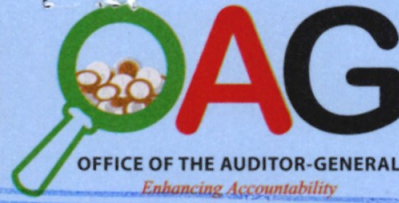


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
*Enhancing Accountability*



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**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 FEB 2026	DAY: Tuesday
TABLED BY: Deputy Leader Majority Party	
CLERK-AT THE-TABLE: Mr. Benson Inzofu	Hon. Owen Baya, MP

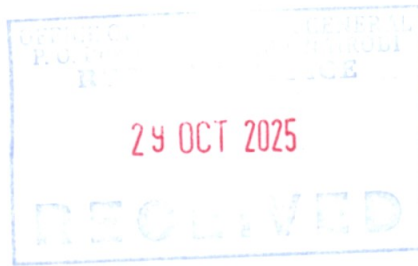
**THE AUDITOR-GENERAL**

**ON**

**NATIONAL YOUTH OPPORTUNITIES  
TOWARDS ADVANCEMENT (NYOTA)  
PROJECT (IDA CREDIT NO.7356-KE  
AND IDA CREDIT NO.7355-KE)**

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

**MICRO AND SMALL ENTERPRISES  
AUTHORITY**



**PROJECT NAME:  
NATIONAL YOUTH OPPORTUNITIES TOWARDS ADVANCEMENT (NYOTA)PROJECT**

**IMPLEMENTING ENTITY:  
MICRO AND SMALL ENTERPRISES AUTHORITY (MSEA)**

**PROJECT CREDIT NUMBER: 7356 –KE  
PROJECT CREDIT NUMBER: 7355 –KE**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL PERIOD ENDED  
JUNE 30, 2025**

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

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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<b>Table of Contents</b>	<b>Page</b>
1.Acronyms and Definition of Terms .....	iv
2.Project Information and Overall Performance .....	v
3.Statement of Performance against Project’s Predetermined Objectives .....	xxiii
4.Environmental and Sustainability Reporting .....	xxvi
5.Statement of Project Management Responsibilities .....	xxxv
6. Report of the Independent Auditor on Financial Statements for National Youth Opportunities Towards Advancement (NYOTA) Project .....	xxxvii
7.Statement of Financial Performance for the Year Ended 30th June 2025. ....	1
8.Statement of financial position as at 30 <sup>th</sup> June 2025 .....	2
9 Statement of change in Net Assets.....	3
10.Statement of Cashflow for the year ended 30th June 2025 .....	4
11.Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025 .....	5
12. Notes to the Financial Statements.....	7
13.Annexes.....	34

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**Acronyms and Definition of Terms**

CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank
Comparative FY	Financial year preceding the current financial year
NYOTA	National Youth Opportunity Towards Advancement Project
MSEA	Micro and Small Enterprises Authority
EOI	Expression of Interest
RFP	Request for Proposal
BDS	Business Development Services
MCMSME	Ministry of Cooperatives, Micro, Small, and Medium Enterprise Development

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**Project Information and Overall Performance**

**2.1 Name and registered office**

**Name**

The Project official name is National Youth Opportunities Towards Advancement Project (NYOTA). The Micro and Small Enterprises Authority is implementing Component two (2) which aims to empower youth by addressing unemployment, income insecurity, and limited savings

**Objective**

The key objective of the project is to increase employment, earnings, and savings among targeted youth at a national scale.

**Address**

The project headquarters offices are in Nairobi County, Kenya Authority's Headquarters  
P.O. Box 48823-00100  
Nairobi, Kenya  
10<sup>th</sup> Floor Utalii House, Utalii  
Lane/ Uhuru Highway Nairobi,  
Kenya

**Contacts:**

The Authority's contacts

Office of the Chief Executive Officer

Telephone: (254)020-3340006/0700-666000

E-mail: [msea@mseauthority.go.ke](mailto:msea@mseauthority.go.ke)/ [mseakenya@gmail.com](mailto:mseakenya@gmail.com) Website:

[www.mseauthority.go.ke](http://www.mseauthority.go.ke)

***National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025***

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**2.2 Project Information**

Project Start Date:	The project effective date 21 <sup>st</sup> June, 2024
Project End Date:	The project end date is 31 <sup>st</sup> December, 2028
Project Co-ordinator:	The Project Co-ordinator is Mr. Patrick Muchunku
Project Sponsor:	The Project Sponsor is World Bank (IDA)

**2.3 Project Overview**

Line Ministry/State Department of the project	The Project is under the supervision of the Ministry of Cooperatives and SME Development mandated to ensure that every small business has secure property rights, access to finance and a supportive regulatory framework. The Implementing Partners are the World Bank Group, Micro and Small Enterprises Authority (MSEA), Ministry of Youth Affairs, Creative Economy and Sports (MoYACES), State Department for Micro, Small, and Medium Enterprise Development (SD-MSMED), National Social Security Fund (NSSF), National Industrial Training Authority (NITA) and National Employment Authority (NEA).
Project number	7356-KE Loan 7355-KE Grant
Strategic goals of the project	The objective of the Project is to increase employment, earnings, and savings among targeted youth at a national scale by: <ul style="list-style-type: none"> <li>i) Improving Youth Employability</li> <li>ii) Expanding Employment.</li> <li>iii) Supporting Youth Savings</li> <li>iv) Strengthening Youth Employment Systems, Capacity, and Project Management</li> </ul>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

<p>Achievement of strategic goals</p>	<p>The specific goals of component two (2) on job creation are:</p> <ul style="list-style-type: none"> <li>i) To provide Business Start-Up Capital to support youth launch and grow their entrepreneurial ventures.</li> <li>ii) To offer Skills Development through socio-emotional and business skills training.</li> <li>iii) To increase access to Business Development Services and Mentorship support by facilitating networking, mentorship, and market linkages.</li> <li>iv) To offer Results-Based Financing (RBF) for Social Enterprises through collaborating with pre-qualified social enterprises to support hard-to-serve youth through guided entrepreneurship and micro-franchise opportunities.</li> </ul>
<p>Other important background information of the project</p>	<p>The project is funded by the International Development Association (IDA) arm of World Bank. The Project total cost is 91 million Euros and is to be implemented over five (5) years</p> <p><b>Project categories</b></p> <p>The Overall project has six categories as per the financing agreement:</p> <p><b>Category 1:</b> Goods, Operating Costs, Training, non-consulting services and consulting services for Part 1.1 of the project.</p> <p><b>Category 2:</b> Goods, Operating Costs, Training, non-consulting services and consulting services for Part 1.2 of the project.</p> <p><b>Category 3:</b> Goods, Operating Costs, Training, non-consulting services and consulting services for Part 2 (except Part 2.1 (a)) of the project</p> <p><b>Category 4:</b> Business start-up grants under part 2.1 (a) of the project to be implemented by MSEA at a total cost of EUR 32,796,000</p> <p><b>Category 5:</b> Goods, Operating Costs, Training, non-consulting services and consulting services for Part 3 of the project.</p> <p><b>Category 6:</b> Goods, Operating Costs, Training, non-consulting services and consulting services for Part 4 of the project.</p>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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Current situation that the project was formed to intervene	The project was formed to intervene in the following areas: (i) Unemployment among the youth in the country (ii) Marginalization of youth in some counties (iii) Lack of equity in Job opportunities for youth in the country
Project duration	5 Years

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**2.4. Bankers**

HFC Limited

P.O Box: 30088- 00100

Rehani House

Nairobi, Kenya

**2.5. Independent Auditor**

The Auditor General

Office of the Auditor General Anniversary

Towers, University Way

P.O. Box 30084 - 00100

Nairobi, Kenya

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**2.6 Roles and Responsibilities**

<b>Names</b>	<b>Title designation</b>	<b>Key qualification</b>	<b>Responsibilities</b>
Henry Rithaa	Director General/ Chief Executive Officer	MBA (Strategic Management), Master of Arts in Regional Integration and Bachelor's Degree in Finance	Overall program leadership and direction.
Caroline Kioko	Project Coordinator (Up to 14 <sup>th</sup> June 2025)	Master's Degree in Entrepreneurship, Bachelor's degree in Environmental Studies and Community Development	Oversee the coordination of all project activities and outputs of Component II
Patrick Muchunku	Project Coordinator (From 14 <sup>th</sup> June 2025)	Master's Degree in Strategic Management- Mount Kenya University, Bachelor Degree in Business Administration (Accounting Option)- Maseno University and Certified Credit Professional KNFQ LEVEL 6(KASNEB)	Project Coordinator in overseeing the coordination of all project activities and outputs of Component II
John Masha	Project Manager	Master of Business Administration, Bachelor of Commerce, Postgraduate Diploma in Systems Management.	Support the MSEA PIU project coordinator with the day-to-day management of all project activities and outputs and Establish systems to ensure effective and efficient delivery of all operational outputs for Component II targets

***National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025***

Arnold Ouma	MIS Lead	Masters of Science in Computer Science, BSC information Systems, Certificate in Data Protection.	Coordinate ICT Function of the project
Linet Mulwa	Procurement Lead	Msc. In Procurement & Logistics (Ongoing), Bachelor in Purchasing and Supplies, Diploma in Purchasing and Supplies Management.	Coordinate procurement and supply chain activities of the project
Christine Kirui	Grants Coordinator	MBA in Globally Sustainable Social Enterprises, Bsc. in International Business Administration (Finance and Entrepreneurship)	Support coordination of grants, beneficiary selection activities and disbursement.
Elsie Thambu	Program Finance & Accounting	MBA (Finance), BBM (Finance & Banking), CPA(K)	Oversee all aspect of program financing and financial reporting.
Raphael Koome	Business Plan Competition (BPC) and Monitoring and Evaluation Coordinator)	Master of Business Administration, Bachelor of Arts in Economics and Communications	Design and develop measures of monitoring the performance of Component 2 activities in meeting their objectives.  Update the program key performance indicators (inputs, outputs, outcomes) for monitoring the project, their target values and specify the timing and format of reporting

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

Magdalene Mbithi	BDS Officer	Masters in Project Planning, Design and Implementation (Ongoing) B.A in Sociology	Coordinating business development services of the project
Glory Kinoti	Communication Officer	Masters in Development studies(ongoing), Bachelor in Communication and Public relations	Coordinate Communication functions of the project
Evelyne Chemutai	Social Enterprises Lead	Masters in Corporate Governance, Bachelors OF Commerce and CPA(K)	Coordinate results-based financing partnership with social enterprises.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**2.7 Funding summary**

The Project is for a duration of 5 years effective 21<sup>st</sup> June 2024 to 31<sup>st</sup> December 2028 with an approved budget of EUR 79,378,718 equivalent to Kshs 11,429,213,677 representing both Credit and Grant. The credit allocation is EUR 70,147,000 Equivalent to Kshs 10,100,000,000.00 and the grant allocation is EUR 9,231,718 Equivalent to Kshs 1,329,213,677.

As at 30th June 2025, the undrawn balance stood at EUR 72,064,275, equivalent to Kshs 10,396,517,227. Of this amount, EUR 64,582,557 represents the loan allocation, while EUR 7,481,718 accounts for the grant allocation. Below is the funding summary

	Donor Commitment-		Amount received to date – (30 <sup>th</sup> June 2025)		Undrawn balance to date	
	<i>Donor currency (EUR)</i>	<i>KShs</i>	<i>Donor currency (EUR)</i>	<i>KShs</i>	<i>Donor currency (EUR)</i>	<i>KShs</i>
	<i>(A)</i>	<i>(A')</i>	<i>(B)</i>	<i>(B')</i>	<i>(A)-(B)</i>	<i>(A)-(B)</i>
<b>(i) Loan</b>						
IDA-World Bank-73560	70,147,000	10,100,000,000	5,564,443	800,000,000	64,582,557	9,300,000,000
<b>Total</b>	<b>70,147,000</b>	<b>10,100,000,000</b>	<b>5,564,443</b>	<b>800,000,000</b>	<b>64,582,557</b>	<b>9,300,000,000</b>
<b>(ii) Grant</b>						
IDA-World Bank-73550	9,231,718	1,329,213,677	1,750,000	232,696,450	7,481,718	1,096,517,227
<b>Total</b>	<b>9,231,718</b>	<b>1,329,213,677</b>	<b>1,750,000</b>	<b>232,696,450</b>	<b>7,481,718</b>	<b>1,096,517,227</b>
<b>Grand Total</b>	<b>79,378,718</b>	<b>11,429,213,677</b>	<b>7,314,443</b>	<b>1,032,696,450</b>	<b>72,064,275</b>	<b>10,396,517,227</b>

*As per the financing agreement EUR 79,378,718 was allocated to NYOTA under MSEA.*

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**B. Application of Funds**

Application of funds	Amount received to date – (30 <sup>th</sup> June 2025)		Cumulative amount paid to date – (30 <sup>th</sup> June 2025)		Unutilised balance to date (30th June 2025)	
	EUR	Kshs	EUR	Kshs	EUR	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
<b>(i) Loan and Grant</b>						
World Bank - IDA	7,314,443	1,032,696,450	817,942	117,593,190	6,365,179	915,103,259.85
<b>Total</b>	<b>7,314,443</b>	<b>1,032,696,450</b>	<b>817,942</b>	<b>117,593,190</b>	<b>6,365,179</b>	<b>915,103,259.85</b>

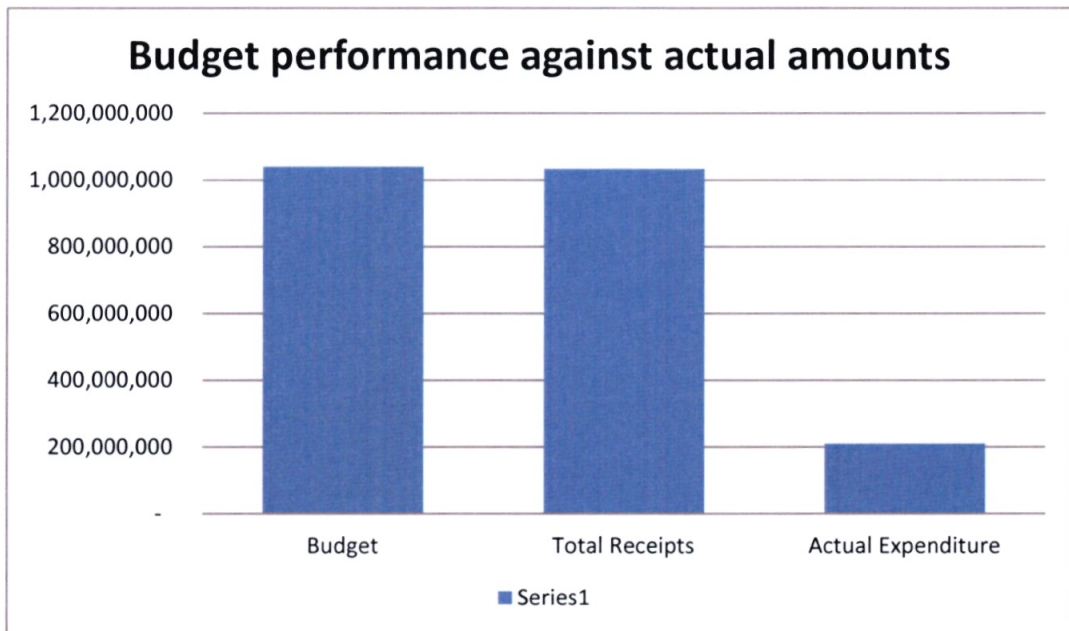
*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**2.8 Summary of Overall Project Performance:**

**(i) Budget performance against actual amounts for the current financial year and for cumulative to-date.**

The Authority was allocated a budget of Kshs 1,040,000,000 for the Financial Year 2024/2025, against which actual expenditure amounted to Kshs 208,668,848 for the period ended 30th June 2025. This translates to an absorption rate of 20%, as summarized in the graph below.



*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**(ii) Physical progress based on outputs and outcomes since project commencement.**

**a) MSEA Regional staff Sensitization Workshop**

The Micro and Small Enterprises Authority (MSEA) conducted a NYOTA sensitization workshop for its regional staff at Sawela Resort, Naivasha, from 2nd to 6th December 2024. The NYOTA project, which is set to be implemented nationwide, aims to empower the youth through innovative and inclusive interventions.

Given the national scope of the project, regional staff engagement and capacity-building are critical to ensure effective rollout and sustainability. The workshop provided a platform to familiarize staff with the project's objectives, implementation strategies, and expected outcomes.

The workshop fostered a shared understanding and commitment among staff, setting a solid foundation for successful implementation of the NYOTA Project across the country. Below is glimpse of the sensitization workshop.



*The MSEA Chief Executive Officer officially opened the sensitization workshop.*

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---



*Permanent Secretary Susan Mangeni, together with the Board Director Billy Baltazar, the MSEA Chief Executive Officer, and MSEA Regional Heads during the staff sensitization workshop.*


*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**b) Nationwide Call for Applications and intake – FY 2024/2025**

During the Financial Year 2024/2025, the State Department for Youth Affairs and the Creative Economy, in collaboration with Safaricom, issued a nationwide call for applications under the 254# Financial Inclusion USSD platform.

The 254 Platform, powered by Safaricom was tailored to harness youth potential in entrepreneurship, arts, and technology. This strategic collaboration underscores the government's continued efforts to promote youth empowerment and economic participation through public- private partnerships.



**NYOTA CALL FOR APPLICATION**

**Are you a Kenyan youth aged 18 - 29 years OR a youth living with disability aged 18 - 35 years?**

**Do you aspire to start or expand your business in Kenya?**

The National Youth Opportunities Towards Advancement (NYOTA) Project is a Government of Kenya initiative aimed at increasing employment as well as income through skilling, apprenticeship and business support, in addition to inculcating a savings culture among the beneficiaries.

**Call for Youth Applications for Cycle 1, Countrywide, Interested in Business Support is Out**

**To Qualify You Must:**

- Be a Kenyan Citizen;
- Be a youth aged 18 -29 years; or up to 35 years for youth living with disability;
- Not have gone beyond form 4 level of education;
- Have a national identity card;
- Have a SIM card registered in your name and National ID card.

**Applications to be submitted through the USSD Code \*254# then select the NYOTA Project option to proceed.**

**Applications close on 30th April 2025.**

**For further enquiries, visit the website; [www.nyotaproject.go.ke](http://www.nyotaproject.go.ke) or call 0800222221**

*Application to the program was free of charge for youth beneficiaries, with instant feedback provided to those who did not meet the eligibility criteria related to age or education.*

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**c) Kakuma Refugee and Host Community Engagement**

The NYOTA Project Management Unit and PIU officers from MSEA, NITA, NSSF and DRS conducted a comprehensive four-day engagement with refugee and host communities in Turkana County from April 13-17, 2025, to assess implementation challenges and develop specific intake protocols for this cohort of youths. The consultations involved key stakeholders including county commissioners, camp managers, and community representatives across Kakuma refugee camp and Kalobeyei settlement, which together house 301,000 refugees from 24 nationalities, with South Sudanese comprising the largest group at 196,000. The engagement revealed critical structural and administrative insights, including that 70% of the refugee population consists of youth and children, and that the camp is organized into areas, zones, and blocks while the settlement is divided into villages and neighborhoods.

**d) Business Development Services (BDS)**

The evaluation of Expressions of Interest (EOIs) submitted by Business Development Services (BDS) firms has been completed, with the World Bank clearing the shortlisted candidates. The Request for Proposal (RFP) process is currently underway for all eight lots. Concurrently, development of the BDS digital module is progressing with technical support from Safaricom, and a deployment roadmap has been finalized to guide the rollout of the intervention.

**e) Communication**

Effective communication is a pillar in ensuring the successful rollout and stakeholder engagement for the NYOTA Project. The following key communication activities were undertaken. A targeted digital campaign was launched across multiple platforms to promote the Call for Applications. The campaign significantly enhanced:

- a) Engagement across social media, SMS platforms, and partner networks
- b) Conversion of awareness into actual applications

Key Information, Education, and Communication (IEC) materials were developed to support project rollout.

- c) Visibility of the NYOTA Project among youth

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**f) Comment on value-for-money achievements,**

The Micro and Small Enterprises Authority (MSEA) has made deliberate efforts to ensure that every stage of project implementation delivers measurable impact, aligned with the principles of efficiency, effectiveness, and accountability. A strong Monitoring and Evaluation (M&E) framework is in place to facilitate evidence-based decision-making and optimize resource utilization across all project components.

In line with best practices, MSEA continuously monitors all key activities, including intake, randomization and selection, mobilization, grant orientation, and disbursement. This rigorous tracking system enables the Authority to capture real-time data and insights, ensuring that resources are directed where they generate the highest impact.

A notable aspect of MSEA's value-for-money approach is the structured follow-up conducted after the disbursement of the first tranche of grants. These follow-up assessments help determine the extent to which beneficiaries have initiated their businesses and begun implementing their orientation plans. This feedback loop enhances accountability and allows for timely interventions where needed.

Through these systematic M&E efforts, MSEA not only ensures transparency and responsible financial management but also demonstrates commitment to delivering tangible results and sustainable outcomes. The proactive approach helps maximize returns on investment, contributing to the overall success and scalability of the program.

**Absorption rate for each year since the commencement of the project.**

During the Financial Year 2024/2025, the total approved budget allocation stood at Ksh 1,040,000,000. By the end of the fiscal year, actual expenditure amounted to Ksh 208,668, 848 representing 20% budget absorption rate.

**g) Implementation challenges and way forward.**

A key challenge during the year was the delay in securing budget approvals for critical activities outlined in the Annual Work Plan. This affected the timely execution of certain project components and necessitated adjustments to implementation timelines.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**Way Forward:**

To mitigate future delays, it is recommended that budget approval processes be streamlined through early engagement with relevant authorities and proactive planning. Strengthening coordination between implementing agencies and the Treasury will also enhance responsiveness and ensure timely resource allocation. Despite the setbacks, the project remains on course to meet its overall objectives.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**2.9. Summary of Project Compliance:**

The project has adhered to the procedures as per the World Bank Financial Management requirements, Government of Kenya Financial Regulations, Fiduciary framework and accountability.

**i) Non-compliance with applicable laws and regulations, and essential external financing agreements/covenants**

During the reporting period, there were no significant cases of non-compliance with applicable laws, regulations, or essential external financing agreements and covenants.

This demonstrates the Authority's continued commitment to upholding sound governance, regulatory compliance, and adherence to funding terms and conditions. All activities were conducted in line with the relevant legal frameworks and contractual obligations, ensuring transparency and accountability throughout project implementation.

**ii) Consequences suffered on account of non-compliance**

There were no consequences suffered on account of non-compliance.

**iii) Mitigation measures taken or planned to be taken to alleviate the adverse effects of actual or potential consequences of non-compliance.**

There were no adverse effects of actual or potential consequences of non-compliance

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

### **3. Statement of Performance against Project's Predetermined Objectives**

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government NYOTA Project's performance against predetermined objectives at the end of each financial year.

The key development objectives of the *project's agreement/* plan are to:

**1. Provide Business Start-Up Capital**

To support youth in launching and expanding their entrepreneurial ventures by offering initial financial capital.

**2. Skills Development**

To build youth capacity through socio-emotional and business skills training, enhancing their ability to manage and grow successful enterprises.

**3. Facilitate access to business development services and mentorship:** To facilitate access to mentorship, networking opportunities, and market linkages, strengthening business acumen and expanding market reach.

**4. Provide Results-Based Financing (RBF) for Social Enterprises:** To collaborate with pre-qualified social enterprises in delivering guided entrepreneurship and micro-franchise opportunities for hard-to-serve youth, linking financing to verifiable outcomes.

#### **Progress on attainment of strategic development objectives**

To ensure effective implementation and alignment with national priorities, all strategic development objectives were translated into SMART outcomes—Specific, Measurable, Achievable, Realistic, and Time-bound. These outcomes were systematically cascaded to relevant sectors and operationalized through clearly defined performance indicators.

Each development objective was aligned to corresponding development outcomes, with accompanying output and outcome indicators to enable continuous tracking, performance measurement, and evidence-based decision-making. This results-based approach has ensured that implementation is guided by tangible progress markers and aligned with resource allocation

***National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025***

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The project is progressing steadily toward its overall goal of creating employment opportunities through youth entrepreneurship and social enterprise support. By the close of the reporting period, significant milestones had been achieved in line with the work plan, particularly in Subcomponent

**3.1 (Support for Entrepreneurship).**

Below, is the progress on attaining the stated objectives:

<b>Project</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
National Youth opportunities towards Advancement project	Provision of Business Start-Up Capital	Subcomponent 2 targets 110,000 Vulnerable youths in 47 Counties. The intervention seeks to equip youth with the tools, knowledge to successfully start and grow businesses.	Increase in % of Youth entrepreneurial ventures across the country	<i>In FY 2024/2025</i> Initial stages of the program, including youth intake, randomization and selection which is in progress
	Provision of Business Start-Up Capital	Youth Outreach and Intake:	A total of 1,025,983 youths submitted applications in the 254 platform for the first tranche	Randomization and selection in progress

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

	Skills Development	Socio-emotional and business skills training	Expression of Interest (EOIs) by BDS firms evaluated and clearance of shortlisted firms	Roadmap for deployment of BDS intervention is in place
	Results- Based Financing (RBF) for	Is a cornerstone of Component 2.2 of the NYOTA Project. It is designed to incentivize	To incentivize social enterprises (SEs) to deliver measurable employment and	Social Enterprises mapping ongoing with
	Social Enterprises	social enterprises (SEs) to deliver measurable employment and entrepreneurship outcomes for vulnerable youth	entrepreneurship outcomes for vulnerable youth	the support of Intellectap

#### **4.Environmental and Sustainability Reporting**

The NYOTA Project, is a transformative national initiative aimed at empowering vulnerable youth through entrepreneurship, skills training, and support for social enterprise development. Its overarching mandate is to create sustainable employment opportunities for young people particularly those aged 18–29 and up to 35 for Persons with Disabilities.

Recognizing that long-term impact is only possible through careful planning, policy alignment, and institutional commitment, the NYOTA Project has adopted a comprehensive sustainability strategy.

Sustainability is the ability to continue offering impactful services to citizens over the long term, well beyond the duration of initial funding cycles. The strategy is built around five core pillars: institutional strengthening, financial sustainability, policy and regulatory alignment, stakeholder ownership, and robust monitoring and evaluation systems. These pillars ensure that the project not only delivers results in the present but also lays the groundwork for future resilience, adaptability, and national scaling.

##### **1.Sustainability strategy and profile**

The NYOTA Project’s integrated sustainability strategy ensures that the benefits of youth empowerment are not short-lived, but rather embedded in Kenya’s social and economic structures for the long term. Through strategic planning, institutional collaboration, and a strong commitment to monitoring outcomes, the project is well-positioned to deliver lasting impact and inspire a new generation of entrepreneurs and change-makers across the country.

A cornerstone of sustainability is building strong institutions capable of sustaining service delivery over time. The NYOTA Project has focused on:

##### **a) Capacity building of implementing agencies**

This is through training, technical assistance, and digital infrastructure development.

Establishing standard operating procedures (SOPs) and internal accountability systems to support project governance and continuity. Enhancing public service delivery systems at both national and county levels, ensuring seamless coordination and institutional ownership beyond the project lifecycle. The project also promotes decentralized implementation through regional officers and community- based networks, which enhances responsiveness and long-term community engagement.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**b). Financial Sustainability**

To reduce dependency on grant funding and ensure the longevity of project benefits, NYOTA is leveraging innovative financing models, including:

Results-Based Financing (RBF) arrangements with social enterprises, linking funding to measurable outcomes.

Public-private partnerships (PPPs) with institutions like Safaricom to share risks, pool resources, and scale delivery.

Encouraging youth savings and reinvestment culture by providing start-up capital in tranches and linking beneficiaries to formal financial services for future business support.

**c) Policy and Regulatory Alignment**

To safeguard continuity and relevance, the NYOTA Project has been closely aligned with national development strategies, including:

Kenya Vision 2030, which emphasizes youth empowerment, job creation, and inclusive growth.

Through this alignment, NYOTA contributes to national priorities while positioning itself to receive ongoing policy and financial support from the government and its partners.

**d) Community and Stakeholder Ownership**

A vital factor in long-term sustainability is ensuring that beneficiaries, communities, and local stakeholders see value in and take ownership of the project. The NYOTA Project achieves this through:

County-level stakeholder forums and public sensitization to drive awareness, participation, and support.

Involvement of local mentors, trainers, and business leaders in the implementation process, helping ground the program in community realities.

Inclusion of youth voices in project design and feedback loops, creating a sense of ownership and responsibility for outcomes.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**e) Monitoring, Evaluation, and Learning (MEL)**

Robust Monitoring and Evaluation (M&E) systems are essential to track progress, inform decisions, and adapt quickly to emerging challenges. The NYOTA Project has invested in:

A digital M&E framework that integrates real-time data collection, dashboard analytics, and feedback loops for decision-makers. Post-disbursement follow-ups and entrepreneurship performance tracking to assess effectiveness and improve future interventions

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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## **2.Environmental performance**

While the NYOTA Project is primarily a socio-economic intervention, it is implemented with full consideration for environmental sustainability. Business training components encourage:

- 1) Green entrepreneurship and climate-smart business practices.
- 2) Responsible resource use, waste management, and energy efficiency, especially in sectors like agribusiness and manufacturing.
- 3) Partnerships with social enterprises that incorporate environmental sustainability and circular economy principles into their business models.
- 4) As the program scales, additional efforts will be made to integrate environmental impact assessments and promote eco-friendly innovations among youth entrepreneurs.

## **3.Employee welfare**

### **a) Hiring Policies and Gender Ratio Consideration**

The Authority adopts an inclusive recruitment process which promotes diversity and gender balance. Key features include:

- **Equal Opportunity Policies:** There are clearly defined HR policies to ensure that hiring is merit-based, regardless of gender, race, age, or disability.
- **Gender Ratio:** The Authority in its establishment in post has a representation of 52% Male and 48% Female. The gender representation in leadership (senior management) is 54% female and 46% male.

These policies are reviewed as needed and or within the timelines of three to five years, depending on the policy document, to align with evolving **labor laws, diversity benchmarks, and organizational goals.**

### **b) Stakeholder Engagement**

Employee welfare is strengthened through **continuous stakeholder engagement**, involving:

- **Internal Stakeholders:** Employees and management engage through regular feedback mechanisms. Within the year, a survey tool was administered to establish the levels of employee satisfaction.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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- **External Stakeholders:** The Authority engages and collaborates with external stakeholders majorly institutions that oversee government agencies such as OAG, Public Service Commission and the Ministry under which the Authority falls under.
- **Engagement Frequency:** These engagements are conducted by the Authority from time to time, with annual reviews informing policy improvements.

The outcomes influence changes in the workplace policies, training needs, and wellness programs.

**b) Skill Enhancement and Career Management**

During the financial year, the Authority faced financial constraints that limited its ability to fully fund staff training initiatives. Nevertheless, through strategic partnerships and resource mobilization efforts, a number of staff members were able to participate in various training programs.

The Authority remains committed to promoting continuous professional development among its workforce. As part of its succession planning strategy, it continues to identify high-potential employees and provide them with opportunities for growth, mentorship, and leadership development.

Training needs assessments and projections are conducted annually to identify skill gaps and align staff development with organizational goals. With adequate budgetary support, the Authority will be well-positioned to implement these plans effectively. This will ensure that employees are equipped with the necessary skills, based on insights drawn from performance appraisals and anticipated future business needs.

**c) Performance Appraisal and Reward Systems**

To maintain morale and productivity, robust performance management frameworks are applied by the Authority:

- **Appraisal Systems:** The Authority uses a balanced scorecard system to appraise staff, done bi-annually and annually, involving self-evaluation, supervisor assessments.
- **Key Performance Indicators (KPIs):** These are linked to departmental and organizational goals.
- **Reward Mechanisms:** The rewards and sanctions set out in the Rewards and Sanctions guided by the policy are: compensation, Annual Bonus, Incentives, and Awards

## **Compliance with Occupational Safety and Health Act (OSH Act), 2007**

The Authority complies with the provisions in the OSH Act 2007 and is duly registered as a workplace, has fire mitigation and trained marshals, and provides Personal Protective Equipment to its staff.

### **4. Marketplace practices**

#### **a) Responsible supply chain and supplier relations**

The NYOTA Project is committed to the highest standards of integrity, accountability, and transparency in all its operations. It is committed to maintaining ethical, fair, and transparent relationships with all its suppliers. In line with national regulations and international best practices, the project ensures that suppliers are treated with respect, integrity, and professionalism throughout the procurement and contract management process.

##### **i) Fair and Competitive Procurement**

All procurement processes are conducted in accordance with the Public Procurement and Asset Disposal Act, ensuring open and fair competition. Tenders and opportunities are publicly advertised, and all eligible suppliers are encouraged to participate. Evaluation of bids is done transparently and objectively based on clearly defined criteria.

##### **ii) Equal Opportunity and Inclusivity**

The project actively promotes the participation of youth, women, and persons with disabilities (PWDs) in its supply chain, in line with the Access to Government Procurement Opportunities (AGPO) framework. There is no discrimination based on company size, ownership, region, or background.

##### **iii) Timely Payment and Contractual Compliance**

Suppliers are paid promptly and in full upon successful delivery of goods or services, in accordance with agreed terms and conditions. Contractual obligations are upheld on both sides, and communication is maintained to resolve any delays or issues transparently

##### **iv) Ethical Business Practices**

Suppliers are expected to adhere to a code of ethics which prohibits bribery, fraud, favoritism, and any form of corrupt behavior. The Project commits to dealing honestly and professionally with all suppliers, free from coercion, bias, or exploitation.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**b) Responsible ethical practices**

The Nyota Project is committed to the highest standards of integrity, accountability, and transparency in all its operations. To ensure a responsible and ethical implementation framework, the project has embedded anti-corruption safeguards and ethical conduct across its activities and partnerships. Key efforts include:

**i) Code of Conduct and Ethics**

All project staff, consultants, and service providers are expected to uphold a strict code of conduct that promotes honesty, impartiality, and accountability.

**ii) Transparent Financial and Procurement Processes**

All financial management and procurement activities follow established public sector guidelines, including the Public Finance Management Act and the Public Procurement and Asset Disposal Act.

**iii) Capacity Building on Ethics and Governance**

Continuous training and awareness sessions are conducted for all NYOTA Project staff to promote a culture of ethical leadership and good governance

**iv) Monitoring, Auditing, and Compliance**

Regular internal and external audits are conducted to ensure compliance with financial, procurement, and operational procedures.

Project activities are monitored to detect and address any deviations from approved plans, and corrective actions are taken promptly.

**c) Regulatory impact assessment**

The Nyota Project integrates Regulatory Impact Assessment as a critical tool to ensure that all policies, interventions, and regulatory actions under the project are designed and implemented in a way that protects and promotes the rights of citizens and stakeholders particularly youth, women, and persons with disability.

By embedding RIA in its processes, the Nyota Project demonstrates its commitment to good governance, inclusion, and human centered development, ensuring that all voices are heard and that the rights of citizens and stakeholders are not only respected but actively protected.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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## **5. Community Engagements**

### **Community Engagement: Visit to Good Samaritan Home -Mathare**

As part of its ongoing commitment to social responsibility and community support, officers from the Micro and Small Enterprises Authority (MSEA), in collaboration with the Nyota Project team, visited the Good Samaritan Home located in the heart of Mathare slums, Nairobi.

The visit was marked by warm and meaningful interactions with the founder of the home and the children under their care. The team spent quality time engaging with the children and learning more about the challenges and successes of the institution.

During the visit, the team donated essential items, including Rice, Green grams, Beans and washing powder. This initiative was born out of an idea developed in 2024, a year when the country experienced devastating floods that adversely affected various communities across Kenya. Recognizing the urgent needs that arose during this period, the team resolved to contribute towards restoring dignity and hope in vulnerable communities, starting with impactful gestures like this one.

The Nyota Project continues to prioritize community engagement as a core pillar of its mission ensuring that beyond economic empowerment, social wellbeing and compassion remain at the heart of every intervention.



*Books donated at good Samaritan homes-Mathare*

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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*Food Donation at Good Samaritan Home – Mathare*

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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## **5. Statement of Project Management Responsibilities**

The *Accounting Officer* and the *Program Co-ordinator* of NYOTA Project are responsible for the preparation and presentation of the Program's financial statements, which give a true and fair view of the state of affairs of the Program for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangement 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 Program; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Program; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The *Accounting Officer* and the *Program Co-ordinator* of NYOTA Project accept responsibility for the Program'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.

The *Accounting Officer* and the *Program Co-ordinator* of NYOTA Project are of the opinion that the Program's financial statements give a true and fair view of the state of Program's transactions during the financial year/period ended June 30, 2025, and of the Program's financial position as at that date. The *Accounting Officer* and the *Program Co-ordinator* of NYOTA Project further confirm the completeness of the accounting records maintained for the Program, which have been relied upon in the preparation of the Program financial statements as well as the adequacy of the systems of internal financial control.

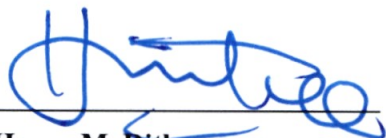
The *Accounting Officer* and the *Program Co-ordinator* of NYOTA Project confirm that the Program has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Program funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**Approval of the Program financial statements**

The Program financial statements were signed by The *Accounting Officer* and the *Project Co-ordinator* of NYOTA Project on ..... 2025



**Henry M. Rithaa**  
**Accounting Officer**



**Patrick Muchunku**  
**Project Co-Ordinator**

# REPUBLIC OF KENYA

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

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL YOUTH OPPORTUNITIES TOWARDS ADVANCEMENT (NYOTA) PROJECT (IDA CREDIT NO.7356-KE AND IDA CREDIT NO.7355-KE) FOR THE YEAR ENDED 30 JUNE, 2025 – MICRO AND SMALL ENTERPRISES AUTHORITY

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### PREAMBLE

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

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

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of National Youth Opportunities Towards Advancement (NYOTA) Project set out on page 1 to 34, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of

significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Youth Opportunities Towards Advancement (NYOTA) Project as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Financing Agreement IDA Credit No.7356-KE and IDA Credit No.7355-KE between the International Development Association (IDA) and the Republic of Kenya dated 06 December, 2023.

In addition, the special accounts statements present fairly, transactions for the year, and the closing balance have been reconciled with the books of account.

### **Basis for Opinion**

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

### **Emphasis of Matter**

#### **1. Amount Withdrawn but Not Claimed**

Part B of the statement of Special (designed) Account No 1000740892 reconciliation for the Program reflects EUR.6,890,000 (Kshs.999,927,097), at an exchange rate of 1 EUR at Kshs.145.1273) as withdrawn but unclaimed as at 30 June, 2025. This represents cumulative funds' transfers to the local Program bank account but whose expenditure returns had not been submitted to The National Treasury by the close of the financial year.

#### **2. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounting to Kshs.1,040,000,000 against actual of Kshs.1,032,696,450 resulting to an under-funding of Kshs.7,303,550 of the budget. Similarly, the Project spent Kshs.208,668,848 against actual receipts of Kshs.1,032,696,450 resulting to an under-expenditure of Kshs.824,027,602 or 80% of the actual receipts.

The under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of these matters.

## **Key Audit Matters**

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

## **Other Information**

The Management is responsible for the Other Information set out on page v to xxxvi which comprise of Project Information and Overall Performance, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting, Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Project'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 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, I confirm that nothing 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**

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

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.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

As required by International Development Association, I report, based on my audit, that:

- i. 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.
- ii. Adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and,
- iii. The Project's financial statements are in agreement with the accounting records and returns.

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

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

In preparing the financial statements, Management is responsible for assessing the Project'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 Project'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**

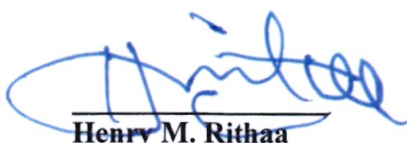
**03 November, 2025**

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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

		<b>FY 2024/2025</b>
	<b>Notes</b>	<b>Kshs</b>
<b>Revenue</b>		
Revenue Transfers	6	1,032,696,450
Miscellaneous Revenue	7	-
<b>Total receipts</b>		<b>1,032,696,450</b>
<b>Expenses</b>		
Employee costs	8	30,346,019
Use of goods and services	9	177,597,671
Depreciation and amortization expense	10	725,158
<b>Total payments</b>		<b>208,668,848</b>
<b>Surplus/(deficit) for the period</b>		<b>824,027,602</b>

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



**Henry M. Rithaa**  
Accounting Officer



**Patrick Muchunku**  
Project Co-ordinator



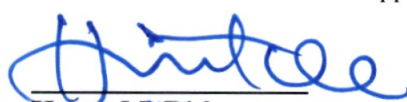
**CPA Elsie Thambu**  
Head of Finance  
ICPAK NO. 16628

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**8. Statement of financial position as at 30<sup>th</sup> June 2025**

		FY	2024/2025	1st July 2024
Assets	Notes		Kshs	Kshs
<b>Current Assets</b>				
<b>Cash and Cash Equivalents</b>				
Cash and Cash equivalents	17		915,103,260	-
Receivable from KJET	18		2,991,000	-
Inventories	19		-	-
<b>Total Cash and Cash Equivalents</b>			<b>918,094,260</b>	<b>-</b>
<b>Non-current Assets</b>				
Property plant and Equipment	20		<b>9,018,342</b>	-
Intangible assets	21		-	-
<b>Total Non-Current Assets</b>			<b>9,018,342</b>	<b>-</b>
<b>Total Assets</b>			<b>927,112,602</b>	<b>-</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Trade and Other Payables	23	-	103,085,000	-
Third Party Deposits	24			-
Deferred Income	25			-
<b>Total Current Liabilities(b)</b>		<b>-</b>	<b>103,085,000</b>	<b>-</b>
<b>Total Liabilities</b>		<b>-</b>	<b>103,085,000</b>	<b>-</b>
<b>Net Assets (a-b)</b>			<b>824,027,602</b>	
<b>Represented By:</b>				
Accumulated Surplus			824,027,602	-
<b>Net Financial Position</b>			<b>824,027,602</b>	<b>-</b>

The financial statements were approved on \_\_\_\_\_ 2025 and signed by:



**Henry M. Rithaa**  
Accounting Officer



**Patrick Muchunku**  
Project Co-ordinator



**CPA Elsie Thambu**  
Head of Finance  
ICPAK NO. 16628


*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*


**9 Statement of change in Net Assets**

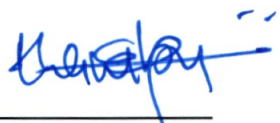
Description	Accumulated Surplus
	Kshs
<b>As at 30th June 2024 (Cash Basis)</b>	-
Adjustments:	
Asset Recognition	
Liability Recognition	
<b>As at 1st July 2024</b>	
Surplus/(Deficit) for the Year	824,027,602
<b>As at 30th June 2025</b>	<b>824,027,602</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The financial statements were approved on 21.08 2025 and signed by:

  
Henry M. Rithaa  
Accounting Officer

  
Patrick Muchunku  
Project Co-ordinator

  
CPA Elsie Thambu  
Head of Finance  
ICPAK NO. 16628

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**10. Statement of Cashflow for the year ended 30th June 2025**

		<b>FY 2024/2025</b>
<b>Description</b>	<b>Notes</b>	<b>Kshs</b>
<b>Cash flow from operating activities</b>		
<b>Receipts</b>		
Revenue Transfers		1,032,696,450
<b>Total receipts</b>		<b>1,032,696,450</b>
<b>Payments</b>		
Employee Cost		30,346,019
Use of goods and services		74,512,671
Other Transfers		2,991,000
<b>Total Payments</b>		<b>107,849,690</b>
<b>Net cash flow from operating activities</b>	26	<b>924,846,760</b>
<b>Cash flow from investing activities</b>		
Acquisition of non-financial assets		9,743,500
<b>Net cash flows from Investing Activities</b>		<b>9,743,500</b>
<b>Cash flow from financing activities</b>		-
<b>Net cash flow from financing activities</b>		-
Net increase in cash and cash equivalents		915,103,260
<b>Cash and cash equivalent at 1st July 2025</b>	17	-
<b>Cash and cash equivalent at end June 2025</b>	17	<b>915,103,260</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**11. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025**

<b>Receipts/Payments Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilization Difference</b>	<b>% of Utilization</b>
	<b>a</b>	<b>b</b>	<b>c=a+b</b>	<b>d</b>	<b>e=d-c</b>	<b>f=d/c</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>%</b>
<b>Revenue</b>						
Transfers	1,040,000,000		1,040,000,000	1,032,696,450	7,303,550	99%
<b>Total Receipts</b>	<b>1,040,000,000</b>	<b>-</b>	<b>1,040,000,000</b>	<b>1,032,696,450</b>	<b>7,303,550</b>	<b>99%</b>
<b>Payments</b>						
Employee costs	30,400,000	-	30,400,000	30,346,019	53,981	100%
Use of goods and services	1,008,870,000	-	1,008,870,000	177,597,671	831,272,329	18%
Depreciation and amortization expense	730,000	-	730,000	725,158	4,842	99%
<b>Total Payments</b>	<b>1,040,000,000</b>	<b>-</b>	<b>1,040,000,000</b>	<b>208,668,848</b>	<b>831,331,152</b>	<b>20%</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	831,331,152
1	Reason for differences	The surplus relates to contingent liabilities
	Closing Cash and Cash Equivalent as per the statement of Cash flows	915,103,260

## **12. Notes to the Financial Statements**

### **1. General Information**

MSEA is established by and derives its authority and accountability from the Micro and Small Enterprises Act No 55 of 2022. MSEA is wholly owned by the Government of Kenya and is domiciled in Kenya. The NYOTA Project's principal activity is to enhance employment and economic empowerment opportunities for youth aged 18–29 years in Kenya. This is achieved through skills development, entrepreneurship support, and linking young people to jobs and income-generating opportunities, with a focus on inclusion of vulnerable groups such as young women and persons with disabilities

### **2. Statement of Compliance and Basis of Preparation**

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

#### **Guiding note during the transition period:**

*The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS).*

These financial statements were authorized for issue by the accounting officer on 21st August 2025

### **3. Adoption of New and Revised Standards**

The NYOTA Project did not early – adopt any new or amended standards in the financial year

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**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 NYOTA Project and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

**ii) Revenue from exchange transactions**

**Interest income**

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

**b) Budget information**

The original budget for FY 2024/2025 was approved by the Board in September 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the NYOTA Project upon receiving the respective approvals to conclude the final budget. The NYOTA Project'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 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 financial performance has been presented on page one under section seven of these financial statements.

**e) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the NYOTA Project 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

**d) Leases**

The project had no leases for the period.

**e) Intangible assets**

The project had no research costs for the period.

**f) Research and development costs**

The project had no research costs for the period.

**g) 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 NYOTA Project 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 NYOTA Project and a financial liability or equity instrument of another NYOTA Project. At initial recognition, the NYOTA Project measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

***Financial assets***

***Classification***

The entity classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/equity, or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

A financial asset is measured at fair value through net assets/equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

**Subsequent measurement**

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

### **Amortized cost**

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

### **Fair value through net assets/ equity**

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

### **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 NYOTA Project manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

### **Trade and other receivables**

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

### **Impairment**

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

## ***Financial liabilities***

### ***Classification***

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

### **h) Inventories**

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

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

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labor 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 *NYOTA Project*

### **i) Provisions**

Provisions are recognized when the *NYOTA Project* 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 *NYOTA Project* 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.

*( National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

***Contingent liabilities***

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

***Contingent assets***

The *NYOTA Project* 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 *NYOTA Project* 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.

**j) Nature and purpose of reserves**

The *NYOTA Project* does not maintain reserves

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

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

**l) Employee benefits**

**Retirement benefit plans**

The *NYOTA Project* does not provide retirement benefits for its employees and directors.

**m) 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.

**n) 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.

**o) Related parties**

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

**p) Service concession arrangements**

The *NYOTA Project* 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 *NYOTA Project* 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 *NYOTA Project* also recognizes a corresponding liability, adjusted by a cash consideration paid or received

**q) 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.

**r) Subsequent events**

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

**5.Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the *NYOTA Project'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.

**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 NYOTA Project 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 NYOTA Project. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual values**

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

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

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Annex 7.

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.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

Notes to the financial statements

6.Revenue Transfers

Description	FY 2024/2025
	Kshs
<b>Unconditional Transfers</b>	
GOK Counter Part funding	
Transfers from Development partners	1,032,696,450
<b>Total Unconditional Transfers (a)</b>	<b>1,032,696,450</b>
<b>Conditional Transfers</b>	
Transfers from Development partners 1	-
Transfers from Development partner 2	-
<b>Total Conditional Transfers (b)</b>	<b>-</b>
<b>Total Transfers for the year (a +b)</b>	<b>1,032,696,450</b>
<i>(Fund from IDA (World Bank)</i>	

*(National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**a) Details to Revenue Transfers**

<b>a) Details to Revenue Transfers</b>	<b>Amount recognized to Statement of Financial performance</b>	<b>Amount deferred under deferred income.</b>	<b>Amount moved to Capital fund</b>	<b>Total transfers (Current Period)</b>
<b>Name of The Entity Transferring</b>	<b>Kshs</b>	<b>Kshs</b>		<b>Kshs</b>
GOK Funding	1,032,696,450	-	-	1,032,696,450
IDA- World Bank				-
Development Partner 2	1,032,696,450	-	-	1,032,696,450
<b>Subtotal</b>	-			
Deferred Income realized	-			
Transfers in Kind				
<b>Total</b>	<b>1,032,696,450</b>	<b>-</b>	<b>-</b>	<b>1,032,696,450</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**7. Miscellaneous revenue**

Miscellaneous revenue	FY 2024/2025
Interest Income	-
<b>Total</b>	-

**8. Employees Costs**

Description	FY 2024/2025
	Kshs
Basic salaries of permanent employees	19,489,198
Basic wages of temporary employees	
Personal allowances paid as part of salary	
Personal allowances paid as reimbursements	
Personal allowances provided in kind	
Pension and other social security contributions	
Compulsory national social security schemes	211,680
Compulsory national health insurance schemes	-
Leave Allowance	350,000
NITA	3,150
Housing Levy	291,991
Staff Medical Cover	10,000,000
<b>Total</b>	<b>30,346,019</b>

*( National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**9. Use of Goods and Services**

<b>Description</b>	<b>FY 2024/2025</b>
	<b>Kshs</b>
Bank charges	61,895
Communication, supplies and services	16,834,000
Domestic travel and subsistence	4,813,838
Local Travel Costs (Airline, bus, railway etc)	520,400
Foreign Travel and Subsistence Costs	2,885,606
Foreign Travel Costs (Airline, bus, railway etc)	551,965
Fuel and lubricants	500,000
General office supplies	7,250,800
Printing, advertising, and information supplies	6,698,130
Office rent	5,547,308
Hospitality supplies and services	2,301,500
Cleaning Services	3,059,900
Consultancies-EAT/Communication	103,085,000
Internet Connectivity	125,000
Supplies and Access. Of Computers and Printers	1,450,000
Routine maintenance – vehicles and other transport equipment	1,478,560
Repair and maintenance of office equipment's	140,480
Repairs and maintenance of ICT equipment's	7,500
Project Training and Workshop/Sensitization	16,397,789
Branding and publicity	3,888,000
<b>Total</b>	<b>177,597,671</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**10. Depreciation and Amortization expense**

<b>Description</b>	<b>FY 2024/2025</b>
	<b>Kshs</b>
Property, Plant and Equipment	725,158
Intangible Assets	
<b>Total</b>	<b>725,158</b>

**11. Transfer to Other Government Entities**

There were no Other Transfers/Subsidies/Grants

**12. Other Transfers/Subsidies/Grants**

There were no Other Transfers/Subsidies/Grants

**13. Certified Works**

There were no certified works

**14. Gain/Loss on Sale of assets**

There were no Gain/Loss on Sale of Assets

**15. Gain/Loss on foreign exchange transactions**

There were no Gain/Loss on foreign exchange transactions

**16. Impairment Loss**

There was no Impairment Loss.

*( National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**17.Cash and Cash Equivalents**

Description	FY 2024/2025
	Kshs
Cash in Bank	915,103,260
Cash on hand	-
<b>Total Cash and Cash Equivalents</b>	<b>915,103,260</b>

**Project Bank Accounts**

Details	FY 2024/2025
	Kshs
<b><u>Local Currency Accounts</u></b>	
Housing Finance Corporation [A/c No 9783896903]	
<b>Total local currency balances</b>	<b>915,103,260</b>
<b>Total bank account balances</b>	<b>915,103,260</b>

**18.Receivables**

Description	FY 2024/2025
	Kshs
Receivable from KJET	2,991,000
<b>Total Receivables</b>	<b>2,991,000</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**Ageing analysis for Receivables**

Description	FY 2024/2025		1 <sup>st</sup> July 2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,991,000	100%	-	100%
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (Tie to above total)</b>	<b>2,991,000</b>	<b>100%</b>	<b>-</b>	<b>100%</b>

*( National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

---

**19. Inventories**

Description	
	FY 2024/2025
	Kshs
Consumable stores	-
Less: allowance for impairment	-
<b>Total inventories</b>	-

*There were no inventories*

**20. Prepayments**

Description	
	FY 2024/2025
	Kshs
Insurance	-
Rent	-
<b>Total inventories</b>	-

*(National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**21. Property, Plant and Equipment**

Cost	Motor vehicles	Furniture and fittings	ICT	Other Assets	Capital	Total
			Equipment	(specify)	Work in progress	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	25%	12.5%	33.3%			
<b>As At 1 July 2024 (opening balances)</b>	-	-	-	-	-	-
Additions		6,130,000	3,613,500			9,743,500
Disposals						-
Transfers/Adjustments						-
<b>As at 30th June 2025</b>	-	6,130,000	3,613,500	-	-	9,743,500
<b>Depreciation And Impairment</b>						
<b>As At 1 July 2025</b>	-	-	-	-	-	-
Depreciation charge for the Year	-	383,125	342,033			725,158
Impairment loss						
Transfers/ Adjustments					-	725,158
<b>As at 30th June 2025</b>	-	383,125	342,033	-		
<b>Net Book Values</b>						
<b>As At 1 July 2024</b>	-	-	-	-	-	-
<b>As at 30th June 2025</b>	-	5,746,875	3,271,467	-	-	9,018,342

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**22.Intangible Assets**

Description	FY 2024/2025
	Kshs
<b>Cost</b>	
As at 1 <sup>st</sup> July 2024	-
Additions	-
As at 30th June 2025	-
<b>Amortization and impairment</b>	
As at 1 <sup>st</sup> July 2025	-
Amortization	-
Impairment loss	-
As at 30th June 2024	-
<b>NBV as at 30th June 2025</b>	-

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**23. Trade and other payables**

Description	FY 2024/2025
	Kshs
Trade payables	
Provisions	103,085,000
Employee payables	-
<b>Total trade and other payables</b>	<b>103,085,000</b>

**Aging analysis (Trade and other payables)**

Description	FY 2024/2025		1 <sup>st</sup> July 2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	103,085,000	100%	-	100%
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (Tie to above total)</b>	<b>103,085,000</b>	<b>100%</b>	<b>-</b>	<b>100%</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**24. Third-Party Deposits**

Description	FY 2024/2025
	Kshs
Contractor's Retention	-
Gratuity	-
<b>Total deposits</b>	-

**Ageing analysis: (Refundable deposits)**

	Current Period	% of the Total	Comparative	% of the Total
			Period	
<b>Under one year</b>	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total</b>	-		-	

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**25. Deferred Income**

Description	FY 2024/2025
	Kshs
Development partner-World Bank	-
<b>Total Deferred Income</b>	-
<i>(Provide brief explanation)</i>	
<b>Deferred Income Movement Schedule</b>	

**Deferred income movement schedule**

	Development partner-World Bank	Total
	Kshs	Kshs
Balance Brought Forward	-	-
Additions	-	-
Transfers To Performance Statement as Revenue	-	-
Balance as at the end of period	-	-

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**26. Cash Generated from Operations**

Description	FY 2024/2025
	Kshs
<b>Surplus/Deficit for the period</b>	<b>824,027,602</b>
<b>Adjusted for:</b>	
Depreciation	725,158
Non-cash grants received	-
Impairment	-
Gains and losses on disposal of assets	-
<b>Working capital adjustments</b>	
Increase in inventory	-
Increase in receivables	(2,991,000)
Increase in deferred income	-
Increase in payables	103,085,000
Increase in payments received in advance	
<b>Net cash flow from operating activities</b>	<b>924,846,760</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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## 27. Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as at 30th June 2025 are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule, which shows the flow of funds voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

### Special Deposit Accounts Movement Schedule

Description	Insert Current FY	1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>(i) A/C Name: National Youth Opportunities Towards Advancement Project [A/c No 9783896903]</b>		
Opening balance	-	-
Total amount deposited in the account	-	-
Total amount withdrawn	-	-
<b>Closing balance (as per SDA bank account reconciliation attached)</b>	-	-
<b>(ii) A/c Name [A/c No.....]</b>		-
Opening balance (as per the SDA reconciliation)	-	-
Total amount deposited in the account	1,032,696,450	-
Total amount withdrawn	1,032,696,450	-
<b>Closing balance (as per SDA bank account reconciliation attached)</b>	-	-

*(The Special Deposit Account reconciliation statement has been attached as Annex 6 supports these closing balance)*

## **28.Related Party Disclosures**

### **Nature of related party relationships**

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

### **Government of Kenya**

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

### **Other related parties include:**

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

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

Description	FY 2024/2025
	Kshs
Transactions with related parties	
a) Sales to related parties	
Sales of electricity to govt agencies	-
<b>Rent income from govt. Agencies</b>	-
Total	-
B) purchases from related parties	
<b>Purchases of electricity from KPLC</b>	-
Purchase of water from govt service providers	-
Rent expenses paid to govt agencies	5,547,308.00
Total	5,547,308.00
b) Grants /transfers from the government	
Grants from national govt	
Grants from county government	
Donations in kind	
Total	-
c) Expenses incurred on behalf of related party	
Payments of salaries and wages for employees	
Payments for goods and services for KJET	
Total	-
<b>Total</b>	<b>5,547,308.00</b>

*( National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**29.Events after the Reporting Period**

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

**30.Ultimate And Holding Entity**

Micro and Small Enterprises Authority is a State Corporation under the Ministry of Cooperatives, Micro, Small, and Medium Enterprise Development. Its ultimate parent is the Government of Kenya.

**31.Currency**

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

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**13.ANNEXES**

**Annex 1: Prior Year Auditor-General’s Recommendations**

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

There were no prior year Auditor-General’s recommendations.

**Henry M. Rithaa**  
**Accounting Officer**

**Patrick Muchunku**  
**Project Co-Ordinator**

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**Annex 2: Reconciliation of inter-entity transfers**



**Reconciliation of inter-entity transfers**

Project Name: NYOTA		Breakdown of transfers from the State Department of MSMED			
A.	Government Counterpart funding	Bank Statement Date	Amount (Kshs)	FY	
		Total			
B.	Direct payments	Bank Statement Date	Amount (Kshs)	FY	
		IDA 73560	02/10/2024	400,000,000	FY 2024/2025
		IDA 73560	24/12/2024	200,000,000	FY 2024/2025
		IDA 73560	09/04/2025	200,000,000	FY 2024/2025
		IDA 73550	21/03/2025	232,696,450	FY 2024/2025
		Total		1,032,696,450	
C.	Others	Bank Statement Date	Amount (Kshs)	FY	
		Total			
		Total (A+B+C)		1,032,696,450	

The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department

**Project Coordinator**

NYOTA

Sign

**Head of Accounting Unit**

State Department for MSMED

Sign

Entrepreneurship Transforming Kenya

**ANNEX 3:NYOTA Fixed Asset Register**

S/N O.	Asset Description	Finance by/ Source of funds	Tag Number	Date of Delivery / Installation	Location	Purchase Amount	Depreciation Rate	Annual Depreciation	Acc Depreciation	NBK	Responsible officer	Asset Condition
1	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/001	25/1/25	MSEA HQ	220,000	33.3%	36,630	36,630	183,370	LINET MULWA	GOOD CONDITION
2	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/002	04/01/2025	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	RAPHAEL KOOME	GOOD CONDITION
3	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/003	04/01/2025	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	ARNOLD OUMA	GOOD CONDITION
4	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/004	04/01/2025	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	JOHN MASHA	GOOD CONDITION
5	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/005	04/01/2025	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	EVELYN CHEMUTA I	GOOD CONDITION
6	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/006	04/01/2025	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	GLORY KINOTI	GOOD CONDITION
7	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/007	04/01/2025	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	MARY CHEGE	GOOD CONDITION
8	HP LAPTOP-Lenovo	WORLD BANK	MSEA/NYOTA/008	04/01/2025	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	GLADYS HUGO	GOOD CONDITION

9	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 09	04/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	MAGDALE NE MBITHI	GOOD CONDITION
10	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 10	04/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	PATRICK KAMENYI	GOOD CONDITION
11	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 11	04/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	BENARD ODIMA	GOOD CONDITION
12	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 12	04/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	MORRIS MUGAMBI	GOOD CONDITION
13	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 13	04/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	BRENDA WAWIRA	GOOD CONDITION
14	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 14	04/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	JAMES KIJO	GOOD CONDITION
15	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 15	04/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	CHRISTIN E AJUMA	GOOD CONDITION
16	HP LAPTOP- Lenovo	WORLD BANK	MSEA/NYOTA/0 16	05/01/202 5	MSEA HQ	207,900	33.3%	17,308	17,308	190,592	BRIAN KIPLIMO	GOOD CONDITION
17	FIRE RESISTAN T CABINET	WORLD BANK	MSEA/NYOTA/0 17	25/1/25	MSEA HQ	430,000	12.5%	26,875	26,875	403,125	LINET MULWA	GOOD CONDITION
18	HP PRINTER	WORLD BANK	MSEA/NYOTA/0 18	25/1/25	MSEA HQ	275,000	33.3%	45,788	45,788	229,213	LINET MULWA	GOOD CONDITION
19	WORK STATIONS	WORLD BANK	MSEA/NYOTA/0 19	28/1/25	MSEA HQ	170,000	12.5%	10,625	10,625	159,375	MORRIS MUGAMBI	GOOD CONDITION

20	WORK STATIONS	WORLD BANK	MSEA/NYOTA/020	28/1/25	MSEA HQ	170,000	12.5%	10,625	10,625	159,375	RAPHAEL KOOME,	GOOD CONDITION
21	WORK STATIONS	WORLD BANK	MSEA/NYOTA/021	28/1/25	MSEA HQ	170,000	12.5%	10,625	10,625	159,375	DENNIS MBAKA	GOOD CONDITION
22	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/022	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	JOHN MASHA	GOOD CONDITION
23	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/023	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	PATRICK KAMENYI	GOOD CONDITION
24	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/024	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	LINET MULWA	GOOD CONDITION
25	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/025	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	EVELYN CHEMUTA I	GOOD CONDITION
26	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/026	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	DR. CAROLINE KAUA	GOOD CONDITION
27	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/027	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	MARTHA KIUGU	GOOD CONDITION
28	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/028	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	MARTHA KIUGU	GOOD CONDITION
29	EXECUTIVE OFFICE DESK	WORLD BANK	MSEA/NYOTA/029	28/1/25	MSEA HQ	310,000	12.5%	19,375	19,375	290,625	PATRICK KAMENYI	GOOD CONDITION
30	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/030	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	RAPHAEL KOOME,	GOOD CONDITION
31	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/031	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	SAFIA BUDA	GOOD CONDITION

32	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/032	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	JOHN MASHA	GOOD CONDITION
33	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/033	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	PATRICK KAMENYI	GOOD CONDITION
34	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/029-31	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	LINET MULWA	GOOD CONDITION
35	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/032	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	EVELYN CHEMUTA I	GOOD CONDITION
36	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/033	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	ARNOLD OUMA	GOOD CONDITION
37	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/034	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	GLORY KINOTI	GOOD CONDITION
38	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/035	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	MARTHA KIUGU	GOOD CONDITION
39	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/036	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	CAROLINE KIOKO	GOOD CONDITION
40	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/037	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	CHRISTINE KIRUI	GOOD CONDITION
41	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/038	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	MAGDALENE MBITHI	GOOD CONDITION
42	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/039	28/1/25	Kiambu	80,000	12.5%	5,000	5,000	75,000	BREGE WAITHIRA	GOOD CONDITION
43	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/040	28/1/25	Uasin Gishu	80,000	12.5%	5,000	5,000	75,000	BRIAN KIPLIMO	GOOD CONDITION
44	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/041	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	CHRISTINE AJUMA	GOOD CONDITION
45	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/042	28/1/25	MOMBASA	80,000	12.5%	5,000	5,000	75,000	FAITH KANYIRI	GOOD CONDITION

46	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/043	28/1/25	MACHAKOS	80,000	12.5%	5,000	5,000	75,000	FREDRICK MICHAEL	GOOD CONDITION
47	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/044	28/1/25	NAKURU	80,000	12.5%	5,000	5,000	75,000	HOPE WANGECI	GOOD CONDITION
48	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/045	28/1/25	SAMBURU	80,000	12.5%	5,000	5,000	75,000	BRENDA WAWIRA	GOOD CONDITION
49	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/046	28/1/25	VIHIGA	80,000	12.5%	5,000	5,000	75,000	JAMES KIPCHOGE	GOOD CONDITION
50	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/047	28/1/25	MSEA HQ	80,000	12.5%	5,000	5,000	75,000	MORRIS MUGAMBI	GOOD CONDITION
51	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/048	28/1/25	KISUMU	80,000	12.5%	5,000	5,000	75,000	MELISAH ADHIAMBO	GOOD CONDITION
52	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/049	28/1/25	MERU	80,000	12.5%	5,000	5,000	75,000	ROBERT MURIIRA	GOOD CONDITION
53	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/050	28/1/25	BUSIA	50,000	12.5%	3,125	3,125	46,875	HALIMA ABDIKADIR	GOOD CONDITION
54	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/051	28/1/25	KAKAMEGA	50,000	12.5%	3,125	3,125	46,875	JOHN BROWN	GOOD CONDITION
55	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/052	28/1/25	Catherine Nekesa	50,000	12.5%	3,125	3,125	46,875	CATHERINE NEKESA	GOOD CONDITION
56	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/053	28/1/25	BARINGO	50,000	12.5%	3,125	3,125	46,875	CYNTHIA JEPKOECH	GOOD CONDITION
57	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/054	28/1/25	ELGEYO MARAKWET	50,000	12.5%	3,125	3,125	46,875	JONATHAN KIPSANG	GOOD CONDITION
58	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/055	28/1/26	MSEA HQ	50,000	12.5%	3,125	3,125	46,875	LINET MULWA	GOOD CONDITION
59	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/056	28/1/27	MSEA HQ	50,000	12.5%	3,125	3,125	46,875	LINET MULWA	GOOD CONDITION

60	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/057	28/1/28	MSEA HQ	50,000	12.5%	3,125	3,125	46,875	BENARD ODIMA	GOOD CONDITION
61	OFFICE CHAIR	WORLD BANK	MSEA/NYOTA/058	28/1/29	MSEA HQ	50,000	12.5%	3,125	3,125	46,875	PATRICK KAMENYI	GOOD CONDITION
62	SHREDDER	WORLD BANK	MSEA/NYOTA/060	28/1/26	MSEA HQ	70,000	12.5%	4,375	4,375	65,625	LINET MULWA	GOOD CONDITION
63	SHREDDER	WORLD BANK	MSEA/NYOTA/061	28/1/27	MSEA HQ	70,000	12.5%	4,375	4,375	65,625	DOUGLAS KAUMBUT HU	GOOD CONDITION
64	SHREDDER	WORLD BANK	MSEA/NYOTA/062	28/1/28	MSEA HQ	70,000	12.5%	4,375	4,375	65,625	RAPHAEL KOOME	GOOD CONDITION
65	SHREDDER	WORLD BANK	MSEA/NYOTA/063	28/1/29	MACHAKOS	70,000	12.5%	4,375	4,375	65,625	Fredrick Michael	GOOD CONDITION
66	SHREDDER	WORLD BANK	MSEA/NYOTA/064	28/1/30	MSEA HQ	140,000	12.5%	8,750	8,750	131,250	2NO. UNDER REPAIR	FAULT
	<b>TOTAL</b>					<b>9,743,500</b>		<b>725,158</b>	<b>725,158</b>	<b>9,018,342</b>		

Annex 4: Other support documents


i. Bank Reconciliations Statements as at 30th June 2025

**MICRO AND SMALL ENTERPRISES AUTHORITY  
 NYOTA PROJECT BANK RECONCILIATION  
 HFC BANK - REHANI HOUSE  
 ACC. NO.9783896903-0  
 AS AT 30TH JUNE 2025  
 Summary**

1	Balance As Per Bank Statement		915,103,259.85
	<b>Less:</b>		
2	Payments in Cashbook not in Bank statement	-	
3	Receipts in Bank Statement not in cashbook	-	
4	(1-2-3)		915,103,259.85
	<b>Add:</b>		
5	Payments in Bank statement not in Cash book	-	
6	Receipts in Cashbook not in Bank statement	-	
7	(4+5+6)		915,103,259.85
8	Balance as per Cashbook balance		915,103,259.85

Prepared By: LYDIA MATIHO  Date: 02/07/2025  
 ACCOUNTS ASSISTANT

Checked By: Hazel Kithiga  Date: 02/07/2025  
 ACCOUNTANT

Approved By: Grace D  Date: 3/7/25  
 SENIOR ACCOUNTANT

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30th, 2025*

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**Annex 4:ii. Board of Survey**



**MICRO AND SMALL ENTERPRISES  
AUTHORITY**

**REPORT ON THE ANNUAL STOCK FOR YEAR ENDING 30<sup>TH</sup> JUNE, 2025.**

**MEMBERS PRESENT**

1. Mr. Reynold Njue – Ag. Director Strategy(Team leader)
2. Mr. Jackson Ndaka – Supply Chain Management
3. Ms. Martha Kiugu - Administration
4. Ms. Lydia Manono - Accounts
5. Ms. Purity Gakii – Supply Chain Management

**AGENDA**

Conduct the annual stock Verification at Msea Store, KJET Store and NYOTA Store.

**MINUTE 01/2025: INTRODUCTION**

The Team Leader called the meeting to order at 10.00a.m. and invited the members to introduced themselves. He then gave a brief introduction regarding the agenda of the day.

**MINUTE 02/2025: ANNUAL STOCK TAKE.**

The team Visited the Store and verified all the stock balances as at 30<sup>th</sup> June, 2025.

The committee Noted:

- Both MSEA Store and KJET Store had some stock balances, the items were well arranged and the store was accessible.
- NYOTA store had no stock left since all the items purchased were issued out.

The Committee Contacted a physical Count of all the Items at MSEA Store and KJET store and analyzed the reports as attached.

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30th, 2025*

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**MINUTE 03/2025: A.O.B**

There being no other business the meeting ended at 4:30 p.m.

1. Mr. Reynold njue	Sign .....	
2. Mr. JacksonNdaka	Sign .....	
3. Ms. Martha Kiugu	Sign .....	
4. Ms. Lydia Manono	Sign .....	
5. Ms. Purity Gakii	Sign .....	

**Dated: 30<sup>th</sup> June, 2025**

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**Annex 4: iii Special Deposit Account(s) reconciliation statement(s)**

9971

**NATIONAL YOUTH OPPORTUNITIES TOWARDS ADVANCEMENT PROJECT  
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION  
FOR THE YEAR ENDED 30 JUNE 2025**

Credit No.: IDA LOAN CREDIT NO.73560, 73550, E2100-KE (DA-B, B1 & B2)

Bank Account No.: 1000740892 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT EURO	AMOUNT EURO
1	Amount advanced by IDA		8,680,000.00
	<b>Less:</b>		
2	Total amount documented		-
3	<b>Outstanding amount to be documented</b>		<b>8,680,000.00</b>
	<b>Represented by:</b>		
4	Ending Special account Balance as as 30 June 2025		1,789,995.00
5	Amounts claimed but not credited as at 30 June 2025		
6	<b>Amounts withdrawn and not claimed</b>		<b>6,890,000.00</b>
7	Service Charges (if not included in lines 5 and 6 above)		5.00
8	Interest earned (if included in Special Account)		-
9	<b>Total advance to Special Account Year ended 30 June 2025</b>		<b>8,680,000.00</b>

Discrepancy between total appearing on line 3 and 9

-

**Notes:**

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

*Signature*

**AUTHORISED REPRESENTATIVE  
RESOURCE MOBILISATION DEPARTMENT  
THE NATIONAL TREASURY**

DATE: 05-08-2025

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

97.76

**NATIONAL YOUTH OPPORTUNITIES TOWARDS ADVANCEMENT PROJECT  
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION  
FOR THE YEAR ENDED 30 JUNE 2025**

Credit No.: IDA LOAN CREDIT NO.73560, 73550, E2100-KE (DA-A, A1 & A1)  
Bank Account No.: 1000740884 Held with CENTRAL BANK OF KENYA

	NOTES	AMOUNT EURO	AMOUNT EURO
1	Amount advanced by IDA		2,000,000.00
	Less:		
2	Total amount documented		-
3	<b>Outstanding amount to be documented</b>		<b>2,000,000.00</b>
	Represented by:		
4	Ending Special account Balance as as 30 June 2025		9,995.00
5	Amounts claimed but not credited as at 30 June 2025		
6	<b>Amounts withdrawn and not claimed</b>		<b>1,990,000.00</b>
7	Service Charges (if not included in lines 5 and 6 above)		5.00
8	Interest earned (if included in Special Account)		-
9	<b>Total advance to Special Account Year ended 30 June 2025</b>		<b>2,000,000.00</b>

Discrepancy between total appearing on line 3 and 9

**Notes:**

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

*Autera*  
AUTHORISED REPRESENTATIVE  
RESOURCE MOBILISATION DEPARTMENT  
THE NATIONAL TREASURY

DATE: 05-08-2025

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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**Annex 5: Provisions**

<b>No.</b>	<b>Description</b>	<b>Amount</b>
1	Flag Forty-Two Ltd- Provision of digital Entrepreneurship Aptitude Test	66,200,000
2	Tim-Sky Media Services Ltd- Communication consultancy services	34,500,000
3	Benson Taabu - Monitoring and evaluation consultancy services	2,385,000
	<b>Total</b>	<b>103,085,000</b>

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

**Annex 6: Contingent Liability Register**

<b>Number</b>	<b>Nature of Contingent Liability</b>	<b>Payable to</b>	<b>Currency</b>	<b>Estimated Amount Kshs</b>	<b>Expected date of payment</b>
1	BDS Consultancy	Chevron Africa Ltd	Kshs	17,420,155	30/11/2025
2	BDS Consultancy	Forum for Agricultural Advisory Services	Kshs	24,819,600	30/11/2025
3	BDS Consultancy	Lev Consult	Kshs	25,437,500	30/11/2025
4	BDS Consultancy	Phowad Solutions	Kshs	18,381,600	30/11/2025
5	BDS Consultancy	Convergence Systems Ltd in SV with ipaid Consultants	Kshs	21,678,300	30/11/2025
6	BDS Consultancy	Accountability Institute	Kshs	21,117,787	30/11/2025
7	BDS Consultancy	Ebullient Professionals Agency Ltd	Kshs	42,265,840	30/11/2025
8	BDS Consultancy	BDS Consultancy	Kshs	420,210,370	31/12/2025
9	Grants Payable		Kshs	232,696,450	31/12/2025
			<b>Total</b>	<b>824,027,602</b>	

*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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*National Youth Opportunities Towards Advancement (NYOTA) Project  
Annual Report and Financial Statements  
For the financial year ended June 30, 2025*

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