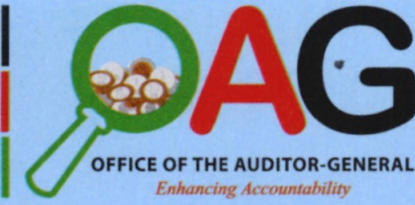


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

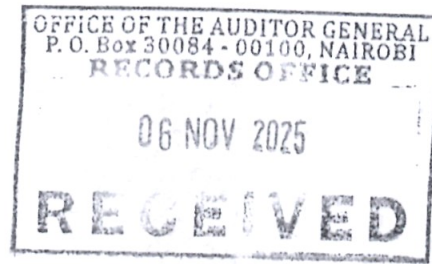
NATIONAL YOUTH COUNCIL

FOR THE YEAR ENDED

30 JUNE, 2025

PARLIAMENT
OF KENYA
LIBRARY

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



NATIONAL YOUTH
COUNCIL KENYA
Empowering the Youth of Kenya

NATIONAL YOUTH COUNCIL

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

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

(Indicate actual name of the MDA)

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

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(Indicate actual name of the MDA)

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

B: Definition of Key Terms

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

1. Acronyms and Definition of Key Terms

A: Acronyms and Abbreviations

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

2. Key NYC Information and Management

(a) Background information

The National Youth Council was established under the National Youth Council Act Cap. 132 of the laws of Kenya. The National Youth Council is domiciled in Kenya and has branches/offices in 12th Floor, Absa Towers, Loita Street, Nairobi.

(b) Mandate

The National Youth Council is mandated to amplify the Youth voice and to advocate for Youth opportunities to associate, be represented and participate in the political, social, economic and other spheres of life. The NYC drives this mandate through research, systematic strategic mobilization of resources and partnerships, by leading the co-creation of impact solutions and platforms; both nationally and internationally, for generating productive engaged and involved Youth.

The NYC mandate is executed through functions stipulated in Part II of the National Youth Council (NYC) Act Chapter 132 of the Laws of Kenya. The functions of the NYC are as follows:

- i. Regulate and co-ordinate activities and initiatives relating to the Youth being undertaken by Youth groups, Youth focused community-based organizations, non- governmental organizations, civil society movements and other organizations;
- ii. Promote and popularize the national Youth policy and other policies that affect the Youth;
- iii. Facilitate the periodic review of the national Youth policy in line with other government policy statements;
- iv. Mobilize resources to support and fund Youth programmes and initiatives;
- v. Lobby for legislation on issues affecting the Youth;
- vi. Liaise with other organizations to ensure that the Youth gain access to resources and services appropriate to their needs;
- vii. Promote relations between Youth organizations and other bodies both nationally and internationally with similar objectives or interests;
- viii. Inspire and promote the spirit of unity, patriotism, volunteerism and service among the Youth;
- ix. Formulate operational guidelines that protect the Youth against any form of abuse or manipulation;

- x. Mobilize and sensitize relevant stakeholders on the concept of community Youth service;
- xi. Act as a voice and bridge to ensure that the Government and other policy makers are kept informed of the views and aspirations of the Youth;
- xii. Promote research, collation and analysis of data on Youth issues;
- xiii. Promote the inclusion of Youth agenda in the formulation of policy by public institutions and organizations;
- xiv. Promote the inclusion of Youths in decision-making bodies, boards, agencies and other public institutions and organizations;
- xv. Promote and popularize the Youth Enterprise Development Fund and such other evolved funds targeting the Youth as may be established from time to time; and
- xvi. Perform any other function that may directly or indirectly contribute to the attainment of the foregoing.

(c) Key Management

The day-to-day management is under the following Key organs/Offices/ Directorates/Divisions

- Chairperson Youth Advisory Board
- Youth Advisory Board Members
- Chief Executive Officer
- Regulation and Coordination Department
- Communications and Advocacy Department
- Strategy and Planning Department
- Legal Department
- Finance and Accounts Department
- ICT Department
- Procurement and Supply Chain Department
- Human Resource and Administration Department
- Partnerships and Resource Mobilization Department
- Research and Policy Department

(d) Fiduciary Management

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

National Youth Council

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

No	Designation	Name	Date of Appointment
1	Acting Chief Executive Officer	Ms. Gloria Wawira	15 th November 2024
2	Principal Finance and Accounts Officer	Mr. Koech Kiplangat	19 th March 2020
3	Principal Regulation and Coordination Officer & Acting Principal Research and Policy Officer	Mr. Johnson Rithaa	15 th June 2020
4.	Principal Strategy and Planning Officer & Acting Principal Human Resource and Administration Officer	Ms. Kosgey Caroline Chebet	15 th March 2020
5.	Principal Communication and Advocacy Officer & Acting Principal Partnership and Resource Mobilization	Ms. Wairimu Waweru	15 th March 2020
6.	Principal Legal Services	Mr. Victor Malombe	1 st September 2021
7.	Compliance Officer & Acting Principal Information Communication Technology	Mr. Johnstone Yeswa	14 th September 2022
8.	Principal Procurement and Supply Chain Management	Mr. James Nyamwamu	17 th February 2023

(e) Fiduciary Oversight Arrangements

Provide a high-level description of the key fiduciary oversight arrangements covering.

- Audit committee activities
- Public Finance Management Committee
- Senior Management Committees
- Budget Implementation Committee
- Parliamentary Committees

(f) NYC Headquarters

P.O. Box 23677 – 00100

Absa Towers, 12th Floor

Loita Street

Nairobi, Kenya

(g) NYC Contacts

Telephone: (254) 020 - 2013920

E-mail: info@nationalyouthcouncil.go.ke

Website: www.nationalyouthcouncil.go.ke

(h) Entity Bankers

I. National Bank of Kenya Ltd

Harambee Avenue

P.O. Box 41862

GPO 00100

Nairobi, Kenya

(i) Independent Auditors

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(j) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice



Harambee Avenue



P.O. Box 40112

City Square 00200



Nairobi, Kenya


3. Profile of Youth Advisory Board Members

Ref	Directors	Details
1.	 <p>Ms. Sophy Nekoye Waliaula Sociologist Bachelor of Arts Sociology Master of Arts in Sociology</p>	<p>CHAIRPERSON</p> <p>Ms. Sophy Nekoye Waliaula was born on 17th April 1983. She was appointed to the Board on 23rd January 2023. She holds a Bachelor's of Arts degree in Social Sciences from Makerere University and a Master's of Arts degree in Sociology from the University of Nairobi. Ms. Waliaula is currently pursuing a PhD in Sociology from the University of Nairobi.</p>
2.	 <p>Dr. Yvonne Olando, PhD Bachelor of Arts in Social Studies (Psychology) Master of Science (in Clinical Psychology) Doctor of Philosophy in Clinical Psychology</p>	<p>MEMBER</p> <p>Dr. Yvonne Olando is a dynamic leader with over 15 years of experience at the nexus of clinical psychology, substance-use prevention, and youth empowerment. During the Accounting period, as a Chairperson of the Programmes and Human Resource Committee within the Youth Advisory Board, she advanced institutional excellence and ensured youth-centric programming that was responsive, ethical, and impactful.</p> <p>Dr. Yvonne Olando was appointed on 18th November 2024.</p>

<p>3.</p>	 <p>Mr. Dennis Mungo Bachelor of Science in Information Systems and Technology Bachelor of Laws</p>	<p>MEMBER</p> <p>Mr. Dennis Mungo is a team leader and program specialist with over 13 years in governance, Criminal Justice Reform and human rights programming. He has expertise in strategic planning, resource mobilization and programme management. He has previously worked for donor projects involving SIDA, USAID, European Union and Nordic Government Agencies. During the Accounting period, Mr. Dennis served as a Chairperson to the Board’s Finance and Resource Mobilization Committee.</p> <p>Mr. Dennis Was appointed as Board Member on 18th November 2024</p>
<p>4.</p>	 <p>CPA. Stephen Wafula Certified Public Accountant – K Certified Quality Management Systems Expert</p>	<p>MEMBER</p> <p>CPA Stephen Wafula is a certified public accountant with extensive experience having worked under different capacities in the public service. He has expertise in technology systems that streamline service delivery and enhance operational efficiency. He has numerous skills and competencies that span, financial management, accounting, financial reporting, budget preparation, auditing, administrative and leadership and supervision. During the accounting period, CPA Wafula served as the chairperson of the Audit Committee.</p> <p>CPA Stephen Wafula was appointed on 18th November 2024.</p>


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



<p>5.</p>	 <p>Ms. Annabelle Apondi Student Leader – Multi Media University, Ongoing – Bachelor of</p>	<p>MEMBER</p> <p>Ms. Annabelle Apondi is a final year student studying Applied Communication. She has had hands-on experience in media analysis, social media monitoring and management, crisis communication, and strategic messaging. She is skilled in crafting compelling narratives, stakeholder engagement, and corporate communication strategies. During the reporting year, Ms. Annabelle served the Board as a member for the Audit Committee.</p> <p>Ms. Annabelle was appointed on 18th November 2024.</p>
<p>6.</p>	 <p>Ms. Caroline Warui, MSc. International Business Law B. Com (Marketing Option)</p>	<p>MEMBER</p> <p>Ms. Caroline Warui is a strategic communications lead with over 15 years of experience across Sub Saharan Africa. She has over the years used her skills as a corporate communication specialist and marketing to achieve synergies in both government and corporate fields. Her experience encompasses a time of service as a Chair of Youth Service at Kenya Private Sector Alliance. During the reporting period, Ms. Caroline served the Board as a member in the Programmes and Human Resource Committee, and Finance and Resource Mobilization Committee.</p>


7.	 <p>Ms. Gloria Wawira</p> <p>QUALIFICATIONS:</p> <p>Master of Public Policy</p> <p>Master of Laws</p> <p>Postgraduate Diploma of Laws</p> <p>Bachelor of Laws</p>	<p>Ag. CEO</p> <p>Ms. Gloria Wawira is an advocate of the High Court of Kenya and a seasoned public policy expert with over nine years of experience as a lawyer, advisor, and policy strategist. Prior to her appointment, she was at the Parliament of Kenya, where she was a legal and technical advisor to Parliamentary Committees. Ms. Wawira has served in various capacities across the public and private sector; working on policy issues on energy, technology, and agriculture. She has honed a deep appreciation for policy implementation, enriched by her consultancy experience and collaborative work with academia. Beyond her professional work, Gloria is committed to empowering Kenyan youth through mentorship, leadership development, and inclusive initiatives that drive meaningful change. She holds a Master of Public Policy from the University of Oxford and a Bachelor of Laws from the University of Nairobi.</p> <p>Ms. Gloria is the Acting Chief Executive Officer responsible for the day-to-day management of the Council. She was appointed on 15th November, 2024.</p>
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(This section applies to Entities that have a governing body above the accounting officer)



4. Profiles of Accounting Officer and Key Management.

	Management	Details
1.	 <p>Ms. Gloria Wawira</p> <p>QUALIFICATIONS:</p> <p>Master of Public Policy</p> <p>Master of Laws</p> <p>Postgraduate Diploma of Laws</p> <p>Bachelor of Laws</p>	<p>Ag. CEO</p> <p>Ms. Gloria Wawira is an advocate of the High Court of Kenya and a seasoned public policy expert with over nine years of experience as a lawyer, advisor, and policy strategist. Prior to her appointment, she was at the Parliament of Kenya, where she was a legal and technical advisor to Parliamentary Committees. Ms. Wawira has served in various capacities across the public and private sector; working on policy issues on energy, technology, and agriculture. She has honed a deep appreciation for policy implementation, enriched by her consultancy experience and collaborative work with academia. Beyond her professional work, Gloria is committed to empowering Kenyan youth through mentorship, leadership development, and inclusive initiatives that drive meaningful change. She holds a Master of Public Policy from the University of Oxford and a Bachelor of Laws from the University of Nairobi.</p> <p>Ms. Gloria is the Acting Chief Executive Officer responsible for the day-to-day management of the Council.</p>

<p>2.</p>	 <p>Mr. Koech Kiplagat QUALIFICATIONS: MBA (Finance Option) Ongoing B. Com (Finance Option) Certified Public Accountant – CPA(K) Member No. ICPAK 31185</p>	<p>PRINCIPAL FINANCE & ACCOUNTS OFFICER</p> <p>CPA Koech Kiplagat is a holder of a Bachelor of Commerce (Finance option) degree from the University of Nairobi and currently studying for a Masters in the same discipline from the University of Nairobi. He is also a Certified Public Accountant of Kenya (CPAK) and an active member of the Institute of Certified Public Accountants of Kenya (ICPAK). CPA Koech has over 10 years’ work experience in both the private and public sector, having previously worked in corporates. At NYC, Mr. Koech oversees the budget formulation, monitoring, and implementation processes.</p>
<p>3.</p>	 <p>Mr. Johnson Rithaa, QUALIFICATIONS: MBA Finance</p>	<p>PRINCIPAL REGISTRATION AND COORDINATION OFFICER & ACTING PRINCIPAL RESEARCH AND POLICY</p> <p>Mr. Mwirigi is in charge of the registration and coordination department. He oversees the registration and coordination of youth serving organizations and Initiatives targeting the youth. He has a cumulative experience of over 10 years serving at management roles both in the private and public sectors. He also oversees the Research and policy department guiding on youth researches and interventions applied by NYC.</p>

	<p>Bachelor of Accounting and Finance Diploma in Hotel Management Diploma in Human Resource Management CPA(K) MKIM/ NO. M-63391 Member No. ICPAK 34081</p>	
<p>4.</p>	 <p>Ms. Kosgey Caroline Chebet QUALIFICATIONS: MA Economics BA Economics with IT Member Economics Society of Kenya (Member No. ESK/FM0222)</p>	<p>PRINCIPAL ECONOMIST & ACTING PRINCIPAL HUMAN RESOURCE MANAGEMENT</p> <p>Ms. Caroline Chebet is a seasoned senior manager with over 12 years of leadership experience at the National Youth Council (NYC) Kenya. She heads the Planning and Strategy Department, where she drives institutional development and strategic alignment. In her additional role as Acting Human Resource Officer, she supports operational efficiency and staff management. She also leads performance monitoring and evaluation, ensuring NYC’s programs deliver measurable impact.</p> <p>Ms. Chebet holds a Master of Economics from the University of Nairobi and a Bachelor of Economics with IT (Banking and Finance) from Nairobi University. She is an active member of the Economics Society of Kenya, reflecting her commitment to professional excellence and public sector advancement.</p>

<p>5.</p>	 <p>Ms. Wairimu Waweru QUALIFICATIONS: MA in International Relations BA in Journalism and Media Studies CIPR-UK Member PRSK/ No. 011-797</p>	<p>PRINCIPAL COMMUNICATION AND ADVOCACY OFFICER AND ACTING PRINCIPAL PARTNERSHIPS AND RESOURCE MOBILIZATION</p> <p>Ms. Wairimu Waweru heads two departments. Her main role at the Communications & Advocacy Department is ensuring that NYC’s stakeholders are apprised about the mandate. The department develops and executes strategies through which NYC can enhance its visibility as well as enhance its corporate image among stakeholders. Ms. Wairimu’s background working in the youth sector has benefitted NYC as it seeks to strengthen its relations with members of the 4th estate, a key stakeholder in creating awareness about the NYC’s mandate. Ms. Wairimu holds a Master of Arts in International Relations.</p>
<p>6.</p>	 <p>Mr. Victor Malombe Notary Public, Commissioner for Oaths, Advocate of the High Court LL. B, Dip. KSL, MML Member LSK No. P105/13667/17</p>	<p>PRINCIPAL LEGAL OFFICER</p> <p>Mr. Victor Malombe is a Notary Public, Commissioner for Oaths, and Advocate of the High Court of Kenya with over 8 years’ experience. He is responsible for providing secretarial services to the Youth Advisory Board; advising on corporate governance and legal matters within NYC; managing the litigation function and representing NYC in litigious matters. Prior to his appointment, Mr. Malombe served as the Legal Officer at the COMESA Court of Justice and National Council of Churches of Kenya. He holds a Bachelor of Laws from The Catholic University of East Africa, and presently pursuing a Masters in Leadership and the Management University of Africa He is a member of</p>

		<p>the Law Society of Kenya, and the East Africa Law Society.</p>
<p>7.</p>	 <p>Mr. Johnstone Yeswa QUALIFICATIONS: MBA Strategic Management (Ongoing) BA Information Technology</p>	<p>ACTING PRINCIPAL INFORMATION COMMUNICATION AND TECHNOLOGY & ENFORCEMENT AND COMPLIANCE OFFICER</p> <p>Mr. Yeswa is the Enforcement and Compliance officer for NYC. With a work experience that spans over 7 years, Mr. Yeswa supports the National Youth Council (NYC) to implement its main mandate on Regulation and Coordination of the Youth Serving Organisations, specifically their compliance with the sector regulations and policies. He additionally supports NYC on ICT matters, including its brand identity through design and web development and maintenance.</p>
<p>8.</p>	 <p>Mr. James Nyamwamu, QUALIFICATIONS: Diploma in Supply Chain Management</p>	<p>PRINCIPAL PROCUREMENT AND SUPPLY CHAIN OFFICER</p> <p>Mr. James Nyamwamu is the Procurement and Supply Chain Manager. He has over 18 years of working experience in procurement, with 3 of those years in top-level management. He was previously engaged as a procurement officer in the Ministry of Defence and the Ministry of Youth Affairs.</p>

5. Statement by the Chairperson of the Board.



In the 2024/2025 Financial Year, The National Treasury approved an appropriation of KES 68 million to the Council. Through rigorous planning and prudent fiscal management, the Council achieved an absorption rate exceeding 90%, ensuring that allocated funds directly advanced our core mandates. During the financial year NYC played a pivotal role in amplifying youth voices, strengthening institutional capacity, and fostering inclusive development across Kenya.

NYC was able to realize various achievements key among them being;

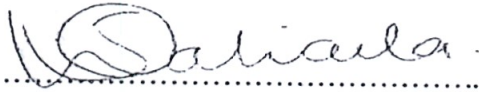
1. Enhanced youth representation: We registered and supported over 400 youth-led associations in across 7 sector tracks namely; Health and Wellbeing, Environment; Climate Action, and Agriculture; Talent Development and Innovation; Peace and Security; Leadership, Governance, and Values; Employment and Enterprise Development; and Education Research and Youth Professionalism.
2. Leadership development: More than 5,000 young people participated in mentorship and governance workshops organized by NYC in collaboration with other government agencies.
3. Sensitization and Youth Empowerment: NYC sensitized the youth on existing youth empowerment initiatives through advocacy campaigns.
4. Policy engagement: NYC ensured that government agencies and other stakeholders were kept informed of youth aspirations by submitting various memorandums on youth engagement and participation at decision-making tables.

In the execution of these programmes, NYC faced a number of challenges with the major ones being;

1. Delayed reconstitution of the Council – an elective body formed by youth from across the Council.
2. Inadequate budgetary allocation, affecting the scope and impact of programmes targeting the youth and the overall realization of the mandates.
3. Inadequate staff to realize the mandate of NYC. During the Financial Year, the in-post staff stood at 10 percent.

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

I extend my gratitude to fellow Youth Advisory Board Directors for their unwavering support, the ministry for their continued collaboration and the development partners for extending their support to NYC programmes. I also thank every young person who participated in our programmes and commit to continuously lobby for the conduct of NYC elections.



.....

Ms. Sophy Nekoye Waliaula

Chairperson

Youth Advisory Board

6. Statement by the Accounting Officer



The 2024/2025 financial cycle was transformative, as we redoubled our efforts to elevate youth voices, strengthen institutional capacity, and drive inclusive development across all 47 counties in Kenya. NYC was able to realize its mandate of amplifying the youth voice and advocating for youth opportunities to associate, be represented, and participate in all spheres of life.

Building on the Chairperson's strong vision, throughout the year, the Council undertook a series of strategic initiatives to empower young Kenyans across all 47 counties. The Council delivered over 120 leadership workshops to 10,000 participants, rolled out a digital engagement platform for youth-serving organizations to gather real-time youth feedback, and facilitated policy dialogues through policy briefs, and facilitated public participation on both the Youth Bill 2024 and the National Youth Employment Strategy.

To realize these mandates, NYC employed various strategies:

1. Collaborating with government organizations to capacity build youth on available government opportunities.
2. Resource mobilizing with development partners.
3. Utilized digital platforms to gather youth insights on various contemporary discourses.

NYC conducted the following activities:

1. Through the instituted advocacy programmes:
 - a. 16 days of Activism against gender-based violence, including femicide; This forum on-boarded youth from all walks of life to discuss gender-based violence on and femicide
 - b. A visit and advocacy campaign at the Industrial Area Prison to offer support to incarcerated youth
 - c. Online youth Sensitisation through YUNITOK on available government opportunities in the private sector
 - d. Youth Clinic held at Kajiado in partnership with Spread Truth Africa, a faith-based organisation, that engaged the youth

- e. Promoted youth engagement and participation through Sawazisha Gumzo – an intergenerational dialogue forum that onboards youth and other population cohorts to discuss contemporary issues that affect the youth.
 - f. An intercultural exchange programme with youth from other East African countries where the youth benchmarked on workable strategies toward youth empowerment and involvement.
 - g. NYC conducted advocacy campaigns for peace through the Amani Kwa Ground Tour facilitated by Universities and Colleges Students Peace Association of Kenya.
2. Through the Uzalendo Public Participation Forums:
- a. Facilitated the 7th Edition of the People Dialogue Festival, held at Uhuru Park Grounds, which convened youth and leaders on a platform for dialogue and alignment of strategies for youth empowerment and engagement.
 - b. NYC was a co-convener with The Oslo Center during the Africa Youth Forum which onboarded over 2000 youth discussing youth empowerment and inclusion in governance, leadership and democracy.
 - c. In partnership with other government agencies, NYC held a dialogue forum at the Bomet Green Stadium to discuss the status of youth empowerment and participation at the county level. The forum also aligned strategies with elected leaders on youth empowerment and participation.
 - d. NYC actively participated in public participation discourses, giving the voice of youth on pieces of legislation and policy direction of government agencies, ministries, counties, and other stakeholders
 - e. In partnership with Friends of the Global Climate Action Adaptation Society, the ministry responsible for the environment, and other stakeholders from government and private sector, NYC engaged the youth of Kiambu in climate change mitigation strategies
 - f. In partnership with the Kenya Young Members of County Assemblies, supported Youth Bunges, a programme that trains the youth on county assembly protocols and procedures, in the counties of Kwale and Nakuru.
 - g. Through the support of the Oslo Center, NYC participated in the Lamu Youth Assembly to lobby for the adoption of the Lamu County Youth Assembly.

- h. In partnership with the Ethics and Anti-Corruption Commission through the Kenya Leadership and Integrity Forum, NYC enhanced youth participation and engagement in Anti-Corruption efforts.
 - i. NYC supported the government agenda of tackling climate change through the Jaza Miti Programme, through its activities, and with the close collaboration with Youth Serving organizations, NYC planted over 3,000 trees
 - j. NYC also convened the inaugural youth Congress in Taita Taveta, the forum was launched by the Women Member of National Assembly for the County and engaged over 500 youth on governance and leadership.
 - k. NYC also led the Kenyan delegation to the YouthConnekt Africa Summit in Rwanda, a forum that convenes youth inclusion structures within government to discuss, benchmark and align strategies on youth empowerment.
3. Through the We Accelerate Zealous Opportunities (WAZO) programme:
- a. The first phase of WAZO programme was held in commemoration of the International Youth Day and the National Youth Week. The programme engaged the Counties of Uasin Gishu, Kisumu, Isiolo, Murang'a, and Mombasa. The objective of the first phase was to create a platform to gather youth feedback for the development of policy briefs that would inform intervention strategies.
 - b. The second phase of WAZO engaged the counties of Bungoma, Kwale, and Makeni. The programmes engaged youth in available government opportunities, sensitizing them on youth empowerment initiatives both at the county and national levels of government.
4. Regulation, coordination, and research initiatives:
- a. NYC conducted research programmes on youth engagement and participation in various tracks across political, social, and economic spheres. The generated results from the research initiatives informed the implementation of WAZO programmes and other interventions implemented by NYC in youth engagement and capacity building.
 - b. Through the registration initiative launched to coordinate youth-serving organizations in line with NYC's establishment mandate, NYC was able to register a total of 432 youth-serving organizations.

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

Major challenges that hampered the delivery of programmes by NYC were as follows:

1. Delayed reconstitution of the Council: The term for Council members lapsed in 2019, the absence of the Council members
2. Inadequate budgetary allocation: For the operations of NYC to be seamless, a resource allocation of 523 million was required; however, only 68 million was allocated.
3. Inadequate staff: out of the required staff establishment of 81, only 8 in-post staff were presently engaged during the financial year.

The major milestones of the 2024/2025 Financial Year were the engagement of over 10,000 youth in governance and leadership capacity building forums, the planting of over 5,000 trees and the engagement of partner institution in the execution of NYC programmes and mandates.

Our successes in the said year demonstrated the strength of collaboration and disciplined execution. NYC secured co-funding of KES 15 million through partnerships with government agencies, the private sector, and NGOs; achieved a 100% funds absorption rate; rolled out WAZO programme, matching over 800 young innovators with industry mentors; and implemented a robust monitoring and evaluation framework, producing impact reports to inform progress.



Ms. Gloria Wawira

Ag. CEO/ Accounting Officer

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

Programmes implemented in the 2024/2025 Financial Year were anchored under NYC's Strategic Plan for the period beginning 2023/2024 to 2027/2028.

The key strategic objectives as per the National Youth Council strategic plan for FY 2023/24 - FY 2027/28 are to:

- a) To regulate and coordinate Youth serving organizations;
- b) To coordinate Youth activities and initiatives;
- c) To promote Youth association;
- d) To enhance Youth representation;
- e) To strengthen Youth participation;
- f) To protect Youth against abuse and manipulation; and
- g) To Strengthen institutional capacity and operational efficiency

NYC's expenditure for the 2024/2025 Financial Year was anchored on the above stated strategies. The achievement of programme outcomes and achievements was measured against the said strategies and tabulated under Table I.

(Indicate actual name of the MDA)

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

Table 1: Programme performance

Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY 2023/2024			Cumulative Achievement by end of FY 2024/2025			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
Regulation and Coordination	To regulate and coordinate Youth serving organizations	Improved well-being and equitable access to enriching opportunities for personal and civic development, supported by a cohesive, trusted, and efficient youth-serving ecosystem that	An up-to-date database of youth serving organizations	No. of youth serving organizations on the NYC database	2000	1500	500	4500	2000	2500	Limited resources for the programme to have a wide scope and reach

		maximizes resources and responds effectively to evolving needs.									
Advocacy, lobbying and publicity	To promote Youth association; To strengthen Youth participation; and To enhance Youth representation	Shifts in public policy and secure sustained resource commitments by establishing widespread public awareness and building a powerful, collective voice that positions the	Youth engagement forums	No. of youth engaged in publicity initiatives	30,000	23,850	6,150	65,000	40,850	24,150	The target was not achieved following due to constrained resources following the 30 percent budget cut.

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		youth sector as an essential partner in societal development									
Research on youth issues	To promote Youth association; To enhance Youth representation; and To strengthen Youth participation	Establish evidence-based interventions and programmes that target youth empowerment	Research and survey reports	No of surveys and researches conducted	4	1	3	8	6	2	NYC leveraged the use of digital tools to achieve a significant cost reduction and enhance efficiency in conducting research work.

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<p>Training and capacity building</p>	<p>To promote Youth associations; To enhance Youth representation; To strengthen Youth participation; and To protect Youth against abuse and manipulation</p>	<p>Youth empowerment by strengthening their associations, enhancing representation, and fostering active participation, while simultaneously building resilience against manipulation, resulting in a more skilled, confident,</p>	<p>Capacity building workshops trainings and seminars</p>	<p>No. of capacity building forums held and No. of youth engaged in the forums</p>	<p>50,000</p>	<p>20,000</p>	<p>30,000</p>	<p>120,000</p>	<p>145,000</p>	<p>-25,000</p>	<p>Leveraging on interagency support and partnerships from SASDEF and the ministry, NYC was able to surpass its set target for the FY 2024/2025</p>
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National Youth Council
 Annual Report and Financial Statements for the year ended June 30, 2025.

		and ethically grounded generation of young leaders capable of driving sustainable community development									
Partnership and resource mobilization	To Strengthen institutional capacity and operational efficiency	Strengthen the ability to achieve the institution's mandate through improved operational efficiency and secured resources.	Increased resources to achieve NYC mandates	Amount of resources mobilized and partners engaged	10 Million	5 Million	5 Million	20 Million	100 Million	-80 Million	A positive variance of 80 Million was achieved due to engagement with SASDEF for the support of various activities.

(Indicate actual name of the MDA)

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

8. Corporate Governance Statement

During the 2024/2025 Financial Year, the National Youth Council (NYC) reaffirmed its unwavering commitment to upholding the highest standards of integrity, professionalism, ethics, and legal compliance across all its operations. In fulfilling its mandate, NYC remained guided by the Constitution of Kenya, the National Youth Council Act, and all other applicable laws and regulations. The Youth Advisory Board actively exercised its governance responsibilities, ensuring that NYC's obligations to its diverse stakeholders were met through principled and transparent practices.

1. Governance Structure

(a) The Chairperson of the Youth Advisory Board

The Chairperson provides strategic leadership and oversight to the Youth Advisory Board, cultivating an environment that supports both collective Board effectiveness and individual member engagement. She ensures that critical matters are addressed in a timely and appropriate manner, enabling the Board to realize its governance mandate with clarity and focus. In her role, the Chairperson champions adherence to sound corporate governance principles and consistently upholds the highest standards of integrity and ethical conduct within NYC, especially at the Board level. She guides the Board's active involvement in shaping NYC's strategic direction, while ensuring members are equipped with accurate, timely, and comprehensive information to effectively execute their responsibilities.

(b) Members of the Youth Advisory Board

Section 16 of the National Youth Council Act outlines the Youth Advisory Board's composition and tenure: members serve a three-year term, renewable once based on performance. The Board includes the Chairperson, the Principal Secretary for Youth Affairs and Creative Economy, and representatives from key institutions—private sector, National Council of Persons with Disabilities, youth NGOs, public universities, and National Authority for the Campaign Against Drug Abuse prevention agencies—alongside two youth affairs experts. The Secretary serves as an ex-officio member.

All the Non-Executive Members were independent of management and free from any business or other relationship, which could interfere with the exercise of their independent oversight. Additionally, during their meetings, the chairperson caused the members to register any conflict of interest that they may have had on any of the agenda items.

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The Youth Advisory Members were appointed by the Cabinet Secretary on 18th November 2024 vide a notice in the gazette. During the 2024/2025 Financial Year, the Board consisted of 7 members including the secretary. Consequently, these newly appointed members were inducted in the week beginning 22nd April, 2025 at the Kenya School of Government, Kabete Campus.

Attendance to Board Meetings was as follows;

Name of YAB Member	Role in the Board	Number of Meetings Attended
Ms. Sophy Nekoye Waliaula	Chairperson	3
Ms. Annabelle Apondi	Member	3
Ms. Caroline Warui	Member	3
CPA. Stephen Wafula	Member	3
Mr. Dennis Mungo	Member	3
Dr. Yvonne Olando	Member	3
PS. Fikirini Jacobs Katoi Kahindi	Principal Secretary	0

(c) Board Appointments

The Youth Advisory Members appointed in the 2024/2025 Financial Year are, Dr. Yvonne Olando – a representative of NACADA, CPA. Stephen Wafula – a representative of NCPWD, Ms. Caroline Warui – a representative of KEPSA, Ms. Annabelle Apondi – a representative of Public Universities and Mr. Dennis Mungo – a representative of NGOs in the Youth Sector.

2. The Audit Committee and Other Management Committees

The Youth Advisory Board streamlined its operations by instituting three committees to enhance the execution of the Board’s mandate. The instituted committees were Audit and Risk, Finance and Resource Mobilization and Programmes and Human Resource Committee.

(a) Audit Committee

The Audit Committee was not operationalized owing to the lack of a substantive officer handling the internal audit function. Once instituted upon appointment of the aforesaid officer, the Audit Committee will play a pivotal role in strengthening NYC’s internal controls, guiding the development and oversight of audit plans and deliverables, and ensuring the effective implementation of audit recommendations. It is expected to rigorously examine key accounting and financial reporting issues to uphold transparency and accountability. In anticipation of this, YAB proactively embedded ethical

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management systems and processes across NYC's institutional operations, ensuring that integrity remained central to programme delivery. Once constituted, the committee's membership is will include:

YAB Members	Roles
CPA Stephen Wafula	Chairperson
PS. Fikirini Jacobs Katoi Kahindi	Member
Ms. Annabelle Apondi	Member

(b) Finance and Resource Mobilization Committee

The Committee oversaw NYC's financial strategy by recommending policies, goals, and budgets aligned with its mission and strategic plan. It monitored financial performance, ensured robust internal controls, advised on financial planning across all time horizons, and safeguarded liquidity for efficient operations. It also reviewed financial reports and provided guidance to the Board. The committee's membership was as follows:

YAB Member	Role	Number of Meetings Attended
Mr. Dennis Mungo	Chairperson	1
Ms. Caroline Warui	Member	1
Dr. Yvonne Olando	Member	1

(c) Programmes and Human Resource Committee

The Committee advised on strategic planning, implementation of the NYC Act, and technical guidance on operational performance. It recommended organizational objectives to the Board, reviewed progress on NYC's Performance Contract, and oversaw HR policies and succession planning to ensure legal compliance. It also assessed skill gaps within the organization. The membership of the Committee was as follows:

YAB Member	Role	Number of Meetings Attended
Dr. Yvonne Olando	Chairperson	1
Ms. Caroline Warui	Member	1
CPA Stephen Wafula	Member	1

9. Management Discussion and Analysis

A. NYC Programmes

During the 2024/2025 Financial Year, NYC implemented various programmes targeting the youth. The crafted programmes aligned with the identified strategic objectives of the institution. The major interventions applied by NYC to support youth engagement and involvement can be summarized as follows:

I. Enhancing youth association, representation and participation

Regulation and coordination of youth serving organizations is part of the mandates of NYC provided for under Section 4 of the Act. To achieve the strategic objective of ensuring a coordinated and regulated youth sector, NYC initiated a drive to register youth serving organizations and grouped them in seven sector tracks. This drive aims to create a database of youth serving organizations across all the 47 counties in order to ensure a coordinated approach toward youth empowerment both by government and non-government actors. In the 2024/2025 financial year, NYC was able to register 432 youth serving organizations. The campaign targets to onboard an upwards of 1,500 youth serving organizations across the country.

No.	Sector Working Group	Number of YSO
1.	Environment, Climate Action and Agriculture	204
2.	Employment And Enterprise Development	53
3	Leadership, Governance and Values	26
4.	Health and Wellbeing	35
5.	Peace and Security	29
6.	Talent Development and Innovation	49
7.	Education and Research	25
8.	Youth Professionalization	32
	TOTAL	453

NYC was also able to launch a programme code named We Accelerate Zealous Opportunities (WAZO) aimed at sensitizing the youth on available government opportunities. The programme onboarded county governments and was piloted during the International Youth Day and National Youth Week Celebrations. The first phase involved the development of policy briefs across health, agriculture, climate change, leadership and governance, and technology. The counties engaged during

the financial year were, Bungoma, Makueni, Kwale, Mombasa, Isiolo, Uasin Gishu, Kisumu, Murang'a, Machakos, Kakamega, and Nairobi. The WAZO programme engaged over 10,000 youth from across the spectrum. The intended goal of the programme is to reach all the 47 counties and create an information bridge over the persistent gap which limits active and effective youth engagement in National Development.

II. Creating Safe Spaces for Youth and Protecting them from Manipulation and Abuse

In line its mandate, NYC also reviewed registration documents for Non-Governmental Agencies seeking to serve the youth and ensured that they were to the best interest of their clients. The move was to eliminate unscrupulous organizations that could easily manipulate the youth or take advantage of them.

Additionally, NYC advocated for the involvement of youth in the framework of United Nations Resolution 2250 on Peace and Security. In partnership with other stakeholders in the space, NYC facilitated an inaugural training of youth on conflict resolution and was also a key stakeholder in the development of a Youth Peace and Security Strategy. Moreover, NYC facilitated inter- and intra-generational dialogue forums aimed at protecting the youth from harmful cultural practices as well as enhancing the peaceful coexistence of the youth and other generational cohorts within society.

NYC programmes also featured side events, including counselling sessions, clinics, and exhibitions, which enhanced the overall well-being of the youth within society.

III. Protecting the Environment and Mitigating the Effects of Climate Change

To ensure informed, adequate, and effective youth engagement, NYC launched a programme called Kijani. The Kijani Programme sensitized the youth on climate action and engaged with Youth Serving Organizations in the Environment, Climate Action, and Agriculture track to have them participate in tree growing exercises. As a result of the engagements during the 2024/2025 Financial Year, a total of over 5000 trees, including mangrove and indigenous trees, were planted.

B. Compliance with Statutory Requirements

During the 2024/2025 Financial Year, NYC complied with all statutory requirements by following the constitution and other legal frameworks, abiding by court orders, and adhering to presidential directives.

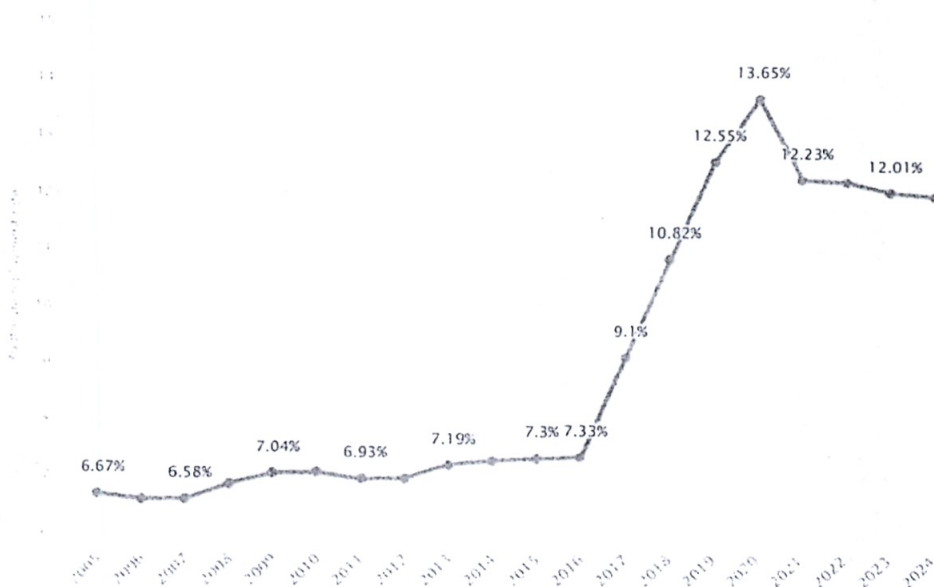
C. Major Risks Facing NYC

The biggest risks that affected NYC in the 2024/2025 financial year were as follows:

- (a) Delayed reconstitution of the Council, which has a structure of youth representation up to the grassroots, for NYC to function optimally and effectively.
- (b) Limited resource allocation, which greatly affected the scope and impact of the NYC programme and, in turn, negatively affected the visibility of the organization.
- (c) Delayed review of the Act to align it to the present constitutional dispensation and make the Council responsive to the current needs of the youth.

D. Youth Sector Outlook

Youth unemployment remained a key challenge, with records from the International Labor Organization estimating the unemployment rate to oscillate between 11 and 13 percent (refer to the graph below).



The statistics informed the targeted initiatives by WAZO, which were implemented to bridge the information gap and enhance youth employment.

Youth engagement in democracy, leadership, and governance experienced a surge as more young people became aware of their rights and actively participated in debates on issues that affected them. NYC facilitated some of the engagements and discussions through its structured programmes, but more was still left to be done in the context of informed and respectful dialogues. Youth Serving

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Organizations and NYC-initiated programmes engaged over 1 million youth on the aspects of civic participation, democracy, governance, and leadership.

Institution-wise, NYC received a budget cut of \$30 million, receiving a total of \$ 68 million from the Exchequer. The reduction of resources hampered the impact and reach of NYC programmes.

10. Environmental and Sustainability Reporting

a) Sustainability strategy and profile

The National Youth Council (NYC) continues to champion sustainability as a strategic priority, firmly aligned with the Government of Kenya's climate resilience agenda and responsive to escalating global and regional environmental challenges. Demonstrating unwavering commitment, NYC advanced the Sustainable Development Goals through youth-led action, strategic partnerships, and proactive environmental stewardship.

During the 2024/2025 Financial Year, NYC empowered young people through inclusive, environmentally conscious, and economically resilient programs designed to align with national development priorities and global sustainability standards. These initiatives were implemented through strategic collaboration guided by the 'Whole of Government Approach', involving key ministries and agencies with mandates targeting youth.

To ensure programmatic sustainability and effective implementation, NYC engaged a broad spectrum of stakeholders across the youth development landscape—including youth-serving organizations, county governments, and development partners. These engagements facilitated continuous monitoring and feedback, thereby enhancing access to government empowerment opportunities and reinforcing program relevance.

NYC's programming was further strengthened by the integration of key policy frameworks such as Kenya's Vision 2030, the Sustainable Development Goals, and international resolutions addressing youth, including the World Programme of Action for Youth. In pursuit of inclusive and coordinated youth engagement, NYC aligned its strategic planning with key players in the sector, conducted research, and translated policy insights into actionable strategies that promote youth participation and inclusion.

Consistent with international best practices among youth councils, NYC initiated a nationwide registration drive for youth-serving organizations to enhance coordination and synergy in youth development efforts. Through this initiative, NYC has been able to monitor and respond to the evolving impact of global economic dynamics—such as dollar stabilization—and geopolitical tensions involving Israel, Palestine, and Iran, with a focus on their implications for Kenyan youth.

b) Environmental performance /climate change/ mitigation of natural disasters

Experts and climate advocates have emphasized that climate change is causing a cascade of destructive effects—rising temperatures, extreme weather events, prolonged droughts, and devastating floods that threaten ecosystems and human livelihoods. They reported that millions in Africa already face high water stress, with projections suggesting massive displacement and socio-economic disruption in the near future. These specialists asserted that such consequences will disproportionately impact the youth, making their involvement in climate action not only essential but strategic. In Kenya and across the continent, youth stand at the intersection of vulnerability and potential. Their future is shaped by decisions made today, making their inclusion in climate governance both a strategic necessity and a moral imperative. Analysts and stakeholders agree that youth-driven climate action—through advocacy, innovation, and grassroots initiatives—offers transformative potential. Empowering young people with tools, platforms, and policies not only promotes environmental resilience but also ensures continuity in climate leadership. This policy brief outlines actionable recommendations for scaling youth participation in climate mitigation and adaptation, positioning them as co-architects of Kenya’s green future.

In furtherance of the National objectives on increasing the forest cover by 15 billion trees, NYC mobilized youth to take part in tree planting exercises across the country. For the 2024/2025 financial year, through NYC’s Kijani Programme and as side events to other NYC programmes, NYC planted over 10,000 trees.



Tree planting at Makueni during WAZO Engagement Forum



Tree Planting at Kwale County



Tree planting exercise with the Youth of the Coastal Region

c) Employee welfare

Defense of Human Resource and Safety Policies at NYC (Kenya)

NYC remains committed to institutional excellence, equity, and compliance through its established Human Resource Policy and Procedure Manual. This document rigorously guided its human resource practices, ensuring that employee engagement was fair, inclusive, and above board. NYC prioritized gender equity, youth representation, women, and persons with disabilities, reflecting a broader national agenda on diversity and empowerment. Stakeholder engagement is embedded throughout, particularly through consultations with governance bodies, departmental heads, and the employee welfare committee.

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NYC also ensured Continuous professional development programs to enhance staff competencies, Career management frameworks supporting growth and leadership potential, a performance appraisal system tied to measurable outputs and institutional goals, and reward structures recognizing excellence and innovation across departments.

NYC has complied with the Occupational Safety and Health Act (OSHA), 2007, through: Conducting safety drills, sensitizing staff on workplace hazards and safety protocols, Provision of Work Injury Benefits (WIBA) and full medical coverage to all staff, and Insurance mechanisms to mitigate risk and ensure staff well-being.

d) Operational practices

During the financial year 2024/2025, the National Youth Council (NYC Kenya) continued to uphold responsible supply chain practices anchored in integrity, transparency, and value for money. In compliance with the Public Procurement and Asset Disposal Act and internal procurement policies, NYC ensured that its engagements with suppliers promoted ethical business conduct and strengthened service delivery.

Key efforts included:

- (i) Contractual Accountability: NYC consistently honored supplier agreements by ensuring all procurement processes were grounded in clear contractual obligations, mutual understanding of deliverables, and adherence to statutory frameworks.
- (ii) Timely Payment Practices: The Council maintained efficient payment cycles by ensuring that approved invoices were settled within agreed timelines. This not only reinforced vendor confidence but also minimized service disruptions and fostered sustainable supplier relationships.
- (iii) Transparent Procurement Processes: All tenders and procurement activities were conducted in accordance with established regulations. NYC promoted open competition and equitable access, with deliberate efforts to encourage participation from youth- and women-owned enterprises.
- (iv) Vendor Engagement and Compliance Monitoring: NYC conducted regular engagement forums with suppliers to enhance communication, clarify expectations, and provide feedback

on performance. These consultations supported continuous improvement while reinforcing the Council's commitment to responsible procurement.

NYC demonstrated its dedication to ethical sourcing, financial accountability, and inclusive economic empowerment—reflecting its broader institutional values and in line with national development goals.

e) Community Engagements-

The National Youth Council (NYC Kenya), as a statutory body mandated to promote the interests of Kenyan youth, recognizes Corporate Social Responsibility (CSR) as a strategic tool for advancing inclusive development, civic engagement, and national cohesion. During the 2024/2025 financial year, NYC intensified its CSR efforts by championing initiatives in health, education, sports, environmental stewardship, labor relations, and social empowerment. These efforts complemented its mission of creating a transformative youth-led society while aligning with Kenya's national development priorities and Sustainable Development Goals (SDGs).

(i) Education and Youth Health

NYC continued to reinforce its commitment to youth wellness and education through structured community outreach and targeted investments.

- **Kajiado Youth Wellness Clinic Initiative**

NYC partnered with health professionals and youth organizations to host a wellness clinic in Kajiado County, addressing critical issues in youth health. The clinic provided over *300 young people* with access to free medical checkups, reproductive health education, mental wellness sensitization, and information on preventive healthcare. This initiative directly tackled stigma around youth health and enabled inclusive access to vital medical services.



Youth Wellness Clinic at Kajiado

- **Staff Training and Development**

NYC facilitated comprehensive training programs for internal staff and youth leaders in governance, financial literacy, digital innovation, and community management. Over *150 participants* benefited from workshops that promoted leadership development, organizational capacity-building, and policy literacy—fostering a culture of continuous learning and ethical service delivery.

- (ii) Sports and Talent Development**

Sports remain a key vehicle for social transformation and youth engagement. Throughout 2024/2025, NYC supported and organized county-level tournaments aimed at nurturing athletic talent and promoting mental and physical health. Inter-county competitions provided youth from diverse backgrounds a platform for self-expression, teamwork, and healthy competition. NYC also partnered with community sports hubs to provide coaching clinics and mentorship opportunities, empowering *hundreds of youth athletes* to refine their skills.



NYC supported youth to participate in a football match at South C

These events not only advanced sports development but also cultivated values such as resilience, discipline, and inclusivity—crucial for holistic youth empowerment.

(iii) Water, Sanitation, and Environmental Conservation

Environmental stewardship formed a core pillar of NYC's CSR strategy, with water and sanitation initiatives integrated into community programming.

- **Tree Planting Drives**

NYC collaborated with youth-led environmental groups to spearhead nationwide tree planting activities. Over *5,000 indigenous trees* were planted across several counties, contributing to Kenya's forest restoration efforts and youth participation in climate action. These activities also served as educational platforms on sustainability and environmental rights.

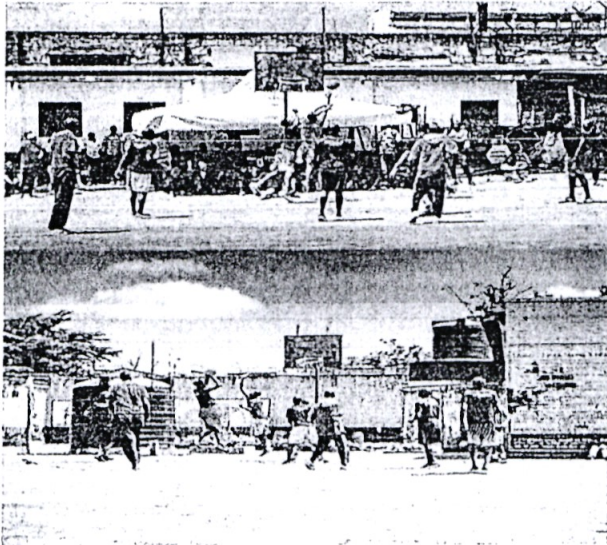
(iv) Community Engagement and Charitable Giving

NYC enhanced its social responsibility through strategic community interventions including through a prison visit to Industrial Area Prison.

- **Industrial Area Prison Visit**

In a bid to advance youth rehabilitation and reintegration, NYC visited the Nairobi Industrial Area Prison, reaching over *200 incarcerated youth*. Donations included books, sanitary items, clothing, and

motivational talks. The initiative helped address systemic neglect and offered psychological support and skills linkage for eventual societal reintegration.



Industrial Area Prison

(v) Labour Relations and Organizational Culture

Internally, NYC strengthened labor relations and professional engagement through staff-centered initiatives.

- **Employee Wellness Forums**

Routine wellness forums provided a safe space for staff to engage with management, voice concerns, and explore mental health and well-being. These forums improved workplace cohesion and trust.

- **Grievance Handling Mechanisms**

NYC operationalized responsive grievance channels and reviewed HR policies to promote fairness, transparency, and alignment with national labor standards. The Employee Welfare Committee played a crucial role in mediating staff concerns and proposing improvements.

- **Performance Incentives and Career Management**

The Council upheld a merit-based performance appraisal system linked to KPIs, fostering excellence and professional growth. Career development plans were tailored to staff potential, with mentorship opportunities and promotions informed by ethical evaluation criteria.

CSR Impact Measurement and Strategic Alignment

NYC utilized qualitative and quantitative tools to assess the effectiveness of its CSR programs. Feedback from beneficiaries, data from partnering organizations, and internal monitoring helped document impact in: Increased youth access to health services, Expanded environmental awareness and community participation in climate initiatives, Improved education outcomes and school retention among disadvantaged youth, and Enhanced trust and engagement between NYC staff and youth constituents

These outcomes reinforce NYC's commitment to social accountability and its positioning as a champion of inclusive development.

11. Statement of Management Responsibilities

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

The Accounting Officer in charge of National Youth Council (NYC) is responsible for the preparation and presentation of the NYC's financial statements, which give a true and fair view of the state of affairs of the NYC for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NYC, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the NYC; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the National Youth Council accepts responsibility for NYC's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NYC's financial statements give a true and fair view of the state of the NYC's transactions during the financial year ended June 30, 2025, and of the NYC's financial position as at that date. The Accounting Officer further confirms the completeness of the accounting records maintained for the NYC, which have been relied upon in the preparation of the NYC's financial statements as well as the adequacy of the system of internal controls.

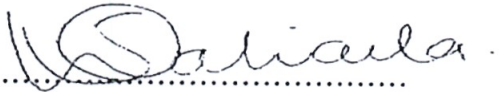
The Accounting Officer in charge of NYC confirms that the NYC has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NYC's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that NYC's

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

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

Approval of the financial statements

NYC's financial statements were approved on 31 August 2025 and signed by:


.....

Sophy Nekoye Waliaula,
Chairperson


.....

Ms. Gloria Wawira,
Ag. CEO/ Accounting Officer

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL YOUTH COUNCIL FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Youth Council set out on pages 1 to 33, 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 Council 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.

Basis of Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Youth Council 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. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects budgeted receipts and actual on comparable basis amounting to Kshs.68,082,845 and Kshs.68,082,845 respectively resulting in a nil revenue variance of the budget. Similarly, the Council expended Kshs.68,537,688 against an approved budget of Kshs.68,082,466 resulting to a variance of Kshs.455,222.

The variance imply that the budgeted funds over exceeded resulting to use of un-approved funds.

2. Negative Net Assets Balance

The statement of financial position shows net assets negative figure of Kshs.15,634,743 and Kshs.28,894,450 for the financial year 2024/2025 and 2023/2024 respectively. Negative Net book values means that total liabilities exceed total assets, indicating potential financial distress or bankruptcy.

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 iii to xlv which comprise of Entity Information and Management, The Board of Directors, Management Team, Chairman's Statement, Report of the Chief Executive Officer, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors, Statement of Directors Responsibilities, Statement of Performance Against Predetermined Objectives). The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on National Youth Council's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information and I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

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

Basis for Conclusion

1. Staff Under Establishment

The Statement of Financial Performance for the year ended 30 June 2025 shows Kshs.33,247,521 being Employee costs. Review of human resource records and the staff establishment compliment revealed that the National Youth Council should be having a total of eighty-one (81) members of staff.

However, as at 30 June, 2025, there were only nine (9) members of staff hence a shortage of seventy-two (72) staff. Therefore, the Council did not have adequate staff including technical staff. Almost all departments have only one officer each with volunteers, those in attachments and interns helping.

Further, the Council is headed by acting Chief Executive Officer without respective managers and senior managers.

2. Violation of Ethnic Diversity on NYC Staff

Examination of Staff records indicate that it consists of nine (9) Staff members including the CEO, from various ethnic groups as shown below:

S/No.	Tribe	Number	Percentage %
1	Kikuyu	1	11
2	Luhya	1	11
3	Kalenjin	3	34
4	Taita	1	11
5	Meru	1	11
6	Kamba	1	11
7	Kisii	1	11
	Total	9	

From the above, 3 or 34% of the members of staff are from the same ethnic group. This is a violation of Section 16 (2) of the National Youth Council Act, 2009 which requires at least one third of the persons appointed under paragraph (d) shall be of opposite gender and shall reflect Kenya's ethnic, cultural and religious diversity.

3. Failure to Establish National Youth Council

National Youth Council did not have a Board of Council Members in the 2024/2025 financial year. The last Council Members elections was in 2012 and were gazetted on 2013. They were re-appointed in 2016 which expired in 2019. Since then, no other members were appointed. Therefore, during the period under review, the National Youth Council did not have full governance structure in place.

4. Incomplete Composition of the Youth Advisory Board

Review of the board records revealed that, five (5) members and the chairperson were appointed to the board for a term of three (3) years. This is with effect from 13 November, 2024 and 19 January, 2023 for the members and the chairperson respectively.

However, no evidence has been provided for audit review indicating that the Principal Secretary in the Ministry for the time being responsible for youth affairs or his representative and two (2) persons who are experts on youth affairs were appointed as members of the Youth Advisory Board. This is a violation of section 16(2) (b) and (e) of the National Youth Council Act, 2009 revised in 2022.

Further, due to the failure to appoint a representative of the Principal Secretary and two (2) persons who are experts on youth affairs to the board, the total number of the board members including the chairperson is six (6) instead of nine (9), which is a violation of section 16(2) of the National Youth Council Act, 2009.

5. Violation of Ethnic Diversity on Board Appointment

Examination of board records indicate that it consists of six (6) members including the chairperson, from various ethnic groups as shown below:

S/No.	Tribe	Number	Percentage %
1	Kikuyu	1	17
2	Luhya	3	50
3	Kalenjin	1	17
4	Luo	1	17
	Total	6	

From the above, 3 or 50% of the members of the Youth Advisory Board are from the same ethnic group. This is a violation of Section 16 (2) of the National Youth Council Act, 2009 which requires at least one third of the persons appointed under paragraph (d) shall be of opposite gender and shall reflect Kenya's ethnic, cultural and religious diversity.

6. Failure to Meet Board Committee Meetings Threshold

The Youth Advisory Board work plan for 2024/2025 indicates the following committees of the board:

- i) Programmes and resource mobilization committee
- ii) Finance and Human Resource Committee
- iii) Audit Committee

The three committees are within the stipulated maximum of four committees. However, Audit review of board meeting minutes revealed that the finance and resource

mobilization committee met twice (2), the human resource committee met three (3) times while the audit committee did not hold any meeting in the financial year under review.

Failure by the committee of the board to hold meetings at least four (4) times in a financial year is a violation of Section E.4 of the Mwongozo Code of Governance for State Corporations, 2015.

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Council'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.

The Board of Management is responsible for overseeing the Council'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

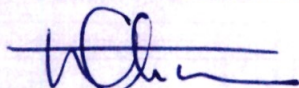
09 December, 2025

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

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

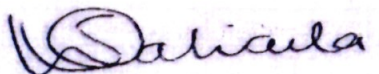
	Notes	2024-2025 Kshs	2023-2024 Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	5	200,999,212	98,460,000
Total revenue		200,999,212	98,460,000.00
Expenses			
Use of goods and services	6a	162,283,080	59,094,449.36
Depreciation charge for the year	6b	1,876,998	2,343,879
Employee costs	7	33,247,521	33,774,503
Board Expenses	8	2,030,145	7,249,890
Repairs and Maintenance	9	938,046	501,458.00
Total expenses		200,375,790	102,964,178.54
Surplus for the year		623,422	4,504,178.54

The Financial Statements set out on page 1 were signed by:



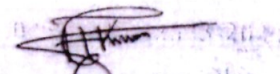
.....
Name: Ms. Gloria Wawira

Accounting Officer



.....
Name: Ms. Sophy Nekoye
Waliaula

Chairperson - YAB



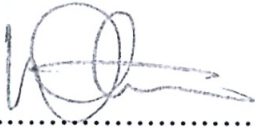
.....
Name: Mr. Hillary Koech

Head of Accounting Unit
ICPAK M/No. 31185

14. Statement of Financial Position as at 30 June 2025

	Notes	2024-2025	2023-2024 Kshs
Assets			
Current Assets			
Cash and Cash equivalents	10a	2,500,420	91,613
Receivables from non-exchange transactions	10b	82,845	0
Inventories	11	3,640,661.98	1,742,045
Total Current Assets		6,223,927	1,833,658
Non-Current Assets			
Property, Plant and Equipment	12	4,674,210	6,551,208
Total Non- Current Assets		4,674,210	6,551,208
Total Assets (A)		10,898,137	8,384,866
Liabilities			
Current Liabilities			
Trade and Other Payables	13	13,332,880	14,922,646
Total Current Liabilities		13,332,880	14,922,646
Non-Current Liabilities			
Non-Current Employee Benefit Obligation	14	13,200,000	22,356,670
Total Non- Current Liabilities		13,200,000	22,356,670
Total Liabilities (B)		26,532,880	37,279,316
Net Assets (A-B)		- 15,634,743	- 28,894,450
Represented by:			
Reserves			
Accumulated Surplus		-15,634,743	-28,894,450
Net Assets		-15,634,743	-28,894,450

The financial statements set out on pages 2 were signed by:



.....

...

Name: Ms. Gloria Wawira

Accounting Officer



.....

...

Name: Ms. Sophy Nekoye
Waliaula

Chairperson - YAB



.....

...

Name: Mr. Hillary Koech

Head of Accounting Unit

ICPAK M/No. 31185



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

Period	Accumulated surplus
	KShs
Balance as at 1 July 2021	16,950,539
Surplus/(deficit) for the period	-19,247,793
Balance as at 30 June 2022	-2,297,254
Balance as at 1 July 2022	-2,297,254
Surplus/(deficit) for the period	-22,093,018
Balance as at 30 June 2023	-24,390,272
Balance as at 1 July 2023	-24,390,272
Surplus/(deficit) for the period	-4,504,178.54
Balance as at 30 June 2024	-28,894,451
Balance as at 1 July 2024	-28,894,451
Surplus/(deficit) for the period	2,500,420
Balance as at 30 June 2025	-26,394,031

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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	5	200,999,212	98,460,000
Total receipts		200,999,212	98,460,000
Payments			
Use of goods and services	6	162,283,080	56,849,570
Employee costs	7	33,247,521	33,774,503
Board Expenses	8	2,030,145	7,249,890
Repairs and maintenance	9	938,046	501,459
Total payments		198,415,948	98,375,422
Net cash flows from/(used in) operating activities		2,500,420	84,578
Net increase/(decrease) in cash & Cash equivalents		2,500,420	84,578
Cash and cash equivalents at 1 July	29	91,613	7,035
Cash and cash equivalents at 30 June	10	2,592,033	91,613

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

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Receipts						
Transfers from Other Governments entities	68,082,845	0	68,082,845	68,082,845	(0)	100%
Total Receipts	68,082,845		68,082,845	68,082,845		100%
payments						
Use of Goods and Services	32,404,800	0	32,404,800	32,404,800		100%
Employee costs	33,247,521	0	33,247,521	33,247,521	0	100%
Remuneration of Directors	9,092,000	7,061,855	2,030,145	2,030,145	7,061,855	22%
Repairs and Maintenance	400,000	455,202	400,000	855,202	(455,202)	214%
Total Payments	68,082,466		68,082,466	68,537,688		101%
Capital Expenditure Payments	-	-	-	-		
Surplus	379		379	(454,843)		

The entity financial statements were approved on _____ 2025

Budget Reconciliation to the Statement of Cash Flows

Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	379
Cash and cash equivalents at 1 July 2024	91,514
Closing Cash and Cash Equivalent as per the statement of Cash flows	2,500,420

18. Notes to the Financial Statements

1. Establishment

The NYC is established by and derives its authority and accountability from the National Youth Council Act, CAP. 132. The NYC is wholly owned by the Government of Kenya and is domiciled in Kenya. The NYC's principal activity is to advocate for Youth-centric policies and legislation, regulate and coordinate Youth initiatives and actors through research, strategic partnerships, and consultations for active Youth participation and inclusion in economic, social, and political spheres.

2. Statement of Compliance and Basis of Reporting

Statement of compliance

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

For the purpose of these financial statements, the NYC has been categorized as a Schedule 1 national government NYC in line with Section 4 of the Public Finance Management Act, 2012 read together with Regulation 211 (2) of the Public Finance Management (National Government) Regulations, 2015. Schedule 1 national government entities include Ministries, Departments, Agencies, constitutional institutions and independent offices. NYC is reporting entities whose primary objective is to provide policy and coordination of government services.

The use of public resources by NYC is primarily governed by Chapter 12 of the Constitution, the relevant Appropriation Act, the Public Finance Management Act, of 2012, and the Public Procurement and Disposal Act, of 2015.

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

Notes to the financial statements

Reporting period

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

Basis of preparation

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows). Under an accrual basis,

revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

Critical accounting judgements

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

Recognition of revenue

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

Recognition of non-exchange expenses and liabilities

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

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

Purpose and nature of financial instruments

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

Climate change obligations

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

Physical assets

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of NYC.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the</p>

Standard	Effective date and impact:
	<p>criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an NYC shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48- Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard</p>

Standard	Effective date and impact:
	for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> <li data-bbox="437 837 1276 927">i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. <li data-bbox="437 949 1356 1093">ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. <li data-bbox="437 1115 1382 1368">iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

The NYC did not early – adopt any new or amended standards in the financial year 2024/2025.

Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

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

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Interest income

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

Rental income

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information

The original budget for FY 2024/25 was approved by the National Assembly on 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 NYC upon receiving the respective approvals in order to conclude the final budget. Accordingly, the NYC recorded additional appropriations of 68,082,845 on the 2024 budget following the governing body's approval. The NYC's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of cash flows has been presented under section 16 of these financial statements.

c) Investment property

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

disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

d) Property, plant and equipment

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

e) Right of use asset

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

Notes to the Financial Statements (Continued)

f) Tangible Natural Resources

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

g) Leases

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

h) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in

Notes to the Financial Statements (Continued)

surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The NYC does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.* A financial instrument is any contract that gives rise to a financial asset of one NYC and a financial liability or equity instrument of another NYC. At initial recognition, the NYC measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Notes to the Financial Statements (Continued)

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the NYC 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.

b) Financial liabilities

Classification

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

Notes to the Financial Statements (Continued)

k) Inventories

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

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

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

l) Provisions

Provisions are recognized when the NYC 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 NYC expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Notes to the Financial Statements (Continued)

m) Social Benefits

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

n) Contingent liabilities

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

o) Contingent assets

The NYC 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 NYC in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

p) Nature and purpose of reserves

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

q) Changes in accounting policies and estimates

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

r) Employee benefits

Retirement benefit plans

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

s) Foreign currency transactions

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

t) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

u) Related parties

The NYC regards a related party as a person or an NYC with the ability to exert control individually or jointly, or to exercise significant influence over the NYC, or vice versa.

Members of key management are regarded as related parties

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

v) Service concession arrangements

The NYC 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 NYC 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 NYC also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

w) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

x) Comparative figures

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

y) Subsequent events

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

4. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The NYC 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 NYC. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

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

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

Provisions

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

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

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

Notes to the Financial Statements (Continued)

5. Transfers from Exchequer

Transfers from Ministries, Departments and Agencies (MDAs)

Name of The Entity Sending The Grant	Amount recognized to Statement of Financial performance. *	Amount deferred under deferred income.	Amount recognised in capital fund.	TOTAL
	KShs	KShs	KShs	
State Department for Youth Affairs and the Arts	68,082,845	0	0	68,082,845
Sports Fund (IYD, WAZO, Youth Connect)	132,783,522.00	0	0	132,783,522
NGAAF	50,000.00	0	0	50,000
Total	200,916,367	0	0	200,916,367

Notes to the Financial Statements (Continued)

6a. Use of Goods and Services

Description	2024/2025	2023/2024
	KShs	KShs
Medical Insurance		6,415,391.60
International Youth Day	59,645,400.00	500,000
WAZO	67,090,800.00	
Youth Connect	6,047,322	
Affirmative Action Fund	50,000	
Peace/Empowerment forums		3,641,200
Research and Feasibility studies		1,945,900
Regulation and Co-ordination		1,477,140
Youth Participation in Leadership and Governance		8,126,421
Rent and Rates	6,343,622.40	8,024,319.60
Motor Vehicle Operation Costs		
Parking Fees		
Electricity	21,831.00	101,173.96
Staff Training		

National Youth Council

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

Office and General Supplies Services	1,942,183	363,235.71
Other Operating Expenses (DSA, airtime)	668,500.00	7,083,126
Refined Fuel and Lubricants	2,700,000.00	1,299,568.97
Printing and Branding		486,500
Sundry expenses		262,884
Internet Charges	480,240.00	532,440
Strategic Plan Expenses		2,020,016
Partnership and collaboration expenses		452,900
Other outsourced services		
Asset and Equipment Insurance		
UNDP Donor Expenses		
Bank Charges	195,565.00	6,220
Other use of Goods- suspense	91,513	1,696,251
Pending Bills	17,006,103	14,922,646
TOTAL	162,283.080	59,357,334

6b. Depreciation charge for the year

Description	2024/2025	2023/2024
	Kshs	Kshs
Depreciation charge for the year	1,876,998	2,343,878
Total depreciation	1,876,998.00	2,343,878

7. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries and wages	24,008,616.00	28,296,260
Basic wages - short term employees	3,240,000.00	
Housing benefits and allowances	4,514,550	
Performance and other bonuses		
Leave allowance		
Gratuity		3,984,367
Other remunerative benefits - seconded staff	1,484,355.29	1,493,877
Employee costs	33,247,521	33,774,504

8. Board expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Chairman/Directors' Honoraria	1,044,000.00	937,000
Sitting Allowances	522,200	2,625,000
Medical Insurance	0	
Accommodation allowance	222,000	2,011,000
Transport allowance	241,945	1,676,890
Per diem for Board	0	
Total	2,030,145	7,249,890

9. Repairs and maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Repairs and maintenance	938,046	2,343,878
Total depreciation and amortization	938,046	2,343,878

10a. Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
National Bank of Kenya	1020085182800	2,500,420	142,283
Grand Total		2,500,420	142,283

10b. Receivables from non-exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Receivables from non-exchange transactions	82,845	0
Total	82,845	0

11. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Consumable stores	3,640,662	1,742,045
Total inventories	3,640,661.98	1,742,045

Notes to the Financial Statements (Continued)**12. Property, Plant, and Equipment**

Cost	Motor vehicles	Furniture, Fittings and Equipment	Computers	Total
	Kshs	Kshs	Kshs	
Depreciation rate	25%	12.5%	30%	
Cost	15,682,979	758,167	6,570,990	23,012,136
Balance b/f FY 30th June 2024	4,631,380	444,424	1,475,404	6,551,208.00
Add				
Disposal	-	-	-	-
Total	4,631,380	444,424	1,475,404	6,551,208.00
Depreciation charge for the year 2024/2025	1,157,845.00	55,553.00	663,600.00	1,876,998.00
Net Book Value				
As at 30th June 2025	3,473,535.00	388,871.00	811,804.00	4,674,210.00
Asat 30th June 2024	4,631,379.75	444,424.00	1,475,404.00	6,551,207.75

Notes to the Financial Statements (Continued)**13. Trade and Other Payables**

Description	2024/2025	2023/2024
	Kshs	Kshs
Trade and other payables	13,332,880	14,922,646
Total trade and other payables	13,332,880.00	14,922,646.00

Notes to the Financial Statements (Continued)

14. Employee Obligations

Employee Obligations		
Accrued gratuity	13,200,000	13,200,000

Notes to the Financial Statements (Continued)

15. Cash Generated from Operations

Description	2024/2025	2023/2024
	Kshs	Kshs
Surplus for the year before tax	8,617,688.51	4,504,178.54
Adjusted for:		
Add back Depreciation	1,876,998.00	2,343,878
Working capital adjustments		
Increase in inventory	-1,898,617	-45794
Increase in receivables	-82,845	
Decrease in trade and other payables	-1,589,766	2290673
Decrease in employee payables	-4,514,550	
Net cash flow from operating activities	2,408,908.36	84,578.46

16. Financial Risk Management

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

The NYC's financial risk management objectives and policies are detailed below:

17. Related Party Disclosures

Nature of related party relationships

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

Other related parties include:

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

Notes to the Financial Statements (Continued)

	<i>Insert Current FY</i>
	Ksh's
Transactions with related parties	
a) Sales to related parties	
Sales of electricity to govt agencies	
Rent income from govt. Agencies	
Water sales to govt. Agencies	
Others (specify) e.g. interest and bank charges	
Total	
B) purchases from related parties	
Purchases of electricity from KPLC	
Purchase of water from govt service providers	
Rent expenses paid to govt agencies	
Training and conference fees paid to govt. Agencies	
Others (specify)	
Total	
b) Grants /transfers from the government	
Grants from national govt	68,082,845

18. Events after the Reporting Period

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

19. Ultimate And Holding NYC

The NYC ultimate parent is the Government of Kenya.

20. Currency

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

19. Appendix

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Presentation of the financial statement	Relevant adjustments is to be made before parliamentary committee hearing	Not resolved	31 st Dec 2025
2	Inaccuracies of the financial statement	Relevant adjustments is to be made before parliamentary committee hearing	Not resolved	31 st Dec 2025
3	Unsupported expenditure	Relevant adjustments is to be made before parliamentary committee hearing	Not resolved	31 st Dec 2025
4	Irregular recruitment and stipends on interns	Relevant adjustments is to be made before parliamentary committee hearing	Not resolved	31 st Dec 2025

Accounting Officer



Date 31/08/2025