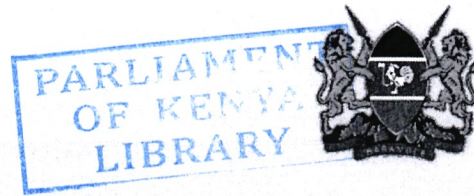
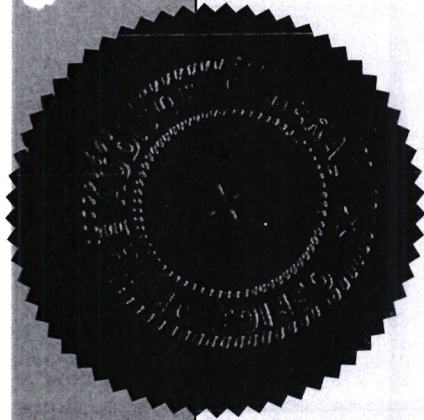


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
STREET FAMILIES REHABILITATION
TRUST FUND

FOR THE YEAR ENDED
30 JUNE 2017

STATE DEPARTMENT OF SPECIAL
PROGRAMMES

REPUBLIC OF KENYA



**MINISTRY OF DEVOLUTION AND PLANNING
STATE DEPARTMENT FOR SPECIAL PROGRAMMES**

STREET FAMILIES REHABILITATION TRUST FUND

FUND GRANT/CREDIT NUMBER GOK

ANNUAL FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2017

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

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SOME OF THE STREET CHILDREN BEFORE JOINING THE VACATIONAL CENTRES

1. KEY ENTITY INFORMATION AND MANAGEMENT

1.1 Background Information

The Street Families Rehabilitation Trust Fund (SFRTF) is a body corporate established on 11th March, 2003 through a Gazette Notice No. 1558. The key objective of the fund is to spearhead national Government response to restore dignity to street families.

1.2 Name and registered office

Name: The Fund's official name is **Street Families Rehabilitation Trust Fund(SFRTF)**

Address: The Fund headquarters offices are at Bazaar Plaza, Nairobi County, Kenya.

The address of its registered office is:
 P.O Box 30004-00100
 Nairobi.

Contacts: The following are the Fund contacts

Telephone: **0722895338**
 E-mail: streetfamiliesrehab@gmail.com
 Website:

1.3 Fund Information

Fund Start Date:	11 th MARCH, 2003
Fund End Date:	INFINITE
Fund Manager:	Robert Njogu, OGW
Fund Sponsor:	Government of Kenya

1.4 Fund Overview

Line Ministry/State Department of the Fund	The Fund is under the supervision of State Department for Special Programmes.
Fund number	GOK FUND
Strategic goals of the Fund	The strategic goals of the Fund are as follows: (i) To safeguard and promote the rights of children and family oriented programmes to address the concerns of all homeless, destitute and vulnerable people in urban areas.
Achievement of strategic goals	The Fund management aims to achieve the goals through the following means: i. Coordinating rehabilitation activities for street families;

**STREET FAMILIES REHABILITATION TRUST FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)**

	<ul style="list-style-type: none"> ii. Conducting public education on street families issues; iii. Resource mobilization iv. Capacity building and support scheme; v. Education and skills development programme for street families; vi. Lobbying and Advocacy; vii. Initiate Affiliate Communities at the County Level government; and viii. Advising the government, corporate sector and other relevant agencies on matters relating to the rehabilitation of street families
Other important background information of the Fund	The Fund mandate embraces public/private partnerships to enable it achieve its objectives.
Current situation that the Fund was formed to intervene	<p>The Fund was formed to intervene in the following areas:</p> <ul style="list-style-type: none"> (i) Rehabilitation of street children, youth and adults (ii) Undertake capacity building of the rehabilitated street persons and the caregivers in partner institutions
Fund duration	The Fund started on 11 th March, 2003 and is expected to run infinitely.

1.5 Bankers

The following are the bankers for the current year:

1. **Central Bank of Kenya**
Street Families Rehabilitation Trust Fund
1000307487
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

1.6 Auditors:

Auditor General

Kenya National Audit Office

Anniversary Towers, University Way

P.O. Box 30084 – 00100 GPO

Nairobi, Kenya

1.7 Principal Legal Advisor

The Attorney General

State Law office

Harambee Avenue

**STREET FAMILIES REHABILITATION TRUST FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)**

P.O. Box 40112 – 00200 City Square

Nairobi Kenya

1.8 Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2017 and who had direct fiduciary responsibility were:

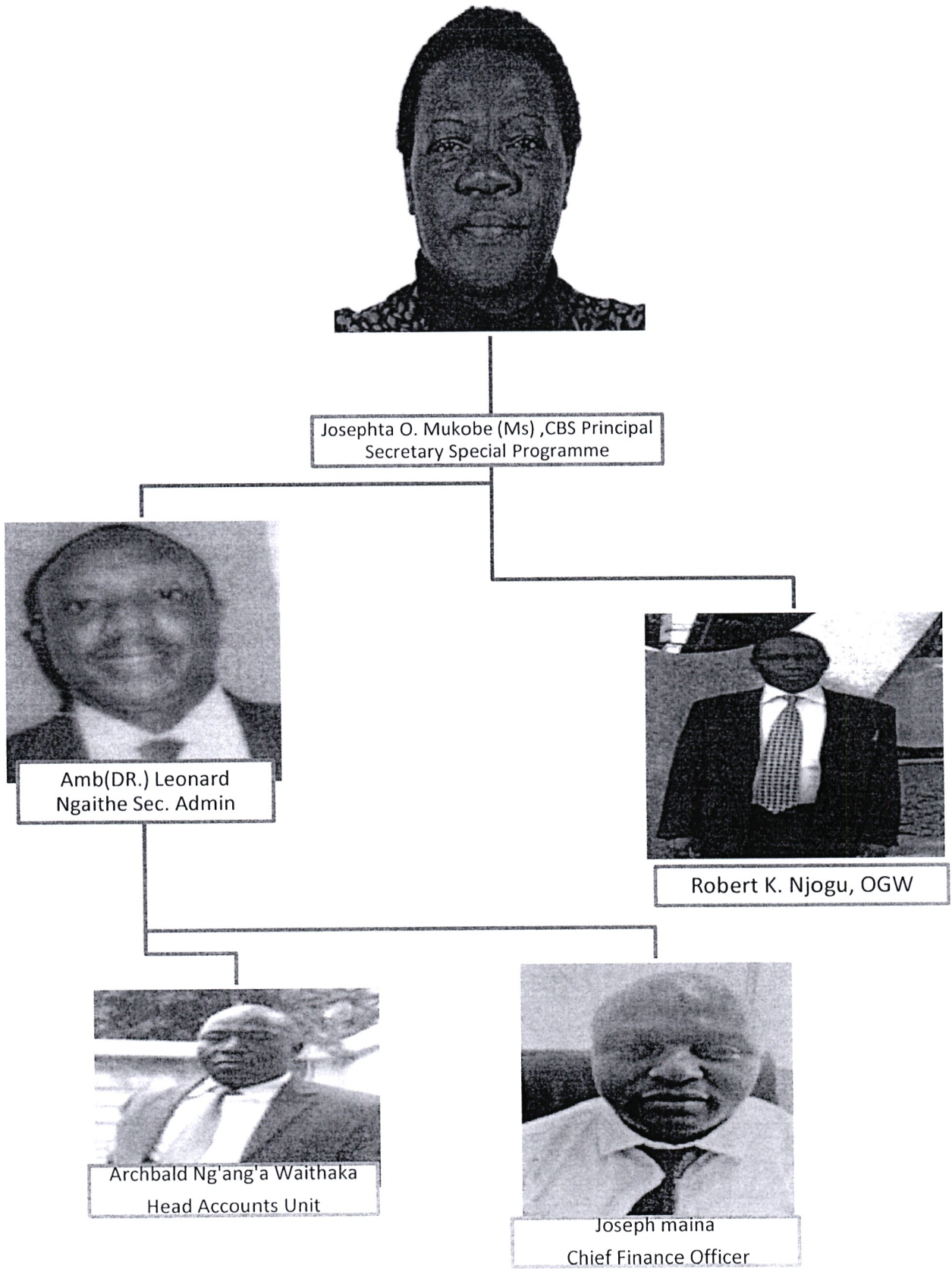
S/No	Names	Title designation	Responsibilities
1.	Josephtha O. Mukobe	Principal Secretary	Accounting Officer
2.	Robert Njogu	Secretary	Secretary to the board
3.	Amb. Leonad Ngaithe	Secretary Admin.	Altn. Board Member
4.	Archbald N.Waithaka	Principal Accountant	Head Accounts Unit
5.	Joseph Maina	Chief Finance Officer	Head Finance Unit





GRADUATION AT MWANGAZA REHABILITATION CENTRE

Senior Management in fund Management



Senior Management in fund Management (Continued)



Madam Josephtha Mukobe assumed the position of Principal Secretary, State Department for Special programmes in January 2016 following a reshuffle of principal secretaries by his excellency President Uhuru Kenyatta. Prior to this she was the Principal Secretary, State Department of Coordination Madam Josephtha is the Accounting Officer for the State Department and is instrumental in coordinating the formulation of legislation in implementing policies. She holds a Masters in Science from Manchester University (UK) and a Bachelor’s of ART degree from Nairobi University.



Robert K. Njogu, OGW is essentially a career educationist who headed several reputable Secondary schools before joining the Ministry in 2010.

He holds a Master’s Degree in Educational Administration and Bachelor’s in Science Education from Kenyatta University and University of Nairobi respectively. He was also honored with presidential State commendation, Order of the Grand Warrior, (OGW).

He assumed the current position of the Secretary, Street Families Rehabilitation Trust Fund(SFRTF) in May 2015.



Ambassador (Dr.) Leonard N. Ngaithe assumed the position of Director of Administration in 2016. Formerly he was the Director of administration Ministry of Trade and Tourism. He is in charge of promoting gender equality and social economic empowerment of women and youth. He holds a PHD in Business Administration from USIU Nairobi, Masters of Business Administration from USIU and Columbia Business School, Post Graduate diploma in International Relations, BA Honours(Government, Economics, Sociology) from University of Nairobi



Mr Archbald N. Waithaka assumed the position of Head of Accounting Unit in May 2016. He is in charge of accounting and financial reporting as well as designing, implementing and monitoring internal control relevant to the preparation and fair presentation of financial statements. He is a Certified Public Accountant in Kenya-.CPA (K)

**STREET FAMILIES REHABILITATION TRUST FUND
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Mr Joseph Maina assumed the position of Chief Finance Office in December 2014. He is in charge of monitoring the planning and execution of budgets so as to ensure efficient utilisation of funds in implementing the programmes and sub-programmes within the State Department. He holds a Master’s of Arts in Public Finance Management from University of Cape town, South Africa, Bachelor’s degree in accounting from University of USIU and is a Certified Public Accountant in Kenya.

List of Board of Trustees members

S/NO	NAME	POSITION	ORGANIZATION
1.	M/S Lucy W. Yinda	Chairman	Gazette Trustee
2.	Mr. Wycliffe Swanya	Member	Gazette Trustee
3.	Mr. Kenneth M. Mbuthia	Member	Gazette Trustee
4.	Mr. Jonah Alwiga	Member	Gazette Trustee
5.	M/s. Pamella Seruti	Member	Gazette Trustee
6.	M/s Carren Ogoti	Member	Alt. PS Labour
7.	Amb. Leonard Ngaithe	Member	Alt. PS Special Programme
8.	Mr. James Tembur	Member	Alt. PS Youth Affairs
9.	Mr. Shikuku Wambwire	Member	Alt. PS The National Treasury
10.	Robert K. Njogu	Secretary	SFRTF



ENHANCING THE SKILLS AT PCEA EASTLEIGH VACATIONAL TRAINING CENTRE

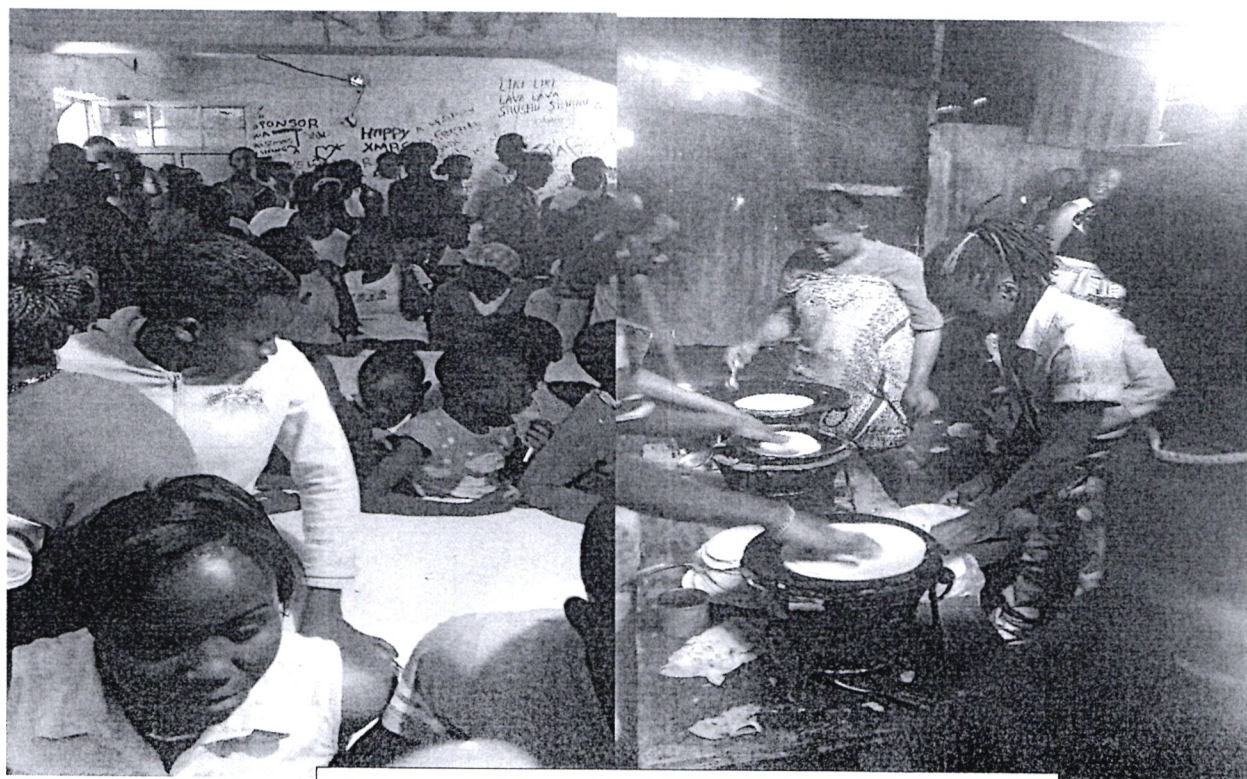
**STREET FAMILIES REHABILITATION TRUST FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)**

1.9 Funding summary

The Fund is for duration of infinite years from 2003 with an approved budget as determined by National Government highlighted in the table below:

Below is the funding summary:

Source of funds	Ministry's Contribution	Amount received to date (30th June, 2017)	Balance yet to be paid to date (30th June, 2017)
	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
	(A)	(B)	(A)-(B)
(i) Counterpart funds			
Government of Kenya Exchequer	264,664,600.00	264,664,600.00	Nil
(ii) Bank Interests	-	-	Nil
Total	264,664,600.00	264,664,600.00	Nil



TRAINING AT EASTLEIGH VOCATIONAL TRAINING CENTRE

1. 10. Summary of Overall Fund Performance:

1. Rescuing of 310 street children and youth
2. Disbursement of Ksh: **99,435,260.00** (*Ninety-nine million, Four Hundred Thirty-Five Thousand Two hundred sixty only*) to 24 partner institutions undertaking rehabilitation of street families
3. Provision of education to **2,062** street children and youth undergoing rehabilitation
4. Capacity building of thirty-two (32) caregivers working in partner institutions
5. Monitoring and evaluation of rehabilitation programmes within the partner institutions
6. Development of National Policy for Street Families Rehabilitation which is awaiting validation
7. Preparation for the national census for street families which is expected to be completed by December 2017
8. Purchase and distribution of food and non-food items to needy rehabilitation institutions
9. Field visits to appraise new rehabilitation institutions to partner with in order to achieve a balance of all counties
10. Procurement of goods and services for Street Family Rehabilitation Trust Fund(SFRTF)

1.11 Achievements of Street Families Programmes Since Inception

The SFRTF has registered a number of successes since its inception in 2003. They are:

- ❖ 102 different cadre of staff working in these institutions have been trained during 2014/15 FY and, 672 social workers trained since inception;
 - ❖ Approximately Ksh: 328,549,980 was disbursed for the last five years for support and facilitation of Rehabilitation, Education and vocational programmes for street families;
 - ❖ over 8, 200 street children and youth enrolled back to primary and secondary schools countrywide;
 - ❖ over 50 street youth are pursuing university education locally and abroad;
 - ❖ Sensitization of County Government on the management of street families has been done.
 - ❖ 18000 of reformed street families have been reintegrated since inception;
 - ❖ Establishment of Drop-in Centers in Tononoka Social Hall in Mombasa and Eldoret done;
 - ❖ UNICEF in collaboration with other stakeholders supported the establishment of Child Protection Centers countrywide.
 - ❖ 800 youth underwent NYS training
- a. Development of National Policy Guidelines on rehabilitation of street children and families is at an advanced stage

- b. Monitoring and Evaluation of partner institutions on rehabilitation of street families programmes has been carried out which has informed the next disbursement of fund to partner institutions

1.12 Future Plans for the Fund

- a) Construction of model Rehabilitation Model centers for street families in former 8 provincial Headquarters;
- b) Identify and promote talents of street youth and children, and seek ways of placing them to talent academies;
- c) Rescue and rehabilitate 300 street families and placing them into institutions;
- d) Develop an M & E framework for SFRTF programmes
- e) Monitoring and Evaluation of street families programmes and activities;
- f) Review of the street families' rehabilitation trust fund strategic plan;
- g) Funding of institutions undertaking street families rehab services
- h) Fund raising
- i) undertake quarterly media and public awareness campaign
- j) Provide psycho-social support to children and youth in 4 counties: Nairobi, Mombasa, Kisumu and Nakuru
- k) Carry out a survey to establish statistics of street families and reasons why they resort to the street in Kenya's Cities and towns.
- l) Capacity Building and sensitization of County Government to inform on planning and budgeting of street families issues; and
- m) Developing an IT tracking System for SFRTF programmes.

1.13 Challenges Facing the Street Families Trust Fund

- a) lack of approved curriculum for reformed street youth and adults undergoing vocational training at partner institutions;
- b) Lack of operationalization of the legal framework linking the reformed street families to social protection initiatives and other affirmative opportunities;
- c) Lack of appreciation of the plight of street families by most people, and therefore they are highly discriminated and stigmatized
- d) NYS programme is no longer considering taking the reformed street youth for training
- e) Poor accountability and Transparency of the funds disbursed to partner institutions undertaking the street families rehabilitation programmes;
- f) Lack of title deed for Mavoko Land Despite Payment for the land

1.14 Summary of Fund Compliance:

There have been no cases of non-compliance with applicable laws and regulations.

2. STATEMENT OF FUND MANAGEMENT RESPONSIBILITIES

The Principal Secretary for State Department and the Secretary to the Street Families Rehabilitation Trust Fund are responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2017. 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 Fund;
- (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 Fund;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the State Department for Special Programmes and the Secretary to the Street Families Rehabilitation Trust Fund accept responsibility for the Fund's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the State Department for Special Programmes and the Secretary to the Street Families Rehabilitation Trust Fund are of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year/period ended June 30, 2017, and of the Fund's financial position as at that date. The Principal Secretary State Department for Special Programmes and the Secretary to the Street Families Rehabilitation Trust Fund further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund financial statements as well as the adequacy of the systems of internal financial control.

The Principal Secretary State Department for Special Programmes and the Secretary to the Street Families Rehabilitation Trust Fund confirm that the Fund has complied fully with applicable Government Regulations and the terms of external financing covenants, and

**STREET FAMILIES REHABILITATION TRUST FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)**

that 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.

Approval of the Fund financial statements

The Fund financial statements were approved by the Principal Secretary State Department for Special Programmes and the Secretary to the Street Families Rehabilitation Trust Fund on **September 30, 2017** and signed by them.



Josephtha O. Mukobe (Ms) ,CBS

Principal Secretary



Robert K. Njogu,OGW

Fund Secretary



PART OF HAPPY REHABILITATED STREET CHILDREN IN ADVENTURE AT PARADISE LOST

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON STREET FAMILIES REHABILITATION TRUST FUND FOR THE YEAR ENDED 30 JUNE 2017 – STATE DEPARTMENT OF SPECIAL PROGRAMMES

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Street Families Rehabilitation Trust Fund set out on pages 1 to 11, which comprise the statement of financial assets and liabilities as at 30 June 2017, and the statement of receipts and payments, 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 audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion Paragraph, the financial statements present fairly, in all material respects, the financial position of Street Families Rehabilitation Trust Fund as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standard (Cash Basis).

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that nothing has come to my attention to believe that public money has not been applied lawfully and in an effective way.

Basis for Qualified Opinion

1. Lack of Ownership Documents for Land

Records maintained by the Street Families Rehabilitation Trust Fund (SFRTF) indicates that the Fund owns various pieces of land all which had no ownership documents as of 30 June, 2017 as detailed below:

(i). LR No. 209/11325

The land was donated and surrendered to the Fund by the Kenya Pipeline Company Limited (KPC) on 23 August 2007 vide a letter Ref. No. LE/LA/25/4 addressed to the Commissioner of Lands by the Managing Director of the Company. The title was surrendered to the Commissioner of Lands on 6 August 2007 for purposes of

Report of the Auditor-General on the Financial Statements of Street Families Rehabilitation Trust Fund for the year ended 30 June 2017 – State Department of Special Programmes

transferring and registering the property in the name of the Fund. However, ten years down the line, the transfer has never been effected.

(ii). LR No. Mavoko Town Block 3/2545

The Fund purchased the land measuring 8.090 hectares at a cost of Kshs.38 million on 6 December 2013. The original title was surrendered to the Ministry of Lands for subsequent transfer in the same month. However, up to date the said property has not been transferred to the Fund.

(iii). Unidentified Land in Counties

The Board of Trustees in the minutes dated 19 September 2016 indicated that the Fund had been allocated land in various counties by the defunct Local Authorities. The Fund is yet to identify where the pieces of land are located and obtain either the title deeds or any legal documents of allocation. Under the circumstances, there is real threat of loss of these properties if the Fund does not expedite the process of obtaining ownership documents.

2. Failure to Prepare Financial Statements for the Previous Years

The Trust Fund was established on 11 March 2003 and Section 12(2) of the Trust Deed requires the Fund to be audited in line with the Public Audit Act. The Fund has, however, prepared its first financial statements ever for the year 2016/2017 only. Although it is evident that there were activities such as Board meetings held on April 2016 and cash transfer amounting to Kshs. 230,000,000 to the Fund's bank account in the 2015/2016 financial year, no satisfactory explanation has been given for failure to prepare the financial statements for that year.

3. Initial Capital Fund

The Trust Deed indicates that the fund was to have an initial capital fund of Kshs.5.05 million. This amount is not reflected in the financial statements for 2016/2017 and neither has any details been provided on whether the monies were paid to the Fund at the point of formation as expected and how it was accounted for.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Street Families Rehabilitation Trust Fund in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance to the audit of the financial statements. Except for the matters described

in the Basis for Qualified Opinion Section of my report, I have determined that there are no key audit matters to communicate in my report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue sustaining its services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends to cease operations of the Fund, or have no realistic alternative but to do so.

The 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.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor-General's Responsibilities for the Audit of the Financial Statements

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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.

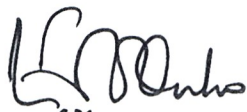
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue sustaining its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi


15 February 2018

**STREET FAMILIES REHABILITATION TRUST FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)**

3. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016/2017 Kshs	2015/ 2016 Kshs
RECEIPTS			
Transfer from Government entities	1	264,664,600.00	230,000,000.00
Miscellaneous Receipts	2	-	-
Total receipts		264,664,600.00	230,000,000.00
PAYMENTS			
Transfers to partner institutions	3	99,435,260.00	-
Other grants and transfers and payments/expenses	4	66,473,805.60	-
TOTAL PAYMENTS		165,909,065.60	-
SURPLUS/DEFICIT FOR THE YEAR		98,755,534.40	230,000,000.00

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



 Josephtha O. Mukobe (Ms) ,CBS
 Principal Secretary



 Robert K. Njogu,OGW
 Fund Secretary

**STREET FAMILIES REHABILITATION TRUST FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)**

4. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2016/2017 Kshs	2015/2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	5A	328,755,534.40	230,000,000.00
		<u>328,755,534.40</u>	<u>230,000,000.00</u>
Receivables			
Imprests and Advances	5B	-	-
TOTAL FINANCIAL ASSETS		<u>328,755,534.40</u>	<u>230,000,000.00</u>
REPRESENTED BY:			
Cash and cash equivalents b/fwd		230,000,000.00	-
Surplus/Deficit for the year		98,755,534.40	230,000,000.00
NET FINANCIAL POSITION		<u>328,755,534.40</u>	<u>230,000,000.00</u>

The accounting policies and explanatory notes to these financial statements form integral part of the financial statements. The financial statements were approved on **30th September, 2017** and signed by:


Josephtha O. Mukobe (Ms) ,CBS

Principal Secretary


Robert K. Njogu, OGW

Fund Secretary

**STREET FAMILIES REHABILITATION TRUST FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)**

5. STATEMENT OF CASHFLOW FOR THE PERIOD

		2016/2017	2015/2016
	Notes	Kshs	Kshs
Receipts			
Balance brought forward	1	230,000,000.00	-
Quarter transfers	2	264,664,600.00	230,000,000.00
Payments for operating expenses			
Transfers to partner institutions	3	(99,435,260.00)	-
Other grants and transfers and payments/expenses	4	(66,473,805.60)	-
Net cash flow from operating activities		328,755,534.40	230,000,000.00
Net Surplus		328,755,534.40	230,000,000.00
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at beginning of the year		230,000,000.00	-
Surplus /Deficit		98,755,534.40	-
Cash and cash equivalent at end of the year		328,755,534.40	230,000,000.00

The accounting policies and explanatory notes to these financial statements form integral part of the financial statements. The Fund financial statements were approved on ...30/09/2017 and signed by:


Josephita O. Mukobe (Ms) ,CBS

Principal Secretary


Robert K. Njogu,OGW

Fund Secretary

STREET FAMILIES REHABILITATION TRUST FUND
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30TH 2017 (Kshs)

6. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Variance	% of Variance
	a	b	c=a+b	d	e=c-d	f=e/c %
Receipts						
Transfer from Government entities	264,664,600.00	0.00	264,664,600.00	264,664,600.00	-	-
Miscellaneous Receipts	0.00	0.00	0.00	0.00	-	-
Total Receipts	264,664,600.00	0.00	264,664,600.00	264,664,600.00	-	-
Payments						
Transfers to partner institution	257,000,000.00		257,000,000.00	99,435,260.00	157,564,740.00	61
Other grants and transfers and payments/expenses	237,900,000.00		237,900,000.00	66,473,805.60	171,426,194.40	72
Total Payments	494,900,000.00		494,900,000.00	165,909,065.60	328,990,934.40	66


 Josephita O. Mukobe (Ms), CBS

Principal Secretary


 Robert K. Njogu, OGW

Fund Secretary

7. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(i) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Fund and all values are rounded to the nearest one Shilling. The accounting policies adopted have been consistently applied to all of the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid out by the Fund.

(ii) Recognition of revenue and expenses

The Fund recognises all revenues when the event occurs and the related cash has actually been received by the Fund. In addition, the Fund recognises all expenses when the event occurs and the related cash has actually been paid out by the Fund.

(iii) 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/period. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which had not been surrendered or accounted for at the end of the financial year/period.

(iv) Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The Fund's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. A high-level assessment of the Fund's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

(v) Related Parties

The Fund regards a related party as a person or an Authority with the ability to exert control individually or jointly, or to exercise significant influence over the Fund, or vice versa. Members of the National Consultative Co-ordination Committee on Internally Displaced Persons are regarded as related parties.

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(vi) Honoraria and sitting allowances

	2016/2017	2015/2016
	Kshs	Kshs
Chairman Honoraria	720,000.00	-
Members sitting Allowances	4,760,500.00	-
Total	5,480,500.00	-

(vii) Comparative figures

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

(viii) Subsequent events

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended **June 30, 2016**.



UNDERTAKING CENSUS ACTIVITY AT MATHARE SLUM

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8. NOTES TO THE FINANCIAL STATEMENTS

1. RECEIPTS

These represent balance brought forward and other receipts from government as follows from the previous financial year 2015/2016 **Ksh. 230,000,000.00**

	2016/2017	2015/2016
	Kshs	Kshs
2. Counterpart funding through State Department for Special Program		
Balance brought forward		-
Counterpart funds Quarter 1	66,186,225.00	-
Counterpart funds Quarter 2	66,238,100.00	-
Counterpart funds Quarter 3	66,238,100.00	-
Counterpart funds Quarter 4	66,002,175.00	230,000,000.00
Total	264,664,600.00	230,000,000.00

3. Transfers to other partner institutions

	2016/17	2015/2016
	Kshs	Kshs
Transfers to partner institutions	99,435,260.00	-
Various	-	-
TOTAL	99,435,260.00	-

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4. Other grants and transfers and payments

	2016/2017	2015/2016
	Kshs	Kshs
Allowances and Board meetings	4,760,500.00	-
Chairman's Honoraria	720,000.00	
Workshops	25,531,199.90	-
Suppliers	12,841,434.00	-
Operating Expenses	22,620,671.70	-
Total	66,473,805.60	-

5. CASH AND CASH EQUIVALENTS C/FWD

	2016/2017	2015/2016
	Kshs	Kshs
Bank accounts (Note 5A)	328,755,534.40	230,000,000.00
Outstanding imprests and advances (Note 5B)	-	-
Total	328,755,534.40	230,000,000.00

5A. Bank Account Balances

	2016/2017	2015/2016
	Kshs	Kshs
Central Bank of Kenya [A/c No. 1000307487]	328,755,534.40	230,000,000.00
Total	328,755,534.40	230,000,000.00

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ANNEX 1. VARIANCE EXPLANATION AND ACTUAL BUDGET

Receipts/Payments Item	Final Budget	Actual on Comparable Basis	Variance	% of Variance	Comments
	a	b	c=a-b	d=c/a %	
Receipts					
Transfer from Government entities	264,664,600.00	264,664,600.00	-	0.0	
Miscellaneous Receipts	-	-	-	0.0	
Total Receipts	264,664,600.00	264,664,600.00	-		
Payments					
Transfers to partner institutions	257,000,000.00	99,435,260.00	157,564,740.00	61	Delay submission and appraisal of the partner institution
Other grants and transfers and payments/expenses	237,900,000.00	66,473,805.60	171,426,194.40	72	Delay submission and appraisal of the partner institution
Total Payments	494,900,000.00	165,909,065.60	328,990,934.40	66	