, bringing over three decades of experience in law, cooperative development and public administration. She holds a Bachelor of Laws (LL.B.) degree from the University of Nairobi and a Diploma in Cooperative Management from the Cooperative College of Kenya. She was admitted as an Advocate of the High Court of Kenya in 2006.

Ms. Hanna Cheptumo began her career in the public service in 1991 as a Cooperative Officer in the Ministry of Cooperatives and Marketing, where she served with dedication and excellence for 17 years. In 2008, she co-founded Cheptumo and Company Advocates LLP, where she served as Managing Partner until 2024. Under her leadership, the firm earned a reputation for excellence in governance, public interest law and institutional strengthening.

As Cabinet Secretary, Ms. Hanna Cheptumo provides strategic leadership in the development and implementation of national policies aimed at promoting gender equality, women's empowerment, child protection and development and the preservation of Kenya's cultural heritage. She also oversees the coordination of affirmative action programs designed to uplift vulnerable and marginalized populations.

Beyond her official duties she is a family person and a devoted mother. She draws strength from her faith and remains actively involved in church ministry, particularly in teaching Sunday school children. Her personal interests include reading, mentorship of the youth and community engagement which perfectly reflects her deep-rooted values, compassion and unwavering commitment to holistic national development. With her own earnings, she has built houses for widows, paid school fees for children from vulnerable families and sponsored football tournaments in the village to foster community cohesion and steer youth away from harmful activities.

4. Profile of Accounting Officer and Key Management.




Ms. Umami Bashir, CBS
 Principal Secretary
 State Department for Culture,
 The Arts and Heritage




Born in Wajir County, in the Republic of Kenya, MS. Umami Bashir is a strategic leader and cultural ambassador passionate about preserving, promoting, and celebrating our rich cultural heritage, #MakingKultureKoolAgain. She believes our cultural heritage is a source of pride and unity for our country. It is what sets us apart and makes us who we are. As such, the State Department of Culture works together to preserve and promote our rich cultural heritage for future generations. Ms. Umami is an advocate of the high court of Kenya with 11 years of post-admission experience in the field of Law. She holds a Master’s Degree in armed conflict & peace from the University of Nairobi, a post-graduate diploma in Law from Kenya School of Law and a Bachelor of Law (LLB) from Zanzibar University. She is pursuing her PhD in International Relations, Foreign Policy and Diplomacy at the United States International University. She has worked with UNDP-Kenya, UNHCR, in the office of the Special Envoy for the Horn of Africa, served as the County Chief Officer in the Department of Public Service and Labour in Wajir County Government and also served as the Head of Legal and advisor to the Governor in Mombasa County Government. The State Department for Culture and Heritage is poised to significantly contribute to developing Kenya's culture and heritage, honouring our heroes who contribute considerably to the development and growth of Kenya's past, present, and future, embarking on various initiatives to promote Kenya's cultural identity and ensure that Kenya's cultural heritage remains relevant in digital age through innovation and technology.



Mr. Patrick Mukuria
 Secretary Administration

Mr. Patrick Kagumu Mukuria is the current Secretary Administration in the State Department for Culture, the Arts and Heritage. He holds a Bachelor of Arts degree from the University of Nairobi, and Executive Master of Business Administration degree from Jomo Kenyatta University of Agriculture and Technology. He coordinates State Department’s functions, oversees maintenance of security and safety of assets and staff, coordinates prudent financial management and budgetary control, monitoring and evaluating implementation of projects, policies and programmes; to facilitate the smooth operations in the office of the Cabinet Secretary, Principal Secretary and the Technical Departments.

 <p>Ms. Dorothy Mashpei Coordinator – Ushanga Kenya Initiative</p>	<p>Ms. Dorothy Mashpei is the National Coordinator/C.E.O Ushanga Kenya Initiative, a women empowerment program that is meant to empower women in the seven pastoralist counties. Previously she served as an advisor to the Office of the Deputy President on social economic, women and youth empowerment She is a holder of Bachelor of Arts in Communication and Tourism from University of Nairobi and a Diploma in Information and Technology from Kenya Polytechnic currently known as The Technical University of Kenya.</p>
 <p>Mr. Francis.G. Mwangi Director, Kenya National Archives and Documentation Service (KNADS)</p>	<p>Mr Francis Githua Mwangi joined Kenya National Archives and Documentation Department in 1994 raising the ranks to become the current Director in 2014. He oversees the formulation and implementation of records and archives policies, strategies and programmes, overall administration and co-ordination of the Department. He holds a Master’s degree in Information Science (Archives and Records Management) from Kenyatta University, Bachelor of Arts from Egerton University, postgraduate in Preservation of film material.</p>
 <p>Director, Human Resource Management & Development</p>	<p>Nancy N. Wachira joined the State Department in August, 2023. She is a Director HRM&D and Head of HRM&D of the Department. She has over 30 years of experience in the civil service. She holds a Master’s degree in Educational Planning and a Higher Diploma in Human Resource Management. She possesses other professional qualifications such as SLDP, Senior Management Course, Project Formulation, Monitoring and Evaluation among others from Kenya School of Government. She is a certified ISO Auditor and a member of the Institute of Human Resource Management (IHRM) and Africa Association for Public Administration and Management (AAPAM) –Kenya.</p>
 <p>Dr. Kiprof Lagat Director, Department of Culture</p>	<p>Dr. Kiprof Lagat is the Director of Culture in the Ministry of Gender, Culture, the Arts and Heritage. Dr. Lagat holds a PhD in Anthropology and a Master’s Degree in Museology from the University of East Anglia, United Kingdom. His PhD thesis was on the memorialization of the 1998 Nairobi terror attack on the United States of America embassy in Nairobi. He attained his Bachelor’s degree in Anthropology from the University of Nairobi in 1994.</p> <p>Dr. Lagat has over 27 years of experience in the heritage sector and has participated in numerous projects focused on the research, documentation, preservation and curation of cultural practices and their associated heritage collections. He has previously worked as the Assistant Director in charge of the Nairobi National Museum and as a Principal Research Scientist in the Department of Cultural Heritage at the National Museums of Kenya.</p>

	<p>Dr. Lagat is Alternate Director representing the Principal Secretary, State Department of Culture, the Arts and Heritage in the Boards of the National Museums of Kenya (NMK) and the Kenya National Commission for UNESCO (KNATCOM).</p>
 <p>Director, Department of Library Services</p>	<p>Mr Stephen G. Mau Kimani joined the State Department for Culture and Heritage in July, 2008 and is the current Director, Library Services responsible for formulation and implementation of library service policies, programmes, guidelines and standards. He holds a Master's Degree in Library and Information Science from Kenyatta University, 2011, Postgraduate Diploma in Librarianship, Makerere University, Kampala, 1998, Bachelor of Arts (Hons), University of Nairobi, 1990.</p>
 <p>Dr. Donald.O. Otoy, PhD, OGW Director, Permanent Presidential Music Commission</p>	<p>Dr. Donald Otoy Ondieki holds a PhD in Music Performance and Education, a Master of Music in Performance and a Bachelor of Education in Music from Kenyatta University, Nairobi, Kenya. Donald enjoys a wide experience as a performer, educator, researcher and music industry consultant. Currently, Donald is the Director of the Permanent Presidential Music Commission, the Vice-Chair of the Kenya Music Festival and on behalf of the Principal Secretary, sits as a Board Director of the Kenya Copyright Board. Prior to that, he was Senior Lecturer and Chairman of the Department of Music and Performing Arts at the Technical University of Kenya, a Vice-President of the Pan African Society of Musical Arts Education (Pasmae), and, the Coordinator of the Kenyan Creative Arts National Working Group. His research and publications have focused on the music industry, popular music and contemporary, socio-cultural and technological issues in music education.</p>
 <p>Mr George Muhoro Head, ICT Unit</p>	<ul style="list-style-type: none"> ✓ Overall management and coordination of ICT function and Head of ICT Unit ✓ Planning, directing and coordinating ICT operations ✓ Implementing and ensuring adherence to ICT policies, guidelines and standards ✓ Providing technical advice on ICT and emerging technologies ✓ Continuously liaising with the Ministry of ICT on ICT related matters ✓ Developing and implementing ICT programmes and projects in liaison with business process owners ✓ Coordinating analysis of ICT systems requirements and business process reengineering ✓ Ensuring ICT capacity building of ICT officers



Mr. Joseph M. Gikonyo
Chief Finance Officer

Joseph Mararo Gikonyo is a Senior Principal Finance Office and Head of Finance Unit in the State Department for Culture, the Arts and Heritage. He has over 15 years in Public Service as an Economist and Finance/ Budget Officer in various National Government Ministries and Department. Mr. Gikonyo holds a Master Degree in Economics (Economic Policy and Management) from Kenyatta University and a Bachelor Degree in Economics and Mathematics. He is a certified Public Accountant of Kenya from KASNEB and a certified Public Policy Analyst from KIPPRA. He is a member of Encomiast Society of Kenya (ESK) and Institute of Certified Public Accountant of Kenya (ICPAK). He has previously served as an alternate member to the Principal Secretary in various Board of Management of Government Agencies.





CPA Jason Gitonga
Head of Accounting Unit

CPA Jason Gitonga is an Assistant Accountant General and Head of Accounts Unit in the State Department for Culture, the Arts and Heritage. He has over 15 years in Public Service as an Accountant in various National Government Ministries and Departments. Mr. Gitonga holds a Master Degree in Administration (Finance) from Kenyatta University and a Bachelor Degree in Commerce (Accounts Option). He is a certified Public Accountant of Kenya and holds a Diploma in Management (KIM).



Peterson Muriithi Njenga,
Head/Central Planning and
Project Monitoring

Peterson Muriithi Njenga is the Head of Planning in the State Department of Culture, The Arts and Heritage where he is involved planning, budgeting and tracking implementation of government development agenda, African Union Agenda 2063 and United Nations Agenda 2030. Previously, He as has worked in different capacities as an in economist in the Ministry of the National Treasury and Economic Planning and played critical roles in the preparation of Kenya Vision 2030, The Kenya We Want, Kenya Voluntary National Reviews of SDGs and Evaluation of Agenda 2063 in Kenya. His career in public service spans to almost 2 decades ranging from poverty eradication strategies, programmes and projects, public policy development and macroeconomic management.

	<p>Dr Naftal Chweya is currently the Acting Director Records Management Department in the State Department of Culture and Heritage. He is highly experienced in Records and Archives Management Profession with experience spanning for more than 20 years. He holds Bachelor of Arts Degree, Kenyatta University; Master of Records and Archives Management, Kenyatta University; PhD Records and Archives Management, Moi University. Dr Chweya has also acquired training at various levels including; Digital Preservation - International Council on Archives (ICA); Strategic Leadership Development Programme - Kenya school of Government; Senior Management course, Kenya Institute of Administration; Performance Appraisal Training, Government Training Institute, Matuga; Electronic Records Management, Kenya Institute of Administration; Digital Libraries and Information Management, Egerton University</p>
<p>Dr. Naftal Chweya, PhD, OGW Director, Records Management</p>	<p>Lorna is an Advocate of the High Court of Kenya with over 10 years' experience post admission. She holds a Bachelor of Laws (LLB) Degree from Moi University and a Post-Graduate Diploma in Legal Studies from the Kenya School of Law. She is a member of the Law Society of Kenya (LSK). Her areas of practice include Alternative Dispute Resolution/Arbitration, Employment & Labour, Corporate & Commercial Law, Intellectual Property Law, Banking, Finance & Securities Law and Constitutional & Human Rights Law. Lorna is a Senior State Counsel from the Office of the Attorney General and Department Justice; currently based at the State Department for Culture, the Arts & Heritage as the Head of the Legal Unit.</p> <p>The Legal Unit operates under the Administration Department within the State Department. It provides support services to the technical Departments in matters related to;</p> <ol style="list-style-type: none"> a. Advise on Legislative matters, Bills & Subsidiary Legislation; b. Advice on Legal Policy issues and ensuring compliance with Regional & International instruments, Accountability and Good Governance; c. Management of court cases through submission of instructions to the Attorney General's Office; d. Drafting & Reviewing complex documents, Contracts, Memorandum of Understandings and International Agreements in consultation with the Attorney General's Office; and <p>b. Handling routine legal work & general correspondence, attending negotiations, conventions and advising thereon</p>
	
<p>Ms. Lorna Kerubo Head, Legal Unit</p>	

5. STATEMENT BY THE CABINET SECRETARY

INTRODUCTION



The State Department for Culture, the Arts and Heritage is mandated to preserve, promote and develop Kenya’s cultural expressions, creative industries and heritage resources in line with the Constitution of Kenya, 2010.

During the 2024/2025 financial year, the State Department for Culture faced key challenges including constrained fiscal resources, inadequate cultural infrastructure, limited monetization and protection of intellectual property for creatives, and emerging threats to cultural heritage from urbanization, climate change, and illicit trafficking. To address these issues, the Department implemented strategies focused on strengthening policy and legal frameworks for the creative and cultural industries, enhancing partnerships with county governments and the private sector, promoting digitization and documentation of cultural heritage, and expanding capacity-building and financing mechanisms for artists and cultural practitioners. Priority was also placed on mainstreaming culture in national development planning, promoting cultural diplomacy, and leveraging culture as a driver of the creative economy and employment. Cross-cutting issues such as governance and accountability, gender and youth inclusion, climate resilience, ICT adoption, and alignment with national and international commitments were integrated into the Department’s programmes to ensure sustainable and inclusive delivery of its mandate.

Looking ahead, we will prioritize scaling up investment in cultural infrastructure and heritage conservation, strengthening enforcement of intellectual property rights, and expanding sustainable financing and market access for creative and cultural industries. We will deepen collaboration with county governments, development partners, and the private sector to enhance service delivery and resource mobilization, while accelerating the digitization of cultural assets and adoption of emerging technologies. Focus will also be placed on climate-smart cultural heritage management, enhanced data collection and monitoring, and targeted capacity building for artists, cultural institutions, and communities. Additionally, we will continue to mainstream cross-cutting issues such as gender equality, youth empowerment, inclusivity of marginalized groups, good governance, and alignment with national development agendas to ensure culture contributes effectively to socio-economic transformation.

.....
Ms. Hanna Wendot Cheptumo
CABINET SECRETARY, Ministry of Gender, Culture and Children Services

6. STATEMENT BY THE PRINCIPAL SECRETARY



The State department for culture, the arts and heritage has a vision which is informed programmes and priority areas identified to steer the country towards achieving the aspirations envisaged in the Bottom Up Economic Transformation Agenda (BETA), fourth Medium Term Plan (2023 – 2027) of Kenya Vision 2030, SDGs and Africa's Agenda 2063. The department, plays a strategic role in the country's economic and social development. This is achieved through preserving, promoting, maintaining and positively exploiting Kenya's diverse culture, recognizing and honouring national heroes for national pride and harmony, promotion of creative talent and enhancement of Kenya's reading culture, development, preservation of Kenya's heritage and harnessing

indigenous knowledge associated assets, enhancing and modernizing public records and archives management, and promotion and management of Kenya languages.

During financial year 2024/2025, the achievements realized under our sub sector include: establishment of Indigenous Knowledge Digital Registers in 5 Counties in line with the Protection of Traditional Knowledge and Cultural Expressions Act 2016 (TK and CE Act 2016); training of 28,326 farmers who were issued with African Indigenous Vegetables (AIVs) certified seeds and 95 natural health products acquired; research for management of COVID-19 pandemic initiated by the Natural Products Industry; establishment of a virtual library through installation of the Library Information Management System (LIMS); establishment and operationalization of the National Heroes Council which identified and honoured 681 heroes; networking 9 Government libraries under LIMS and automation of 22 Libraries countrywide. At the Institute of Primate Research (IPR), a COVID-19 testing and research Centre was established and the infrastructure upgrade achieved 63.3% completion.

In collaboration with the County Governments on cultural programmes, 2,774 artists and cultural practitioners were empowered through capacity building workshops, seminars, exhibitions and registration. In an effort to nurture talents and improve skills for the youths, 605 youths were trained and are now living off their musical talents, 1,342 performing visual artists were trained, 160 visual artists supported and 468 artistic talents nurtured in theatre, drama, concerts, and poetry.

Additionally, 690 artists reached out to Counties through nationwide creative economy outreach programs, a total of 3,730 women and girls from pastoral communities in seven targeted Counties were trained and empowered in bead work. To enhance public record management and preserve the national culture and heritage, the Kenya National Archives and Documentation Services refurbished its offices and also automated a total of 856,000 public records and had 15 Public Records and Information Management Units networked for effective delivery of services.

Further, in efforts to strengthen the legal framework for the sub-sector, the National Music Policy and The National Culture and Heritage Policy was approved and gazetted. The Kenya Records, Archives and Documentation Bill, 2020 was approved by the Cabinet and a Taskforce gazetted to consider the Library Policy and Bill. The Culture Bill was revised and submitted to Cabinet for necessary approvals while the National Kiswahili Bill of Kenya was submitted to Cabinet, approved and transmitted to National Assembly. The National Language Policy of Kenya was also formulated.

During the year under review, despite all the above achievements, the department faced several challenges in the implementation of its programmes, including limited budgetary allocations against expanding mandates, delays in exchequer releases, rising operational costs, and inadequate cultural infrastructure across regions. Additional challenges included capacity constraints, weak coordination across sectors and levels of government, low levels of awareness and compliance with policy and legal frameworks, and emerging risks to cultural heritage such as climate change and urban development pressures. Despite these constraints, the department recorded prudent financial performance, with the majority of allocated resources absorbed toward priority programmes in cultural heritage preservation, creative economy development, policy implementation, and institutional support. Expenditure focused largely on recurrent costs to sustain core operations, alongside targeted development spending aimed at strengthening cultural institutions and

community-based initiatives, while ongoing efforts were made to enhance financial management, accountability, and value for money in the utilization of public resources.



.....
Ms. Ummi Bashir, CBS

PRINCIPAL SECRETARY, State Department for Culture, the Arts and Heritage

7. Statement of Performance against Predetermined Objectives for the FY 2024/25

Introduction

The State Department for Culture, The Arts and Heritage under the Ministry of Gender, Culture and Children Services is mandated to spearhead national culture, the arts and heritage policies and programmes. The objectives as outlined in the **Strategic Plan (FY 2023 – FY 2027)** are as follows;

- i. To provide an enabling policy, legal and institutional framework
- ii. To harness, develop and promote the arts, culture and heritage sectors.
- iii. To modernize archival record management and preservation.
- iv. To harness, develop and efficiently manage records in RMUs.
- v. To promote accessibility of library services for development of a reading culture and a knowledge based social economic growth
- vi. To develop and promote the creative arts industry for national development
- vii. To promote commercialization of bead work in the 10 targeted pastoral counties for socio economic development.
- viii. To provide quality and efficient services in the State Department.

In implementation and cascading of the above development objectives to specific sectors, all the **development objectives** were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into **development** outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement.

All expenditures in FY 2024/2025 were geared towards achieving these objectives. Specific programmes were implemented, and outcomes were measured against set performance indicators as follows;

Programme Performance Summary

Sub-Programme	Delivery Unit	Key Outputs	Key Performance Indicators	Annual Target	Cumulative achievement		
					Target	Actual	Variance
PROGRAMME 2: CULTURE/HERITAGE							
Outcome: Promote, preserve, conserve, and maintain positive and niche diverse cultures for National identity							
S.P 2.1: Conservation of Heritage	National Museums of Kenya	Heritage preservation and promotion services	No. of new heritage sites and monuments submitted for Gazettement	2	3	12	9
			No. of heritage sites, mausoleum and monuments restored	3	3	3	-
			No. of scientific research papers published	95	100	96	-4
			No. of interactive public programmes and temporary exhibitions held	90	90	102	12

			No. of heritage collections standardized and digitized for user needs	40,000	60,000	97,214	37,214	
Natural Products Industry Initiative	Indigenous Knowledge management services	No. of technical officers trained in indigenous knowledge management by sex (Male and Female)	390	600	390	-210		
		No. of agreements between Indigenous Knowledge (IK) holders and users signed to access IK	8	5	8	3		
		No. of youths trained to champion IK as a tool for national development by sex (Male and Female)	310	330	310	-20		
	Pre-clinical trials for natural health products	No. of natural products acquired from traditional health practitioners	12	12	18	6		
		No. of natural products analyzed	31	31	31	-		
		No. of active components tested in vervet monkey model	5	5	5	-		
	African indigenous vegetables (AIV) value chain promotion services	No. of farmers benefiting from AIV commercialization by sex (Male and Female)	-	0	0	-		
		No. of surveys to determine the impact of AIV commercialization	1	1	1	-		
	Natural Products marketing services	No. of new products subjected to value addition	1	1	0	-1		
		No. of MOUs negotiated to create a niche market for AIV	9	14	0	-14		
		No. of standards for natural products	1	1	0	-1		
	S.P 2.2: Development and Promotion of Culture	Department of Culture	Culture development and promotion services	No. of draft bills developed	2	2	2	-
				No. of cultural practitioners trained by sex (Male and Female)	M: 780	650	600	-50
F: 420			350		323	-27		
No. of traditional herbal medicine practitioners promoted by sex (Male and Female)			M: 78	65	39	-26		
			F: 42	35	21	-14		
No. of people sensitized on the use of traditional foods by sex (Male and Female)			M:53	35	18	-17		
		F:98	65	33	-32			
Intangible cultural heritage services		No. of cultural practitioners sensitized on TKCE Act 2016	208	130	224	94		
		No. of oral traditions documented	1	1	2	1		
		No. of intangible cultural heritage elements safeguarded	2	2	1	-1		
Culture promotion and development services		No. of participants attending the Annual national Kenya Music and Cultural festival by sex (Male and Female)	5,500	10,000	10,267	267		

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

			No. of cultural festivals coordinated	17	8	9	1
			No. of inter-community cultural exchange programmes coordinated	2	2	2	-
		Kenya Fashion Industry Promotion Services	No. of stakeholders Consultations on the National Dress		10	0	-10
			No. of design concepts generated through collaborative workshops and creative exploration	-	15	0	-15
			No. of awareness raising campaigns on the national dress	-	0	0	-
	National Kiswahili Council of Kenya	Kiswahili language promotion services	No. of people trained to champion Kiswahili as a national and official language by sex (Male and Female)	110	100	80	-20
			No. of stakeholders sensitized on use of Kiswahili as national and official language	150	150	180	30
			Mark and celebrate the world Kiswahili language day	1	1	1	-
			Draft National Kiswahili Council of Kenya Bill	-	1	0	-1
	The National Heroes Council	National Heroes and heroines' services	No. of heroes identified	250	264	250	-14
			No. of heroes honoured	250	100	157	57
			No. of heroes and defendants assisted	3	1	3	2
			No. of heroes' publications and documentaries produced	2	1	2	1
		Heroes Information Management System	% completion level of the Heroes Information Management System	-	10	0	-10
S.P 2.3: Cultural Product Diversification	Ushanga Kenya Initiative	Beadwork enterprise promotion services	No. of women and girls empowered in bead craft production	1,200	1500	250	-1,250
			No. of product catalogs developed	2	1	1	-
			No. of women and girls facilitated to showcase their products at local and international trade fairs and exhibitions	600	300	120	-180
			No. of Information, Education, communication (IEC) materials developed.	150	80	75	-5
			No. of digital platforms for Ushanga products developed	2	2	0	-2
	Bomas of Kenya	Cultural Tourism promotion services	No. of Non-resident visitors to BoK	4,275	4,660	10,950	6,290
			No. of Resident Visitors to BoK	94,147	102,621	74,588	-28,033

		Culture preservation Services	No. of traditional homesteads rehabilitated	12	12	12	-
			No. of traditional dances re-choreographed	16	16	16	-
			No. of researched and documented traditional cuisines	2	4	2	-2
PROGRAMME 3: THE ARTS							
Outcome: Harness, develop and promote the creative arts industry							
S.P. 3.1: Performing Arts	Kenya National Cultural Center	Creative talents nurturing services	No. of Creatives trained in Performing Arts by sex (Male and Female)	400	500	436	-64
			No. of Creatives Awarded (poets & thespians baseline)	500	600	424	-176
			No. of Children's Theatre Performances Conducted	4	3	2	-1
		Creative Industry development services	No. of National Performing Arts and Cultural Festivals supported	2	5	4	-1
			No. of Creatives engaged in International Theatre Festivals	150	400	734	334
			No. of Cultural and Creative Discourses organized	1	1	0	-1
		Theatrical services	No. of Theatrical Productions disseminated	10	10	0	-10
			No. of Creatives Accessing Rehearsal Spaces	200	250	183	-67
			No. of Creatives accessing the audio-visual recording studio	100	100	0	-100
			No. of Exhibitors accessing Cheche Gallery	30	20	8	-12
	Department of Arts	Creative arts development and commercialization services	No. of artists trained and nurtured by sex (Male and Female)	50	100	50	-50
			No. of artists sensitized on the UNESCO 2005 Convention by sex (Male and Female)	50	50	50	-
			No. of artists participating in national handicraft fairs and exhibitions	50	60	0	-60
			No. of artists facilitated to participate in fashion & design shows by sex (Male and Female)	-	40	0	-40
S.P 3.2: Promotion of Kenyan Music and Dance	Permanent Presidential Music Commission	Music promotion and commercialization services	No. of musicians accessing PPMC studio and rehearsal space by sex (Male and Female)	650	700	843	143
			No. of upcoming musicians provided a platform during national events and international events by sex (Male and Female)	1,030	3,660	2,222	-1,438

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

			No. of talented youth trained in music and dance by sex (Male and Female)	316	420	243	-177
			No. of documentary on music and dance of Kenyan communities	1	1	1	-
			No. of musicians certified and registered in the National Music database	1,000	1,000	1,003	3
			No. National symposium of Kenyan music held	1	1	1	-
		Music Studios	No. of studios established	0	13	0	-13
	Kenya Copyrights Board (KECOBO)	Copyright services	No. of Copyright infringement investigated.	26	26	29	3
			No. of police officers trained on copyright	450	500	797	297
			No. of copyright prosecution cases submitted to ODPP	6	6	6	-
			No. of copyright works registered	50,000	54,000	12,719	-41,281
			No. of Collective Management Organizations (CMOs) licensed	3	3	3	-
			No. of Copyright regulations developed	-	-	-	-
			No. of creatives trained on copyright	3,500	4,500	5,470	970
PROGRAMME 4: LIBRARY SERVICES							
Outcome: Enhance preservation and conservation of the National documentary heritage							
S.P 4.1: Library Services	Department of Library Services	MDAs Library Services	No. of MDAs libraries networked	20	5	0	-5
			No. of book titles acquired	400	250	50	-200
			No. of subscriptions electronic information resources	5	5	0	-5
			Number of youths trained in creative writing	-	400	0	-400
			No. of participations in book fairs	-	2	0	-2
			No. of librarians trained	-	30	0	-30
	Kenya National Library Service	Publication support services	No. of National Bibliography publications	1	1	1	-
			No. of ISBNs issued to publishers	725	800	753	-47
			No. of rare books digitized	950	800	727	-73
		Library services	No. of people participating in the reading promotion events	400	450	477	27
			No. of library books & other information materials acquired	14,000	14,000	6	-13,994
			No. of authors celebrated during National Library Day and international literacy day	-	0	0	-

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

			No of publishers celebrated during National Library Day and international literacy day	-	0	0	-
			No. of counties capacity built on library matters	-	3	0	-3
PROGRAMME 5: GENERAL ADMINISTRATION, PLANNING AND SUPPORT SERVICES							
Outcome: Build adequate capacity to enhance provision of quality efficient services and enhance the image of the Culture							
S.P 5.1: General Administration, Planning and Support Services	Headquarters Administrative services	Administrative Support Services	Vehicle management system established	-	0	0	-
			No. of service delivery surveys undertaken	-	0	0	-
	Financial Management Services	Financial Services	MTB Sub Sector Report	1	1	1	-
			Approved Budget Estimates	1	1	1	-
			Annual Financial Report	1	1	1	-
	Central Planning & Project Management Division	Planning Services	No. of M&E Reports	2	2	2	-
PROGRAMME 6: PUBLIC RECORDS MANAGEMENT							
Outcome: Manage, preserve and archive all public records in the entire public service							
S.P 6.1: Records Management	Department of Public Records and Information Management	Public Records Management services	No. of records digitized in the Records Management Unit (RMU)	500,000	100,000	550,000	450,000
			No. of networked public records and information management units	35	35	11	-24
			National records management policy finalized (%)	100	70	20	-50
			No. of Public Record Managers trained on e-records management	200	0	200	200
			No. of Records Management Systems audit reports prepared	1	1	1	-
			No. of Annual Monitoring and Evaluation reports on the Safeguard measures for the information security	-	1	0	-1
S.P 6.2 Archives and Documentation	National Archives	Archival services	No. of archival records surveyed and appraised in MDAs and Counties	320	200	287	87
			No. of archival records acquired	11,600	12,000	13,424	1,424
			No. of Government publications acquired	1,400	1,600	1,297	-303
			No. of migrated archives acquired	30,000	30,000	307,000	277,000
			No. of records microfilmed and digitized	650,000	115,000	208,026	93,026
			No. of records restored	7,000	5,800	9,436	3,636
			No. of Field Archives established	0	3	0	-3

8. Governance Statement

1

The State Department for Culture, the Arts and Heritage operates under the Ministry of Gender, Culture and Children Services in accordance with the Constitution of Kenya, 2010 and executive order No.1 of June 2025. The overall policy direction is provided for by the Cabinet Secretary while the Principal Secretary serves as the Accounting Officer.

The Mandate of the department is derived from the Executive Order No. 1 of June 2025 on the organization of the Government of the Republic of Kenya, and comprise of: National Heritage Policy and Management; Management of Culture Policy; Policy on Kenya's Heroes and Heroines; Library Services; Language Management Policy; Knowledge Management Policy; National Archives/Public Records Management; Research and Conservation of Music; Management of Kenya Cultural Centre; Administration of National Theatres; Management of National Museums and Monuments; Historical Sites Management; and Administration of the National Lottery Board. The department has 4 main directorates which include:

1. **Culture**- safeguarding and promoting Kenya's rich cultural and historical legacy.
2. **Public Records** - ensures effective management, preservation, and accessibility of public records for governance, research, and posterity.
3. **Arts** - promotes artistic expression and nurtures talent in the creative sector as a driver of national unity and economic growth.
4. **Library Services** - provides access to knowledge and information resources that support education, innovation, and lifelong learning.

The State Department for Culture, the Arts and Heritage maintained robust governance structures and systems to ensure accountability, transparency, and effective service delivery during the reporting period. The Department adhered to established public sector governance frameworks, strengthened internal controls, and complied with applicable laws, regulations, and policies guiding public financial management and institutional oversight. Key governance interventions included enhanced coordination with oversight institutions, regular monitoring and evaluation of programmes, prudent resource management, and continuous capacity building of staff to uphold ethical standards and operational efficiency. These measures ensured alignment of departmental operations with national development priorities and reinforced public trust in the management of cultural, arts, and heritage affairs.

Roles, composition and activities of the Audit Committee

Section 73 (5) of the Public Finance Management Act, 2012 provides that every National Government Public entity shall establish an audit committee whose composition and functions shall be as prescribed by the regulations. In compliance with the Public Financial Management Act, 2012 section 73 (5) and Regulations 174 (i) of Public Financial Management Regulations 2015.

The following are the members of the Audit committee:

1. Flora M. Maghanga Mtuweta
2. Martin Ntabathia Linyiru
3. Abdirahman Maow Salat
4. Salah Luttah
5. Timothy Kerunge

During the 2024/2025 financial year, the Department for Culture continued to strengthen its governance and accountability framework through the effective functioning of the Audit Committee, which provides independent oversight on financial reporting, internal controls, risk management, and compliance with applicable laws and policies. The Committee was constituted in accordance with government guidelines and comprised members with diverse expertise in finance, accounting, risk management, governance, and public sector administration, including an independent Chairperson. The Audit Committee held regular meetings during the year to review internal and external audit reports, assess the adequacy of internal control systems, monitor implementation of audit recommendations, and advise management on emerging governance and risk issues.

Report on Recent Training and Development in Governance for those in Key Leadership

In line with its commitment to institutional capacity building, the Department invested in the training and development of key personnel during the year. Staff benefited from targeted training programmes in financial management, procurement, audit and risk management, policy development, leadership, ICT systems, and emerging issues in the cultural and creative sectors. These initiatives enhanced staff competencies, supported succession planning, and improved overall service delivery and operational efficiency. However, during the year under review there were no trainings and governance for key leaders due lack of funds.

Public Participation Activities

Public participation remained a core pillar of the Department's operations, with structured engagement of stakeholders including artists, cultural practitioners, community groups, county governments, and the general public. The Department conducted public forums, stakeholder consultative meetings, and validation workshops on policy and legislative initiatives, while also leveraging digital platforms to broaden outreach and inclusivity. Feedback received from these engagements informed policy formulation, programme design, and implementation.

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

9. Management Discussion and Analysis

The management discussions and analysis of key projects or investments decision implemented or ongoing and future developments is as shown in the table below: -

	Estimated Project Cost	Financing		Timeline		Status	Actual Cumulative Costs to 30 th June, 2025	Outstanding Project Cost as at 30 th June, 2025
		GoK	Foreign	Start Date	End Date			
0902010 Conservation of Heritage								
1134100100 Construction of a Heritage Collection Centre.	2,000,000,000	2,000,000,000	-	8/1/17	6/30/28		16,500,000	1,983,500,00
1134100101 Construction of a Heritage Collection Centre	2,000,000,000	2,000,000,000	-	8/1/17	6/30/28	Ongoing	16,500,000	1,983,500,00
1134101600 Rehabilitation and Upgrade of Kapenguria 6 Facility/ Museum.	50,000,000	50,000,000	-	7/12/17	3/30/27		10,700,000	39,300,000
1134101601 Rehabilitation and Upgrade of Kapenguria 6 Facility/ Museum	50,000,000	50,000,000	-	7/12/17	3/30/27	Ongoing	10,700,000	39,300,000
1134103300 Professional & Scientific Training for Devlpmnt of Culture Tourism.	42,000,000	-	42,000,000	7/1/23	6/30/28		-	42,000,000
1134103301 Professional & Scientific Training for Devlpmnt of Culture Tourism	42,000,000	-	42,000,000	7/1/23	6/30/28	Ongoing	-	42,000,000
0902020 Public Records and Archives Management								
1134100500 Establishment of an Integrated Records Management System (IRMS).	550,000,000	550,000,000	-	1/7/09	6/30/28		70,000,000	480,000,000
1134100501 Establishment of an Integrated Records Management System (IRMS)	550,000,000	550,000,000	-	1/7/09	6/30/28	Ongoing	70,000,000	480,000,000
0902030 Development And Promotion of Culture								
1134103100 Wundanyi Youth Resource (Culture & Talent) Center.	141,000,000	141,000,000	-	1/2/23	6/30/28		35,000,000	106,000,000
1134103101 Wundanyi Youth Resource (Culture & Talent) Center	141,000,000	141,000,000	-	1/2/23	6/30/28	Ongoing	35,000,000	106,000,000
0902050 Cultural Product Diversification								
1134103200 Rehabilitation of Basic Facilities at Bomas.	-	-	-	-	-		-	-
1134103201 Rehabilitation of Basic Facilities at Bomas	-	-	-	-	-		-	-
0903020 Performing Arts								
1134101200 Installation of the Library Information Management System (LIMS).	-	-	-	-	-		-	-
1134101201 Installation of the Library Information Management System (LIMS)	-	-	-	-	-		-	-
1134103000 Marachi Cultural Center.	55,000,000	55,000,000	-	6/30/27	6/30/28		22,500,000	32,500,000
1134103001 Marachi Cultural Center	55,000,000	55,000,000	-	6/30/27	6/30/28	Ongoing	22,500,000	32,500,000
0903030 Promotion of Kenyan Music and Dance								
1134102100 Completion of Office Block and Music Auditorium.	-	-	-	-	-		-	-
1134102101 Completion of Office Block and Music Auditorium	-	-	-	-	-		-	-
0904010 Library Services								
1134103800 Public Participation Projects.	-	-	-	-	-		-	-
1134103801 Construction of Karachuonyo Library	-	-	-	-	-		-	-
0916020 Archives and Documentation								
1134100600 Refurbishment of Archives offices.	93,600,000	93,600,000	-	7/1/18	6/30/26		56,620,000	36,980,000
1134100601 Refurbishment of Archives offices	93,600,000	93,600,000	-	7/1/18	6/30/26	Ongoing	56,620,000	36,980,000
TOTAL FOR STATE DEPARTMENT FOR CULTURE AND HERITAGE	2,931,600,000	2,889,600,000	42,000,000				211,320,000	2,720,280,000

Risk Management, Compliance, Conflict of Interest

The Department implemented risk management policies aimed at identifying, assessing, mitigating, and monitoring strategic, operational, financial, and compliance risks. A departmental risk register

was maintained and periodically reviewed, with mitigation measures integrated into work plans and performance contracts. Key risks such as budgetary constraints, project implementation delays, ICT vulnerabilities, and threats to cultural heritage were actively monitored, while management continued to embed a risk-aware culture across the Department through sensitization and compliance with public sector risk management guidelines.

Compliance with Laws and Regulations

The State Department for Culture, The Arts and Heritage complied with all statutory and regulatory requirements. This includes and not limited to: The Constitution of Kenya, 2010, Executive Order No.2 of 2023-, Executive Order No.1 of 2023, the Public Procurement and Asset Disposal Act, 2015, and its attendant Regulations, 2020, the Public Finance Management Act, 2012 and its attendant Regulations, 2015, various Circulars from the National Treasury and PSC, Human Resource Manual, 2014, Leadership and Integrity Act, 2012 and Public Audit, Act, 2015.

The Department also complied with applicable environmental laws and regulations in the public sector. The State Department has allocated in its budget funds for contracted cleaning service, supplies of cleaning materials and services to facilitate general cleanliness in all its offices at the County and Headquarters. The office has embraced climate-smart technologies to mitigate climate change impacts and other emerging issues. Currently there are no ongoing court cases or default which may amount to contingent liabilities.

10. Environmental and Sustainability Reporting

a) Sustainability Strategy and Profile

During the year, the State Department maintained its commitment to sustainable development, guided by both national and international best practices. Key priorities included climate resilience, cultural heritage preservation, and responsible resource use. Sustainability goals were aligned with Kenya's Vision 2030, the Sustainable Development Goals (SDGs), and UNESCO conventions on heritage protection.

The State Department also continued to promote youth to earn their living by nurturing the upcoming artists and tapping of talents created. The Ushanga Kenya initiative also empowered women in pastoralist communities by training them in beadworks and market their products by supporting them to showcase their products in international and regional shows and exhibitions.

However, there were challenges due to limited funding for large-scale green initiatives and climate adaptation programmes, as well as disruptions caused by global macroeconomic shifts affecting heritage tourism.

b) Environmental Performance, Climate Change, and Disaster Mitigation

The department prioritized biodiversity conservation, responsible waste management, and reduced carbon footprint in cultural events.

- **Successes:** Adoption of reusable materials in exhibitions and events, tree planting in heritage sites, and partnership with county governments on waste management in cultural festivals.
- **Shortcomings:** Inadequate data tracking on environmental impact and limited community participation in climate adaptation projects.
- **Mitigation Efforts:** Disaster risk management training for staff, conservation works in flood-prone heritage sites, and incorporation of climate change themes in public awareness campaigns.

3.2 Management Committees Established and their roles

During the financial year 2024/2025 the State Department of Culture, The Arts and Heritage top management constituted various committees to oversee implementation of key functions and activities. The roles of the various committees constituted are as follows: -

(a) Human Resources Management Advisory Committee roles

The State Department for Culture and Heritage maintains operational Human Resource Advisory Committees in each of its three broad departments to oversee and advise on the execution of the human resource functions.

The functions of the departmental human resource management committees are as follows: -

- Recruitment, selection and appointment
- Promotions

- Confirmation in appointments
- Training and development
- Training Impact Assessment
- Management of Skills inventory
- Establishment and compliments control
- Payroll management
- Deployment
- Promotions of values and principles of Public Service
- Recommendations of waiver of requirement of scheme of service
- Recommendation for retirement under 50 years rule
- Recommendation for secondment and unpaid leave
- Recommendation for retirement on medical grounds
- Recommendation of redesignation
- Recommendation for renewal of contract
- Discipline

(b) Performance Management Committee

The role of performance management committee includes undertaking quarterly review and implementation of strategic plans and performance contract; ensure linkage between institutional performance contract and performance appraisal system; ensure that overall assessment of employee performance is within the context of institutional performance as evaluated through staff performance appraisal system; old quarterly performance review.

(c) Tender Opening Committee

The role of this committee was to undertake tender opening exercise during the financial year 2024/2025. The committee was established pursuant to section 78(i) of the Public Procurement and Asset Disposal Act, 2015.

(d) Tender Evaluation Committee

This committee role was to undertake Tender Evaluation exercises during the financial year 2024/2025. This is an ad-hoc committee which was established pursuant to section 46 of the Public Procurement and Asset Disposal Act, 2015.

(e) Inspection and Acceptance Committees

The role of this committee was to accept or reject, on behalf of the procuring entity, the delivered goods, works or services during the financial year 2024/2025. These are ad-hoc committees which were established pursuant to section 48 (i) of the Public Procurement and Asset Disposal Act, 2015.

(f) Human Resource and Development Committee

The committee reviews the human resource policies and procedures and ensures that they support the strategic of the Department. It ensures that the Department maintains a policy of lobbying for remuneration package that fairly reward staff for their contributions to the Department.

Employee welfare and operational practices

The State Department for Culture, the Arts and Heritage prioritised employee welfare and sound operational practices to enhance productivity, morale, and effective service delivery during the reporting period. The Department implemented measures to promote a safe and conducive working environment, including adherence to occupational safety and health standards, provision of appropriate work tools, and support for staff wellbeing. Operational practices were guided by established public service policies and procedures, with emphasis on fairness, inclusivity, capacity building, and performance management. Continuous staff training, clear communication channels, and teamwork were strengthened to support efficient execution of mandates, while ethical conduct and professionalism were upheld to ensure responsive and accountable delivery of cultural, arts, and heritage programmes.

11 . Statement of Management Responsibilities

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

The Accounting Officer in charge of the State Department for Culture, The Arts and Heritage is responsible for the preparation and presentation of the State Department for Culture's transitional financial statements, which give a true and fair view of the state of affairs of the State Department for Culture for and as at the end of the financial year (period) 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 State Department for Culture, (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 State Department for Culture; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Culture, The Arts and Heritage accepts responsibility for the State Department for Culture's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International

Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *State Department for Culture's* financial statements give a true and fair view of the state of State Department for Culture's transactions during the financial year ended June 30, 2025, and of the State Department for Culture's financial position as at that date. The Accounting Officer further confirms the completeness of the accounting records maintained for the *State Department for Culture*, which have been relied upon in the preparation of the State Department for Culture's transitional financial statements as well as the adequacy of the system of internal controls.

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

The Accounting Officer in charge of the State Department for Culture, The Arts and Heritage confirm that the State Department for Culture has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the State Department for Culture's funds received during the year under audit

Were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the State Department for Culture's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The *State Department for Culture's* transitional financial statements were approved on 26/08/ 2025 and signed by:



.....
Ms. Ummi Bashir, CBS

Principal Secretary

Accounting Officer

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR CULTURE, THE ARTS AND HERITAGE 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 transitional financial statements of State Department for Culture, The Arts and Heritage set out on pages 1 to 46, which comprise of the

Report of the Auditor-General on State Department for Culture, The Arts and Heritage for the year ended 30 June, 2025

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional International Public Sector Accounting Standards financial statements present fairly, in all material respects, the financial position of State Department for Culture, The Arts and Heritage as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unsupported Expenditure

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects Kshs.266,237,359 in respect of use of goods and services which include Kshs.47,579,523 in respect to domestic travel and subsistence. However, the amount includes Kshs.3,604,800 which was not supported with invitation letters and back to office reports.

In the circumstances, the accuracy and propriety of the expenditure totaling Kshs.3,604,800 could not be confirmed.

2. Lack of Land Ownership Documents

The statement of financial position and as disclosed in Note 14 to the financial statements reflect property, plant and equipment balance of Kshs.393,467,702. The balance excludes the value of two (2) parcels of land owned by the State Department where the Permanent Presidential Music Commission (PPMC) and Kenya National Archives and Documentation Department (KNADS) Headquarters are located. In addition, the ownership documents for KNADS land were not provided for audit review. Further, the value of the two (2) parcels of land had not been determined for inclusion in the financial statements.

In the circumstances, ownership, accuracy and completeness of property, plant and equipment balance of Kshs.393,467,702 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Culture, The Arts and Heritage Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other

ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Review of the status during the audit of the State Department for financial year 2024/2025 revealed that the following matters remained unresolved.

No.	Financial Year	Audit Issue Year 2023/2024
1	2023/2024	Long Outstanding Accounts Payables
2	2023/2024	Lack of Land Ownership Documents
3	2023/2024	Incomplete Fixed Asset Register
4	2023/2024	Failure to Maintain a Separate Accounting Record for United Nations Educational Scientific and Cultural Organization (UNESCO) Grant
5	2023/2024	Anomaly in Construction of Wundanyi Youth Resource Centre

Other Information

Management is responsible for the Other Information set out on pages iii to xxxiii which comprises of Key MDA Information and Management, Board of Directors, Key Management Team, Statement of the Cabinet Secretary, Report of The Principal Secretary, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON 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 effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Failure to Remove Officers from Payroll

Review of documents provided revealed that two (2) officers who had been transferred to other State Departments continued to appear in the payroll of the State Department. No explanation was provided as to why they were not removed from the payroll.

In the circumstances, the regularity of payments made to transferred officers could not be confirmed.

2. Non-Compliance with the One-Third of Basic Salary Rule

During the year ended 30 June, 2025 ten (10) employees earned a net salary of less than a third (1/3) of the basic salary contrary to Section C.1(3) of the Public Service Commission (PSC) Human Resource Policies, 2016, which requires that Public Officers shall not over-commit their salaries beyond two thirds (2/3) of their basic salaries and Heads of Human Resource Units should ensure compliance.

In the circumstances, Management was in breach of the law which may expose the staff to pecuniary embarrassment.

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

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance

section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Understaffing in the State Department

Review of the approved staff establishment revealed that the State Department had a total of two hundred and fifteen (215) employees against the approved staff establishment of six hundred and nineteen (619) resulting to understaffing of four hundred and six (406) officers.

In the circumstances, the State Department may not effectively achieve its strategic objective.

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

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

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

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

to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 December, 2025

State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

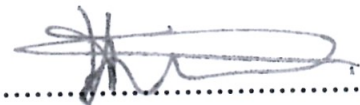
13. Statement of Financial Performance for the year ended 30 June 2025

	Notes	Period Ended 30th June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from Exchequer	6	2,535,158,305
Total		2,535,158,305
Revenue from exchange transactions		
Miscellaneous income	7	640,686,646
Total		640,686,646
Total revenue		3,175,844,951
Expenses		
Employee costs	8	272,753,890
Use of goods and services	9	266,237,359
Transfers to other Government Entities	10	2,585,149,417
Depreciation and amortization expense	11	29,152,993
Total expenses		3,153,293,659
Surplus/Deficit for the year		22,551,292
Net Surplus/Deficit		22,551,292

The Financial Statements signed by:



.....
Ms. Umami Bashir, CBS
Principal Secretary
Accounting Officer



.....
CPA Jason Gitonga
Assistant Accountant General
ICPAK M/No. 23914

14. Statement of Financial Position at 30th June 2025

	Notes	Period Ended 30th June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	12	122,533,972	164,027,149
Total Current Assets		122,533,972	164,027,149
Non-Current Assets			
Property, Plant, and Equipment	14	393,467,702	372,764,260
Total Non-Current Assets		393,467,702	372,764,260
Total Assets (A)		516,001,674	536,791,409
Liabilities			
Current Liabilities			
Trade and Other Payables	15	176,409,825	161,316,242
Current Provision	16(a)	5,453,854	-
Total Current Liabilities		181,863,679	161,316,242
Non-Current Liabilities			
Non-Current Provisions	16(b)	3,120,134	5,854,718
Total Non-Current Liabilities		3,120,134	5,854,718
Total Liabilities (B)		184,983,813	167,170,960
Net Assets (A-B)		331,017,861	369,620,449

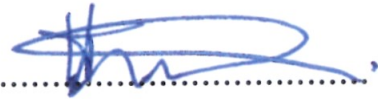
State Department for Culture, The Arts and Heritage
Annual Report and Financial Statements for the year ended June 30, 2025.

Represented By:			
Accumulated Surplus		331,017,861	369,620,449
Net Assets		331,017,861	369,620,449

The Financial Statements signed by:



.....
Ms. Ummi Bashir, CBS
Principal Secretary
Accounting Officer



.....
CPA Jason Gitonga
Assistant Accountant General
ICPAK M/No. 23914

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

Description	Accumulated Surplus	Reserves	Capital Fund	Total
	Kshs			Kshs
As at 30th June 2024 (cash basis)	60,453,880			60,453,880
Adjustments Assets Recognized	372,764,260			372,764,260
Adjustments -Pending bills/Recognized	(57,742,973)			(57,742,973)
Adjustments -Gratuities /Recognized	(5,854,718)			
Adjustments - Returns to Exchequer /Recognized	(61,153,880)			
As at July 1, 2024	308,466,569			375,475,167
Surplus/ deficit for the period	22,551,292			22,551,292
Returns to exchequer				-
As at 30th June, 2025	331,017,861	-	-	398,026,459

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

		<i>Period Ended June 2025</i>
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Transfers from exchequer		2,535,158,305
Other income		640,686,646
Total receipts		3,175,844,951
Payments		
Employee costs		260,913,285
Use of goods and services		256,680,817
Transfers to other Government Entities		2,585,149,417
Social Benefits		3,584,294
Total payments		3,106,327,813
Net cash flows from/(used in) operating activities	17	69,517,138
Cash flows from investing activities		
Purchase of PPE		(49,856,435)
Net cash flows from/(used in) investing activities		(49,856,435)
Cash flows from financing activities		
Return to Exchequer		(61,153,880)
Net cash flows from financing Activities		(61,153,880)
Net increase/(decrease) in cash & Cash equivalents		(41,493,177)
Cash and cash equivalents at the start of the period	12	164,027,149
Cash and cash equivalents at the end of the period	12	122,533,972

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

Recurrent and Development Combined

Description	Original budget	Adjustments	Final budget	Actual on a comparable basis	Budget utilization difference	% of utilization
	A	B	C=a+b	D	E=c-d	F=d/c %
Revenue						
Transfers from exchequer	2,490,497,321	48,201,248	2,538,698,569	2,535,158,305	3,540,264	100%
Proceeds from Sales of Assets	500,000	(300,000)	200,000	-	200,000	0%
Other income	540,000,000	220,233,260	760,233,260	640,686,646	119,546,614	84%
Total revenue	3,030,997,321	268,134,508	3,299,131,829	3,175,844,951	123,286,878.25	96%
Expenses						
Employees Costs	265,100,000	(3,886,715)	261,213,285	260,913,285	300,000	100%
Use of goods and services	339,556,615	(59,172,826)	280,383,789	256,680,817	23,702,972	92%
Transfers to other government units	2,382,520,420	321,190,260	2,703,710,680	2,585,149,417	118,561,263	96%
Social benefits	5,304,075	(1,700,000)	3,604,075	3,584,294	19,781	99%
Total recurrent expenses	2,992,481,110	256,430,719	3,248,911,829	3,106,327,813	142,584,016	96%
Capital items						
Acquisition of PPE	38,516,211	11,703,789	50,220,000	49,856,435	363,565	99%
Total expenses Development	38,516,211	11,703,789	50,220,000	49,856,435	363,565	99%
Total expenses	3,030,997,321	268,134,508	3,299,131,829	3,156,184,248	142,947,581	96%
Surplus/ deficit	-	-	-	19,660,703	(19,660,703)	

Reconciliation table

	Description of Particulars	Amount in Kshs
1	Actual Surplus Amounts as per the statement of Budget	19,660,703
2	Timing differences	164,027,149
3	Classification differences	(61,153,880)
	Closing Cash and Cash Equivalent as per the statement of Cash flows	122,533,972

Budget Notes

Explanation of changes between the original and final budgets

As indicated, the final budget was Kshs. 268,134,508 higher than the original budget/ printed budget. The variance was on account of reduction of development by Kshs. 92,843,000 in Supplementary Estimate No.1 and an increment of recurrent budget by Kshs. 141,044,248 in supplementary estimate No.11. On the other hand, the Appropriation in Aid (AIA) was adjusted upwards by Kshs. 219,933,260 in supplementary Estimates II. The increment of AIA was on account of upward adjustment of National Museums of Kenya by Kshs. 183,233,260, Bomas of Kenya by Kshs. 15,000,000, Kenya Copyright Board By. Kshs. 12,000,000. AIA for PPMC (Proceeds from the sales of Assets) was on the other hand revised down by Kshs. 300,000.

Budget Execution by Programmes and Sub-Programmes for FY2025

Description	Approved Budget	Actual Payments	Variance
Culture	2,193,937,071	2,086,507,031	107,430,040
Conservation of Heritage	1,475,071,788	1,374,616,448	100,455,340
Development And Promotion of Culture	240,327,709	238,333,797	1,993,912
General Administration, Planning and Support Services	478,537,574	473,556,786	4,980,788
The Arts	330,099,482	311,436,024	18,663,458
	103,243,183	98,037,866	5,205,317
	226,856,299	213,398,158	13,458,141
Library Services	508,522,933	508,351,578	171,355
Library Services	508,522,933	508,351,578	171,355
General Administration, Planning and Support Services	142,913,384	142,447,275	466,109
General Administration, Planning and Support Services	142,913,384	142,447,275	466,109
	123,658,959	121,325,494	2,333,465
	13,973,874	13,564,359	409,516
	109,685,085	107,761,135	1,923,950
Grand Total	3,299,131,829	3,170,067,403	129,064,426

18. Notes to the Financial Statements

1. Establishment

The State Department for Culture, the Arts and Heritage are established by and derives its authority and accountability from Order No. 1 of 2023. The State Department for Culture, the Arts and Heritage are wholly owned by the Government of Kenya and is domiciled in Kenya. The State Department for Culture, the Arts and Heritage principal activity is to develop, promote and preserve culture, the arts and heritage for national pride and sustainable development.

2. Statement of Compliance and Basis of Reporting

Statement of compliance

These financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

The financial statements have been prepared in accordance with the Public Finance Management Act, and the State Department for Culture, the Arts and Heritage has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st year financial statements are transitional financial statements and the following elements; Non-Financial Assets, Non-Financial Liabilities and inventory of the financial statements have not been recognised. State Department for Culture, the Arts and Heritage has taken advantage of the transition provisions outlined in IPSAS 33. In line with the 3 year transition roadmap, the State Department for Culture, the Arts and Heritage has recognized Financial Assets and Financial Liabilities for period ended 30th June 2025, further provide for inventories in the financial year ended 30th June, 2026 and Finally provide for Non-Financial Assets and Non-Financial Liabilities in the financial year ended 30th June, 2027 thus complying fully with IPSAS Accrual.

These financial statements were authorized for issue by the Accounting Officer on 30th June 2025

Reporting period

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

Basis of preparation

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

financial statements have been prepared and presented in Kenya Shillings to the nearest shilling.

The accounting policies adopted have been consistently applied to all the years presented.

Critical accounting judgements

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

Recognition of revenue

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

Recognition of non-exchange expenses and liabilities

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

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

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest

and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

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

Physical assets

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i) *New and amended standards and interpretations in issue effective in the year ended 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	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an MDA.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>No impact on the State Department for Culture, The Arts and Heritage</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>No impact on the State Department for Culture, The Arts and Heritage</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of 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</p>

State Department for Culture, The Arts and Heritage
Annual Reports and Financial Statements for the year ended June 30, 2025.

Standard	Effective date and impact:
	<p>existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>No impact on the State Department for Culture, The Arts and Heritage</p>
<p>IPSAS 46 Measurement</p>	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>No impact on the State Department for Culture, The Arts and Heritage</p>
<p>IPSAS 47- Revenue</p>	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an MDA shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>No impact on the State Department for Culture, The Arts and Heritage</p>
<p>IPSAS 48- Transfer Expenses</p>	<p>Applicable 1st January 2026</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>

State Department for Culture, The Arts and Heritage
Annual Reports and Financial Statements for the year ended June 30, 2025.

Standard	Effective date and impact:
	No impact on the State Department for Culture, The Arts and Heritage
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. No impact on the State Department for Culture, The Arts and Heritage
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <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. No impact on the State Department for Culture, The Arts and Heritage

iii) Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

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

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the MDA and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development grants are recognized in the statement of financial performance after meeting the revenue recognition criteria. Conditional grants are recognized as revenue upon fulfilment of the set conditions.

ii) Revenue from exchange transactions

Rendering of services

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

Interest income

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

Rental income

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for FY 2024/25 was approved by the National Assembly on 30th June 2025. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the MDA upon receiving the respective approvals in order to conclude the final budget. Accordingly, the MDA recorded additional appropriations of on the 2024/25 budget following the governing body's approval. The MDA's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of cash flows has been presented under section xxx of these financial statements.

c) Investment property

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

recognition. Transfers are made to or from investment property only when there is a change in use.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

d) Property, plant and equipment

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

e) Right of use asset

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

Notes to the Financial Statements (Continued)

f) Tangible Natural Resources

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

g) Leases

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

Notes to the Financial Statements (Continued)

h) Intangible assets

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

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The MDA does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).*

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Notes to the Financial Statements (Continued)

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

Notes to the Financial Statements (Continued)

k) Inventories

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

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

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

l) Provisions

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

Notes to the Financial Statements (Continued)

m) Social Benefits

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

n) Contingent liabilities

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

o) Contingent assets

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

p) Nature and purpose of reserves

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

Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

q) Employee benefits

Retirement benefit plans

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

r) 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.

s) 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.

t) Related parties

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

u) Service concession arrangements

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

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

v) 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.

w) Comparative figures

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

x) 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, 20xx.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual value

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

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

Provisions

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

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

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

Notes to the Financial Statements (Continued)

6. Transfers from Exchequer

Nature of transfer	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Total transfers Period ended June 2025
	Kshs	Kshs	Kshs
Recurrent	2,465,340,819	-	2,465,340,819
Development	69,817,486	-	69,817,486
Total	2,535,158,305	-	2,535,158,305

7. Other Incomes

Description	June 2025
	Kshs
Administrative fees and charges	640,686,646
Total other income	640,686,646

8. Employee Costs

Description	June 2025
	Kshs
Basic salaries of permanent employees	171,671,403
Basic wages of temporary employees	3,798,487
Personal allowances – part of salary	90,980,436
Pension and other social security contributions	6,303,564
Employee costs	272,753,890

8A. Adjusted Employee cost (Cash flow)

Description	Period ended June 2025
	Kshs
Total Employee costs	272,753,890
Gratuities due	(5,453,854)
Gratuities paid	2,734,584
Social benefits adjustment	(3,584,294)
Total Adjusted employee cost	266,450,326

Notes to the Financial Statements (Continued)

9. Use of Goods and Services

Description	June 2025 Kshs
Utilities, supplies and services	5,575,606
Communication, supplies and services	2,429,881
Domestic travel and subsistence	47,579,523
Printing, advertising, and information supplies & services	9,974,453
Rentals of produced assets	56,620,725
Training expenses	31,635,091
Hospitality supplies and services	30,838,820
Specialized materials and services	35,363,735
Office and general supplies and services	5,520,319
Fuel Oil and Lubricants	10,626,104
Routine maintenance – vehicles and other transport equipment	2,078,743
Routine maintenance – other assets	3,489,150
Other operating expenses	24,505,210
Total use of goods and services	266,237,359

9A. Adjusted Use of Goods and Services (Cash flow)

Adjusted Use of Goods and Services (Cashflow)

Description	Period ended June 2025 Kshs
Total Use of Goods and Services	266,237,359
Add paid previous years pending bills	682,672
Less un paid pending bills in the current financial year	(2,853,100)
Changes in 3rd parties monies	(7,386,114)
Total Adjusted Use of Goods and Services	256,680,817

10. Transfers to Other Government Entities

Description	June 2025 Kshs
Transfers to national Govt entities- SAGAs & SC	2,565,188,366
Transfers to national Govt entities- SAGAs & SC	19,961,051
Total	2,585,149,417

Notes to the Financial Statements (Continued)

11. Depreciation and Amortization Expense

Description	Period ended Mar 2025
	Kshs
Property, plant and equipment	29,152,993
Total Depreciation and Amortization Expense	29,152,993

12. Cash and Cash Equivalents

Description	June 2025	Opening statement 1 st July 2024
	Kshs	Kshs
Central Bank of Kenya, 1000386207, Recurrent Account	5,077,548	55,065,735
Central Bank of Kenya, 1000386215, Development Account	-	5,388,145
Central Bank of Kenya, 1000386223, Deposits Account	108,107,105	61,070,914
Central Bank of Kenya, 1000442239, Deposits (Sports Fund)	9,349,319	42,502,355
Total	122,533,972	164,027,149

13. Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	June 2025	Opening statement 1 st July 2024
		Kshs	Kshs
Recurrent Account			
CBK1000386215	1000386215	-	-
CBK1000386207	1000386207	5,077,548	55,065,735
Deposits Accounts			
CBK1000386223	1000386223	108,107,105	61,070,914
Deposits Accounts – Sports Fund			
CBK1000442239	1000442239	9,349,319	42,502,355
Grand Total		122,533,972	164,027,149

State Department for Culture, The Arts and Heritage
Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

14. Property, Plant and Equipment

Description	Land	Buildings	Motor vehicles	Furniture and fittings	Plant and Equip	Computers & ICT Equipment	Other Assets (specify)- Construction and Civil Works	Capital Work in progress	Total
Depreciation Rate		2.00%	12.50%	12.50%	12.50%	33.33%			
Cost	Kshs	Kshs	Kshs	Kshs		Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2025	-	131,401,328	61,509,294	52,020,183	90,455,610	3,080,800	-	34,297,045	372,764,260
Additions								49,856,435	49,856,435
As At 30th June 2025	-	131,401,328	61,509,294	52,020,183	90,455,610	3,080,800	-	84,153,480	422,620,695
Depreciation And Impairment									-
Opening Bal as 1st July 2025									
Depreciation	-	2,628,027	7,688,662	6,502,523	11,306,951	1,026,831	-	-	29,152,993
As At 30th June 2025	-	2,628,027	7,688,662	6,502,523	11,306,951	1,026,831	-	-	29,152,993
Net Book Values									-
Opening Bal as at 1st July 2024	-	118,251,328	61,509,294	49,379,783			-	-	229,140,405
As At 30th June 2025	-	128,773,301	53,820,632	45,517,660	79,148,659	2,053,969	-	84,153,480	393,467,702

State Department for Culture, The Arts and Heritage

Annual Reports and Financial Statements for the year ended June 30, 2025.

Description	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)*- Construction and Civil Works	Capital Work in progress	Total
Depreciation Rate				12.50%		30.00%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024				-				-
Additions		102,274,928		-			49,856,435	152,131,363
As At 30th June 2025	-	102,274,928		-			49,856,435	152,131,363
Depreciation And Impairment								
Depreciation				-				-
As At 30th June 2025	-	-		-			-	-
Net Book Values								
Opening Bal as at 1st July 2024	-			-				-
As At 30th June 2025	-	102,274,928		-			49,856,435	152,131,363

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Computers And Related Equipment	3,080,800	1,026,831	2,053,969
Office Equipment, Furniture, And Fittings	52,020,183	6,502,523	45,517,660
Work in progress	34,297,045	-	34,297,045
Total	282,308,650	17,846,042	264,462,608

State Department for Culture, The Arts and Heritage
Annual Reports and Financial Statements for the year ended June 30, 2025.

**Property plant and Equipment includes the following
assets that are fully depreciated**

	Cost or valuation	Normal annual depreciation charge
Computers and Related Equipment	3,080,800	1,026,831
Office Equipment, Furniture And Fittings	52,020,183	6,502,523
Total	116,610,277	7,529,354

Notes to the Financial Statements (Continued)

14 A.

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Computers And Related Equipment	3,080,800	924,240	2,156,560
Office Equipment, Furniture, And Fittings	2,640,400	330,050	2,310,350
Work in progress	49,856,435	-	49,856,435
Total	55,577,635	1,254,290	54,323,345

14 B. Property plant and Equipment include the following assets that are fully depreciated

	Cost or valuation	Normal annual depreciation charge
Computers and Related Equipment	3,080,800	924,240
Office Equipment, Furniture and Fittings	2,640,400	330,050
Total	5,721,200	1,254,290

15. Trade and Other Payables

Description	June 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Trade payables	58,953,401	57,742,973
Third-party payments	117,456,424	103,573,269
Total trade and other payables	176,409,825	161,316,242

Notes to the Financial Statements (Continued)

16. Provisions

Description	Gratuity Provision	Total
	Kshs	Kshs
Opening bal 1st July 2024	5,854,718	5,854,718
Additional provisions	5,926,690	5,926,690
Provision utilised	(3,204,420)	(3,204,420)
Total provisions year end	2,722,270	2,722,270
Current Provisions	5,453,854	5,453,854
Non-current Provisions	3,120,134	3,120,134
Total provisions period end	8,573,988	8,573,988

State Department for Culture, The Arts and Heritage
Annual Reports and Financial Statements for the year ended June 30, 2025.

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

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 MDA has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The MDA has significant concentration of credit risk on amounts due from xxxx. The board of directors sets the MDA'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 MDA's directors, who have built an appropriate liquidity risk management framework for the management of the MDA's short, medium and long-term funding and liquidity management requirements. The MDA manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the MDA 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.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Trade payables	176,409,825	-	176,409,825	176,409,825
Total	176,409,825	-	176,409,825	176,409,825

iii) Market risk

The MDA has put in place an internal audit function to assist it in assessing the risk faced by the MDA 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 MDA'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.

State Department for Culture, The Arts and Heritage
Annual Reports and Financial Statements for the year ended June 30, 2025.

The MDA'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 MDA's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The MDA 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 MDA 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.

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

FY 2025

	In Kshs	Total
	Kshs	Kshs
As At 30 June 2025		
Financial Assets		
Cash	-	-
Debtors	122,533,972	122,533,972
Total Financial Assets	122,533,972	122,533,972
Financial Liabilities		
Trade And Other Payables	176,409,825	176,409,825
Total Financial Liabilities	176,409,825	176,409,825
Net Asset/(Liability)	70%	70%

Foreign currency sensitivity analysis

FY 2025

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As At 30 June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

The following table demonstrates the effect on the MDA'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.

	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
20xx			
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

Interest rate risk is the risk that the MDA's financial condition may be adversely affected as a result of changes in interest rate levels. The MDA's interest rate risk arises from bank deposits. This exposes the MDA to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the MDA'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 MDA analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of KShs xxx (20XX: KShs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of KShs xxx (20XX – KShs xxx)

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 *MDA'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 *MDA* considers relevant and observable market prices in its valuations where possible.

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

	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As At 30 June 2025				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
	-	-	-	-

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.

Notes to the Financial Statements (Continued)

iv) Capital Risk Management

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

19. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

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

Other related parties include:

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

Notes to the Financial Statements (Continued)

20. Segment Information

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

Notes to the Financial Statements (Continued)

21. Contingent Assets and Contingent Liabilities

Contingent Assets

	30 th June 2025
	Kshs
Contingent Assets	
Insurance Reimbursements	-
Assets Arising from Determination Of Court Cases	-
Reimbursable Indemnities and Guarantees	-
Receivables From Other Government Entities	-
Others (Specify)	-
Total	-

(Give details)

Contingent Liabilities

	30 th June 2025
	Kshs
Contingent Liabilities	-
Court Case xx against the MDA	-
Bank Guarantees in Favour of Subsidiary	-
Contingent Liabilities arising from Contracts Including PPPs	-
Others (Specify)	-
Total	-

(Give details)

22. Capital Commitments

	30 th June 2025
	Kshs
Authorised for	-
Authorised and contracted for	-
Total	-

(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)

Notes to the Financial Statements (Continued)

23. 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.

24. Events after the Reporting Period

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

25. Ultimate And Holding MDA

The MDA ultimate parent is the Government of Kenya.

26. Currency

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

19. Appendix

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Long Outstanding Accounts Payables	To be resolved	Not resolved	30 th June 2026
2.	Lack of Land ownership Documents	To be resolved	Not resolved	30 th June 2026
3.	Incomplete Fixed Asset Register	To be resolved	Not resolved	30 th June 2026

Appendix 2: Projects implemented by The Department

- Wundanyi Youth Resource Center

Appendix 3: Status of Projects completion

Project Code & Project Title	Estimated Cost of the project (Financing)		Timeline		FY 2023/24	FY2024/ 25	Cumulative Expenditure as at 30th June,2025	Outstanding Balance at 30th June 2025	Completion status as at 30th June 2025(%)	
	Total Estimated Cost of Project	GOK	Start Date	Expected Completion Date	Approved GOK Budget	Approved GOK Budget				
Wundanyi Youth Resource Center	141,000,000	141,000,000	1/7/2023	30/6/2027	34,000,000	50,000,000	84,000,000	57,000,000	60%	Construction of Foundation, Ground, 1st and 2nd Floor completed.

- Sekenani Curio Mall

Project Code & Project Title	Estimated Cost of the project (Financing)		Timeline		FY 2023/24	FY2024/ 25	Cumulative Expenditure as at 30th June,2025	Outstanding Balance at 30th June 2025	Completion status as at 30th June 2025(%)	
	Total Estimated Cost of Project	TPF	Start Date	Expected Completion Date	Approved GOK Budget	Approved GOK Budget				
Sekenani Curio Mall	114,926,585	114,000,000	1/11/2024	12/01/2026	NIL	NIL	NIL	NIL	10%	

State Department for Culture, The Arts and Heritage
Annual Reports and Financial Statements for the year ended June 30, 2025.

Appendix 4: 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
TPF	17/10/2024	Other	47,800,000.00
SASDF	24/10/2024	Other	40,000,000.00
TPF	24/10/2024	Other	150,000,000.00
SASDF	11/11/2024	Other	19,000,000.00
SASDF	11/11/2024	Other	40,000,000.00
SASDF	13/11/2024	Other	10,000,000.00
SASDF	21/11/2024	Other	12,070,000.00
SASDF	29/11/2024	Other	30,000,000.00
SASDF	29/11/2024	Other	40,000,000.00
SASDF	2/12/2024	Other	25,959,500.00
SASDF	2/12/2024	Other	40,000,000.00
SASDF	19/12/2024	Other	30,000,000.00
SASDF	25/02/2024	Other	23,015,500.00
SASDF	21/03/2025	Other	11,499,000.00
TOTALS			519,344,000.00

Appendix 5: Reporting of Climate Relevant Expenditures

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

Appendix 6. Disaster Expenditure Reporting Template

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

Appendix 7. Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Buildings and structures	165,698,373	-	-	-	165,698,373
Transport equipment	61,509,294	-	-	-	61,509,294
Office equipment, furniture and fittings	51,936,033	-	-	-	51,936,033
Specialised Plant, Equipment and Machinery	27,935,898	-	-	-	27,935,898
Other Machinery and Equipment	59,963,462	-	-	-	59,963,462
Work in Progress	-	49,856,435	-	-	49,856,435
Total	367,043,060	49,856,435	-	-	416,899,495



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Ms. Ummi Bashir, CBS
Principal Secretary
Accounting Officer