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CLERK-AT-THE-TABLE: Kanda-T.	

**REPORT
OF**

THE AUDITOR-GENERAL

ON

**UNIVERSITY OF KABIANGA ENTERPRISE AND
SERVICES LIMITED**

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



UNIVERSITY OF KABIANGA ENTERPRISE AND SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

Prepared in accordance with the IFRS Accounting Standards

OC

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1. Acronyms and Definition of Key Terms

A. Acronyms

CEO	Chief Executive Officer
DG	Director General
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
ICS	Institute of Certified Secretaries
MD	Managing Director
NT	National Treasury
PFMA	Public Finance Management Act.
PSASB	Public Sector Accounting Standards Board
UKES	University of Kabianga Enterprise and services limited

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information

a) Background information

University of Kabianga Enterprises and Services Limited (UKES) is a private limited company owned by the University of Kabianga. The company was registered in 2014 under the Companies Act of Kenya (Cap 486) 2014. The registration number is CPR/2014/172191.

b) Principal Activities

The principal activity of the entity is to operate farm (dairy and horticulture) business activities, bookshop, Restaurant, Fruit processing plant and water bottling, carwash and shortcourses. However there plans to expand the number of enterprises in future.

c) Directors

The Directors who served the entity during the year/period were as follows:

S/No.	NAME	POSITION	YEAR APPOINTED
1	Mr. Peter Kariuki Gathirwa	Chairman	Appointed in 2024
7	Dr. Raymond Kemboi	Managing Director	Appointed on 2021
2	Ms. Tabitha A. Nyandiek	Director	Appointed in 2024
3	Prof. Eric Koech	Director	Appointed in 2014
4	Prof. Paul Onsare	Director	Appointed in 2024
5	Prof. Isaac Naibei	Director	Appointed in 2019
6	Dr. Joyce Kiplimo	Director	Appointed in 2019
8	Ms. Ayuma Robai	Secretary to the Board	Appointed on 2014

d) Corporate Secretary

Mr/Ms. Ayuma Wakoli
P.O. Box 2030 -20200
Nairobi

e) Registered Office

University of Kabianga
Main campus
P.O. Box 2030 - 20200
Nairobi, KENYA

Key Entity Information (continued)

f) Corporate Headquarters

P.O. Box 2030 -20200
University of Kabianga
Main Caampus
Nairobi, KENYA

g) Corporate Contacts

Corporate Contacts

Telephone: (254) 723467501
E-mail: ukes@kabianga.ac.ke

h) Corporate Bankers

Bankers of the Company

Kenya Commercial Bank
Kericho branch
Account Number 1280940670



Independent Auditors




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




Principal Legal Advisers

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3. The Board of Directors

SN	Directors	Details
1.	 <p data-bbox="331 757 651 833">Mr. Peter K. Gathirwa Board Chairman</p>	<p data-bbox="726 385 1396 833">Mr. Peter K. Gathirwa, born in 1967 is the Finance Chairman (P.C.E.A Eldoret Presbyterian); C.E.O(Maika Investment LTD); Board member – Sugoi mixed Secondary School; Board member – P.C.E.A.Soy township Academy; Council member – Cooperate University of Kenya; Certified Professional Mediator (CPM); Dispute and conflict resolution international. He was appointed as a Member of Council of University of Kabianga through a Gazette Notice with effect from 5th April, 2024.</p>
2.	 <p data-bbox="331 1249 694 1326">Ms. Tabitha A. Nyandiek Member</p>	<p data-bbox="726 842 1396 1326">Ms. Tabitha A. Nyandiek was born in 1980. She has served with various Financial Institutions including the former Barclays Bank (Now ABSA), Co-op Bank and Britam Insurance. Also served in the Internal Audit Committee of Homabay County Assembly and worked in the Ministry of Interior and Coordination of National government for several years. She was appointed as a Member of Council of University of Kabianga through a Gazette Notice with effect from 5th April, 2024.</p>

3.	 Prof. Eric Koech, MBS Member	<p>Prof Eric Koech holds a Bachelor of Science from University of Nairobi, Master of Science from Mc Gill and a Doctor of Philosophy from North Wales in United Kingdom. He currently serves as the Vice Chancellor University of Kabianga. He previously served as the Deputy Vice Chancellor incharge of Administration and Finance.</p>
4.	 Prof. Paul Onsare Member	<p>Prof. Paul Onsare holds Bachelor of Education from Moi University, Master of Philosophy from Moi University and a Doctor of Philosophy from Moi University. Prof. Onsare currently serves as the Acting Deputy Vice Chancellor Academics and Students affairs of the University of Kabianga. He previously served as the Dean School of Education at the University of Kabianga</p>
5.	 Prof. Isaac Naibei Member	<p>Prof. Isaac Naibei holds a Bachelor of Arts in Business Administration (Accounting option)-from Maseno University, a Master of Business Administration – Accounting specialization from Maseno University and a Doctor of Philosophy in Business Administration - Accounting specialization from Maseno University. He is also a Certified Public Accountant of Kenya. He currently serves as the Acting Deputy Vice Chancellor Administration and Finance at the University of Kabianga. He previously served as the Dean School of Business and Economics.</p>

<p>6.</p>	 <p>Dr. Joyce Jepkorir Kiplimo Bett Member</p>	<p>Dr. Joyce Jepkorir Kiplimo Bett is a trained and experienced Chemistry Lecturer with over 10 years of experience in Research and Academics. Excellent in Organic chemistry, Natural products, problem solving, Research proposals and Science laboratory Technologies.</p> <p>Member of Organization for Women in Science for the Developing World (OWSD), Member of Organization for Women in Science for the Developing World (OWSD Kenyan Chapter)-Kenya, Member of Royal Society of Chemistry (MRSC), Member of Natural Products Research Network of East and Central Africa (NAPRECA). Treasurer of NAPRECA, Kenya Chapter, Member of Kenya Chemical Society (KCS) and Member of South African Chemical Society</p>
<p>7.</p>	 <p>Ayuma Wakoli Member & Board Secretary</p>	<p>Ms. Robai W. Ayuma holds a Bachelors degree in Law from Moi University, a diploma in Law from Kenya School of Law. She currently serves as the University Legal officer and serves University of Kabianga Enterprise and services Limited (UKES) as a board member and secretary to the Board.</p>
<p>8.</p>	 <p>Dr. Raymond Kemboi. Managing Director</p>	<p>Dr. Raymond Kemboi holds Doctor of Philosophy in Business Administration (PhD) Finance specialization from University of Kabianga, Master of Business Management (MBM) Finance Option from University of Kabianga and a Bachelor's Degree in Business Administration (Finance Option) with Information Technology. Certified Public Accounts (CPA) Section 4</p> <p>He has served as a lecturer for over seven years where he has made significant achievements in all fronts including</p>

		<p>teaching, student's mentorship, training and post graduate research supervision. Owing to his exemplary performance, he has been assigned additional responsibilities in the University where he previously served as the Head of Department in the department of Accounting, Finance and Economics. He was later promoted to be a Director of University of Kabianga Enterprise and Services Limited where he holds that position currently.</p>
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4. Key Management Team

S/no	Name	Designation
1.	Dr. Raymond Kemboi	Managing Director
2.	CPA Jackline Bor	Accountant
3.	Samwel K. Ngetich	Asst. Farm Manager
4.	Evaline Langat	In charge Guest House
5.	John Cheruiyot	In charge Fruit Juice
6.	Andrew Mutai	In charge Bookshop
7.	Bilah Saro	Procurement officer

5. Fiduciary Management

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

No.	Designation	Name
1.	CEO/ MD/ DG	Dr. Raymond Kemboi
2.	Head of Corporate Services	N/A
3.	Head of Finance	CPA Jackline Bor
4.	Head of Procurement	Bilah Saro

6. Fiduciary Oversight Arrangements

Owing to the size of the company there were no sub committees but the responsibility of oversight was done by the full board. There are plans to establish sub committees in future once the company grows.

7. Chairman's Statement

Dear all,

The financial report for our company, reflects our continued commitment to excellence across our diverse operations. In 2024/2025 our company received revenue amounting to Kes. 10,669,293 compared to Kes. 7,291,321 in the comparative period. This is an improvement of 45%. This demonstrates resilience and steady growth amidst a dynamic market environment.

Our operations span several vital sectors, including farming, restaurant services, water bottling, juice processing, and our bookshop. This diverse portfolio enables us to leverage synergies and adapt to changing consumer preferences, fostering sustainable development.

The farming division has shown promising progress, driven by innovative agricultural practices and strategic partnerships. Our restaurant segment continues to serve our customers with quality and excellence, while the water bottling and juice processing units have expanded their reach, emphasizing quality and hygiene standards. Meanwhile, our bookshop remains a hub for knowledge and community engagement.

Looking ahead, we remain committed to enhancing operational efficiencies, expanding our market presence, and delivering value to our stakeholders. We thank our dedicated team, partners, and customers for their continued support and confidence.

Together, we will strive to build a sustainable and prosperous future.

Thank you.



Peter Gathirwa
Chairman, Board of Directors

8. Report of the Chief Executive Officer/ MD/ DG

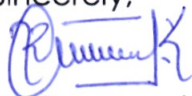
To the Board of Directors,

This statement summarizes the performance of UKES during the financial year 2024/2025. The year saw continued growth and diversification across our key operating segments, despite the rising input costs, seasonal variations and new changes in the payable rates of statutory payments. .

For this reporting period, the company recorded a gross profit of kes. 7,227,091 compared to Kes. 7,291,321 in the comparative period. The slight drop is attributed majorly to high operation costs. On the other hand, the company recorded an improved revenue of Kes. 10,669,293 compared to Kes. 7,291,321 in the comparative period. This robust performance is a testament to the dedication and hard work of our employees across all divisions.

Analysis of quarterly performance showed that the majority of the quarters demonstrated resilience and potential of UKES across all its diverse operations, the company's main challenge during this financial year was rising raw material costs. However, we are confident that by addressing the challenges and capitalizing on the identified opportunities, we will continue to achieve sustainable growth and profitability in the coming quarters. We are committed to maintaining high standards of quality, service, and sustainability across all our operations.

Sincerely,



Dr. Raymond Kemboi
M.D, UKES Ltd.

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

University of Kabianga Enterprise and services limited has developed a draft strategic plan to commence 2025/2026. For the previous year the company's performance was guided by its vision and mission and business plans for each section;

Vision Statement; to be the leading provider in innovation, production, value addition and consultancy for betterment of humanity.

Mission Statement; to train, produce and consult in innovative emerging technologies, using highly qualified human resource for increased performance of public, private and non-governmental organizations.

In 2024/2025 our company received revenue amounting to Kes. 10,669,293 compared to Kes. 7,291,321 in the comparative period. This is an improvement of 45%. This showed an upward trajectory of performance. Our predetermined performance targets focused on consistently delivering innovative solutions, optimizing production processes, enhancing value addition, and providing expert consultancy services. We are committed to measurable milestones such as achieving a specified percentage increase in innovation outputs annually, maintaining high standards of production efficiency, delivering value-added products that meet or exceed customer expectations, and expanding our consultancy reach to positively impact communities. These benchmarks ensure our ongoing contribution toward the vision of being the leading provider dedicated to the betterment of humanity.

10. Corporate Governance Statement

University of Kabianga Enterprise and services limited is currently governed by 8 board members including the managing director. The composition of the board is two Council members, the Vice Chancellor, Deputy Vice Chancellor in charge of academics, Deputy Vice Chancellor in charge of Administration and Finance, University Legal officer, two Senate Representatives and managing director.

UKES Board is responsible for approving corporate strategies and monitoring their implementation, overseeing the company's financial performance and ensuring the integrity of financial reporting, identifying and managing risks associated with our business activities and establishing corporate policies and standards of ethical conduct. The Board ensures the establishment of effective risk management processes. We regularly assess risks associated with our operations and develop mitigation strategies to address them.

Our governance framework is designed to promote ethical decision-making, accountability, and transparency, ensuring that we create sustainable value for our shareholders while meeting the expectations of our stakeholders. The company always maintain ethical standards and board members are requested declare conflict of interest if any before the start of all meetings. We recognize the importance of engaging with our stakeholders, including shareholders, employees, customers, suppliers, and the communities in which we operate. We seek feedback through regular communication and ensure that stakeholders have access to relevant information. We are committed to continuously improving our governance practices. We regularly review our governance framework and engage with stakeholders to ensure our practices align with their expectations and industry standards.

During this reporting period (2024/2025). The board of directors held four meetings as per the requirements by law. The meetings were spread across the year specifically one meeting per quarter.

The summary of attendance of the meetings is shown in the table below:

S/No.	NAME	Q1	Q2	Q3	Q4
1	Mr. Peter Kariuki Gathirwa	Present	Present	Present	Present
2	Ms. Tabitha A. Nyandiek	Present	Present	Present	Present
3	Prof. Eric Koech	Present			Present
4	Prof. Paul Onsare	Present		Present	Present
5	Prof. Isaac Naibei		Present	Present	Present
6	Dr. Joyce Kiplimo	Present	Present	Present	Present
7	Dr. Raymond Kemboi	Present	Present	Present	Present
8	Ms. Ayuma Robai	Present	Present	Present	Present

Notes;

During the first meeting in Q1, Prof. Isaac Naibei was represented by Prof. Maurice Oduor.

Since the board membership was not a full time job, the board members were therefore paid sitting allowances. As a governance practice all the members were requested to declare conflict of interest before agenda was discussed. This was the practice always in all its sitting.

At University of Kabianga Enterprise and Services Limited, we believe that effective corporate governance is fundamental to our long-term success. We are dedicated to upholding the highest standards of ethics, accountability, and transparency in all our business practices.

11. Management Discussion and Analysis

Company Performance Overview

For the reporting period, the company achieved a gross profit of KES 7,227,091, compared to KES 7,291,321 in the previous year. This indicates a slight decrease in gross profit of approximately 1.7%, reflecting stable core operations amid market fluctuations.

Revenue Performance

Total revenue for the current period stood at KES 10,669,293, up from KES 7,291,321 in the previous year. This significant increase of approximately 45.7% highlights robust growth in sales and market expansion efforts.

Analysis of Gross Profit

Despite the substantial revenue growth, gross profit experienced a marginal decline. This could be attributed to factors such as increased cost of goods sold (COGS), price competition, or changes in product mix. Management continues to monitor and optimize operational efficiencies to improve profitability margins.

Operational Highlights

- The notable increase in revenue underscores successful sales strategies and market penetration.
- The stable gross profit margin suggests effective cost control measures, though there is room for improvement.
- Future focus will include cost optimization, diversification of product offerings, and exploring new markets to sustain growth and enhance profitability.

Company Performance Overview

During the reporting period, the company experienced significant changes in its financial performance and position. The total operating costs increased to KES 9,071,975 from KES 4,882,337 in the previous year, reflecting higher operational activities or increased costs associated with growth initiatives.

Assets and Liabilities

The company's total assets stood at KES 6,940,791, indicating the scale of assets employed to generate business. Total current liabilities amounted to KES 2,186,510, which warrants ongoing monitoring to ensure liquidity and operational stability.

Cash Flow Analysis

Cash generated from operations improved notably to KES 18,560,735 from KES 16,353,921 last year, demonstrating stronger cash inflows from core business activities. Conversely, cash used in operations increased to KES 16,824,829 from KES 14,719,873, reflecting higher operational expenditure or working capital adjustments.

Outlook

The company remains committed to delivering value to shareholders through strategic growth initiatives. Continued efforts will be directed toward maintaining revenue growth while improving gross profit margins through operational efficiencies.

12. Environmental and Sustainability Reporting

The main enterprises run currently by UKES are farm, bookshop, restaurant, fruit processing, water bottling, carwash and short courses. There plans to expand the number of enterprises in future.

Our company is committed to integrating sustainable practices across all our operations, fostering environmental stewardship, social responsibility, and economic viability. Operating across diverse sectors; farming, retail, hospitality, food processing, beverage, automotive, and education—we strive to create positive impacts in our communities and the planet. The company will ensure sustainability by adopting the following sustainability principles;

1. Environmental Stewardship: Minimize ecological footprint through resource efficiency, waste reduction, and conservation efforts.
2. Social Responsibility: Promote fair labor practices, community engagement, and customer well-being.
3. Economic Viability: Ensure profitability while investing in sustainable innovations and practices.

The company will also ensure operational sustainability by adopting various strategies in various sections;

1. Farming

Adopt organic and eco-friendly farming techniques, implement water-saving irrigation and soil conservation methods, use renewable energy sources (solar, wind) for farm operations, support biodiversity by planting native species and maintaining ecological balance.

2. Bookshop & Short Courses

Use sustainable and recycled materials for packaging and store fixtures, promote digital materials to reduce paper consumption, incorporate sustainability topics into short courses, raising awareness, implement energy-efficient lighting and waste management practices.

3. Restaurant

Source ingredients seasonally to reduce carbon footprint, minimize food waste through proper inventory management and donation programs, use biodegradable packaging and utensils, implement water and energy-saving appliances, encourage customers to participate in sustainability initiatives (e.g., reusable containers).

4. Fruit Processing & Water Bottling

Use sustainable packaging (biodegradable or recyclable bottles), optimize water usage and implement water recycling systems, source fruits from sustainable farms with ethical practices, reduce energy consumption via renewable energy sources, ensure waste from processing is composted or recycled.

5. Car Wash

Use eco-friendly cleaning products, install water recycling systems to minimize freshwater use, promote waterless or water-efficient wash techniques, educate staff on environmental best practices,

6. Cross-Functional Initiatives

Install solar panels or wind turbines where feasible, Implement comprehensive recycling, composting, and waste reduction programs, Support local farmers, artisans, and educational initiatives, conduct regular sustainability training and awareness programs, track sustainability metrics and report progress transparently.

Profile & Commitment Statement

UKES is dedicated to integrating sustainability into every facet of our operations. Through innovative practices and community collaboration, we aim to reduce our environmental impact, enhance social well-being, and ensure economic resilience. Our commitment is to operate responsibly today, ensuring a sustainable future for generations to come.

13. Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the *entity's* affairs.

i) Principal activities

The principal activities of the entity are farm, bookshop, restaurant, fruit processing, water bottling, carwash and short courses. There plans to expand the number of enterprises in future.

ii) Results

The results of the entity for the year ended June 30, 2025, are set out on page 1. Below is summary of the profit or loss made during the year.

	2024-2025	2023-2024
Total Revenue	18,560,735	16,351,351
Total Expenditure	<u>16,824,829</u>	<u>14,369,255</u>
	<u>1,735,906</u>	<u>1,982,096</u>

iii) Dividends

Subject to the approval of the shareholders, the Directors recommend zero payment of final dividend for the year.

iv) Directors

The members of the Board of Directors who served during the year are shown on page xv.

v) Auditors

The Auditor-General is responsible for the statutory audit of the *entity* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or Certified Public Accountants were nominated by the Auditor General to

carry out the audit of the *entity* for the year/period ended June 30, 2025, in accordance with section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Name

Corporate Secretary/Secretary to the Board

Date

14. Statement of Directors' Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, - require the Directors to prepare financial statements in respect of the entity, which give a true and fair view of the state of affairs of the entity at the end of the financial year/period and the operating results of the entity for that year/period. The Directors are also required to ensure that the entity keeps proper accounting records which disclose with reasonable accuracy the financial position of the entity. The Directors are also responsible for safeguarding the assets of the entity.

The Directors are responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2024.

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 entity,
- (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 entity,
- (v) Selecting and applying appropriate accounting policies, and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors responsibility for the entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial

Reporting Standards (IFRS), and in the manner required by the PFM Act, 2012 and the State Corporations Act.

The Directors are of the opinion that the entity's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the entity's ability to continue as a going concern. Nothing has come to the attention of the Directors to indicate that the entity will not remain a going concern for at least the next twelve months from the date of this statement

Approval of the financial statements

UKES financial statements were approved by the Board on Tuesday 15th July, 2025 and signed on its behalf by:



Name: Mr. Peter K. Gathirwa
Chairperson of the
Board/Council



Name: Dr. Raymond Kemboi
Accounting officer

**15. Report of the Independent Auditor on the Financial Statements For the
financial year 2024/2025**

The company submits reports to external Auditors for period January/December. This is aligned to the financial year indicated during the company registration however the company has made a request to amend the reporting period to July-June.

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON UNIVERSITY OF KABIANGA ENTERPRISE AND SERVICES LIMITED 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.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of University of Kabianga Enterprise and Services Limited set out on pages 1 to 35, which comprise of the statement of financial position as at 30 June, 2025 and the statement of profit/loss and other

Report of the Auditor-General on University of Kabianga Enterprise and Services Limited for the year ended 30 June, 2025

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of University of Kabianga Enterprise and Services Limited as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Companies Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Over Statement of Medical Expenses

The statement of profit/loss and other comprehensive income reflects administration cost of Kshs.9,071,975, which includes medical expense of Kshs.18,000 as disclosed in Note 8 to the financial statements. However the supporting documents including invoices shows expenditure of Kshs.15,000 resulting to unsupported medical expenses of Kshs.3,000.

In the circumstances, the accuracy and completeness of administration costs of Kshs.9,071,975 could not be confirmed.

2. Un-Supported Property, Plant and Equipment

The statement of financial position and Note 15 to the financial statements reflects property, plant and equipment balance of Kshs.358,278. However, the Management did not provide the supporting ledgers for the assets. Further, Note 15 shows accumulated depreciation of Kshs.64,194 instead of Kshs.127,780, being the recomputed balance. The net book value as at 30 June 2025 should, therefore, be Kshs.294,692 and not Kshs.358,278 as reported.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs. 358,278 could not be confirmed.

3. Misstated Equity Balance

The statement of financial position reflects equity balance of Kshs.4,754,281 while the statement of changes in equity reflects total equity of Kshs. 6,440,570 resulting to a difference of Kshs.1,686,289, being retained earnings balance brought forward from 2023/2024 financial year in the statement of changes in equity omitted from the statement of financial position.

In the circumstances, the statement of financial position is misstated.

Report of the Auditor-General on University of Kabianga Enterprise and Services Limited for the year ended 30 June, 2025

4. Unconfirmed Cash and Cash Equivalent Balance

The statement of financial position and statement of cash flows reflect a balance of Kshs.5,857,809. However, cash received from receivables of Kshs.3,121,500 and cash paid for settlement of creditors of kshs.433,180 were omitted from the computation of the balance. The balance is, therefore, understated by Kshs.2,688,320.

In the circumstances, the cash and cash equivalent is misstated.

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

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Payments Made Without ETR Receipts

The statement of profit/loss and other comprehensive income and Note 7 to the financial statements reflects cost of sales of Kshs.7,891,444. Included in the amount is expenditure of Kshs.822,075 for purchases of items which were not supported with electronic tax register receipts as required by the VAT Act, 2013.

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

2. Irregular Payment of Allowances to Staff

The statement of profit/loss and other comprehensive income reflects administration cost of Kshs.9,071,975, which includes board expenses of Kshs.379,600 as disclosed in Note 8 to the financial statements. However, an amount of Kshs.40,000 was paid to staff members while on their normal duties during the board meeting. This is contrary to Presidential order number OP/CAB/9/21/2A/L11 dated 24 march, 2005 which prohibits payment of sitting allowances to civil servants while performing their normal duties.

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

3. Non-Remittance of PAYE for Board Meeting Allowances

The statement of profit/loss and other comprehensive income reflects administration cost of Kshs. 9,071,975, which includes board expense of Kshs.379,600 as disclosed in Note 8 to the financial statements. However, payment voucher number 468 on PAYE for board member allowances of Kshs.6,000 had the original cheque attached to the voucher indicating that the amount was not remitted to KRA. Further PAYE amounting to Kshs.48,000 deducted from Board members' allowances paid during a meeting was not remitted to Kenya Revenue Authority contrary to Section 37(1) of the Income Tax Act which provides that employer shall deduct PAYE from payments made as income.

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

4. Failure to Comply with Work Injury Benefit Act (WIBA) 2007

During the year the Enterprise did not secure Work Injury Benefit Insurance for the employees contrary to Section 7 (1) of the Work Injury Benefit Act, 2007 which stipulate

that every employer shall obtain and maintain an insurance policy, with an insurer approved by the Minister in respect of any liability that the employer may incur under this Act to any of his employees.

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

5. Irregular Payment of Board Allowances

The statement of profit/loss and other comprehensive income reflects administration cost of Kshs. 9,071,975, which includes board expense of Kshs.379,600 as disclosed in Note 8 to the financial statements. However, review of the board attendance register revealed the anomalies noted below. Further, the expenditure was incurred contrary to section 8(c)(4) of Mwongozo which requires before start of a scheduled meeting the attendance register should be signed by all member;

- i. During board meeting held on 15 January, 2025, the members did not sign the attendance register while allowances amounting to Kshs.100,400 was paid. Thus, it was not possible to ascertain that the board had a physical meeting as indicated in the minutes.
- ii. Further, a Board member was paid allowances totalling to Kshs.16,000 for four (4) meetings but did not sign the attendance register for the meetings. Thus, it was not possible to ascertain the physical presence in the meetings.
- iii. In addition, a Board member was paid allowances of Kshs.4,000 but did not sign the attendance register on 15 April, 2025 and the physical attendance could not be ascertained.

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

6. Failure to Implement E-Procurement System

The statement of profit/loss and other comprehensive income and Note 7 to the financial statements reflects cost of sales of Kshs.7,891,444. Review of the procurement records and processes for the expenditure revealed that the company did not use the e-procurement system during the period under review.

In the circumstance, the Enterprise did not comply with the requirements of the Executive order number 2 of 2018 which requires entities to use e-procurement in securing goods, works and services.

The head of public service also issued Circular OP/CAB.6/2A, Transition to E-procurement System that stated, by 10 June 2025, all institutions should be registered by e-GP for seamless transition but the company has not provided evidence to show compliance with the Circular.

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

7. Non-Compliance with Persons with Disability Act

Review of the muster roll and personnel records revealed that the Company had 35 casual employees on contractual terms but none was a person with disability contrary to section 21(1)(2) of the Persons with Disability Act, 2023 which stipulates, every employer shall where an employer has at least twenty employees, reserve at least five per cent direct employment opportunities for persons with disabilities.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Segregation of Duties in Cash Management

The statement of financial position and Note 12 to the financial statements reflects cash and cash equivalents balance of Kshs.5,857,809. Review of the cash records in support of the balance revealed that there was no segregation of duties in the management of cash and one officer maintained the cashbook, did bank reconciliation, maintained the ledgers and prepared payment vouchers. Further, there was no evidence that cash book and bank reconciliations were being checked by a senior officer.

In addition, the board of survey report was not provided for audit review.

In the circumstances, the effectiveness of the internal control and governance system and processes could not be confirmed.

2. Lack of Internal Audit Unit and Audit committee

Review of internal controls and governance structure revealed that the Company had not established internal audit function and no internal audit reports were presented for audit

review. Further, the Board did not establish Audit Committee to review and advise on effectiveness of internal controls.

In the circumstances, the effectiveness of the internal control and governance system and processes could not be confirmed.

3. Lack of Information and Communication Technology (ICT) System, Function and Business Continuity Plan

Review of internal controls, risk management and governance structures revealed that the Enterprise does not utilize ICT system and has not established an ICT function to support its operations. Further, during the year under review, the Management had made a budgetary provision of KShs.850,000 for the acquisition of an accounting system and related support services. However, the acquisition and implementation of the system were not realized. Consequently, most operations, including accounting and record-keeping, were conducted manually.

In the circumstances the reliability, accuracy and efficiency of financial reporting and operational processes could not be assured.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies Act, 2015, I report, based on my audit, that:

- i. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit;
- ii. The information given in the Directors' report on pages xx to xxi is consistent with the financial statements.

Responsibilities of Management and Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard 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 Company'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 Directors are responsible for overseeing the University'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

04 November, 2025

16. Statement of Profit/Loss & Other Comprehensive Income for the Year Ended 30th June 2025.

Description	NOTE	2024-2025	2023-2024
		Kshs	Kshs
Revenue	1	15,118,535	16,356,456
Less Cost of Sales	7	7,891,444	9,065,135
Gross profit		7,227,091	7,291,321
Other Income			
Lipton Scholarship	2	2,939,902	-
Short Courses		502,300	-
Total Other Income		3,442,202	
Total Revenue		10,669,293	7,291,321
Operating Expenses			
Administration Costs	8	9,071,975	4,882,337
Total Operating Costs		9,071,975	4,882,337
Profit (loss) before Taxation		1,597,317	2,408,984
Income Tax expense	14	479,195	722,695
Profit/(loss) after Taxation		1,118,122	1,686,289

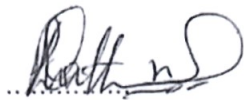
University of Kabianga Enterprise and Services Limited
Annual Report and Financial Statements for the year ended June 30, 2025

17. Statement of Financial Position as at 30 June 2025

Description	NOTE	2024-2025	2023-2024
		Kshs.	Kshs.
Assets			
Non -Current Assets			
Property Plant & Equipment	15	358,278	308,472
Total Non -Current Assets		358,278	308,472
Current Assets			
Inventories	10	368,504	490,842
Trade and Other Receivables	11	356,200	3,477,700
Bank and Cash Balances	12	5,857,809	4,235,903
Total Current Assets		6,582,513	8,204,445
Total Assets		6,940,791	8,512,917
Equity and Liabilities			
Capital and Reserves			
Share Capital		100,000	100,000
Retained Earnings		1,118,122	1,686,289
Shareholders Fund		3,536,159	3,536,159
Capital and Reserves		4,754,281	5,322,448
Non -Current Liabilities			
Current Liabilities			
Trade and Other payables	13	1,106,594	1,539,774
Tax payable	14	479,195	722,695
Provision for Audit fee		600,720	928,000
Total current Liabilities		2,186,510	3,190,469
Total Net Equity and Liabilities		6,940,791	8,512,917

University of Kabianga Enterprise and Services Limited
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The financial statements were approved by the Board on 15th July 2025 and signed on its behalf by:



Name: Mr. Peter K.

Gathirwa

Chairman of the Board



Name:

Dr. Raymond Kemboi

Director

General/C.E.O/M.D



Name: CPA JACKLINE BOR

Head of Finance

ICPAK M/NO: 14441

18. Statement of Changes in Equity for the year ended 30 June 2025

Description	Ordinary share capital	Revaluation Reserve	Retained Earnings	Proposed Dividends	Capital/Development Grant/fund	Total
As at July 1, 2024	100,000	-	1,686,289	-	3,536,159	5,322,448
New capital issued	-	-	-	-	-	-
Revaluation gain	-	-	-	-	-	-
Profit for the year	-	-	1,143,826	-	-	1,143,826
Capital/development grants received during the year	-	-	-	-	-	-
Dividends paid – prior year	-	-	-	-	-	-
Interim dividends paid – current year	-	-	-	-	-	-
Proposed final dividends	-	-	-	-	-	-
As at June 30, 2025	100,000	-	2,830,115	-	3,536,159	6,466,274

Note:

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

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

Description	2024-2025	2023-2024
	Kshs.	Kshs
Cash flow from operating Activities		
Cash generated from operations	18,560,735	16,353,921
Cash generated used in operations	16,824,829	14,719,873
Net Cash flow from Operating Activities	1,735,906	1,634,048
Cash flow from Investing Activities		
Purchase of Property, Plant & Equipment	(114,000)	(184,895)
Disposal of Biological Assets		-
Net Cash flow used in investing Activities	(114,000)	(184,895)
Cash flow from Financing Activities		
Seed Money (UOK)	-	-
Net cash flow from Financing Activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalent	1,621,906	1,449,153
Cash and Cash Equivalent at the beginning of the year	4,235,903	2,786,750
Cash and Cash Equivalent at the end of the year.	5,857,809	4,235,903

20. Statement of Comparison of Budget & Actual amounts for the period ended 30 June 2025

Description	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	% of Utilization
	a	b	c=a+b	d	E=c-d	d/c%
Revenue						
Sale of goods	18,648,693	0	18,648,693	15,118,535	3,530,158	81
Transfer from Uok	1,000,000	-	1,000,000	-	1,000,000	0
Other Income				3,442,202	-3,442,202	
Total Income	19,648,693	-	19,648,693	18,560,737	1,087,956	94
					-	
Expenses					-	
Compensation of Employees	3,841,363	0	3,841,363	4,076,312	-234,949	106
Telephone	84,000	0	84,000	84,000	-	100
Stationaries	130,000	0	130,000	123,920	6,080	95
Travelling & Accommodation	600,000	0	600,000	820,651	-220,651	137
Guest house Expenses	3,258,085	0	3,258,085	6,298,492	-3,040,407	193
Farm Expenses	865,540	0	865,540	633,610	231,930	73
Pineapple expenses	484,444	0	484,444	709,279	-224,835	146
Bookshop expenses	111,300	0	111,300	127,725	-16,425	115
Car wash expenses	14,200	0	14,200	3,700	10,500	26
Short Courses Expenses	190,250	0	190,250	328,031	-137,781	172
Accounting System	850,000	0	850,000	-	850,000	0
Insurance Expenses	290,000	0	290,000	-	290,000	0

University of Kabianga Enterprise and Services Limited

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Consultancy Services & subscriptions	120,000	0	120,000	-	120,000	0
Meetings & workshop	400,000	0	400,000	145,901	254,099	36
Maintenance of Plant & equipment	140,000	0	140,000	69,600	70,400	50
Advertising & Marketing Expenses	80,000	0	80,000	-	80,000	0
Board committee expenses	420,000	0	420,000	379,600	40,400	90
Audit fee	400,000	0	400,000	360,000	40,000	90
Purchase of plant & equipment	550,000	0	550,000	114,000	436,000	21
Lipton expenses	2,939,902	0	2,939,902	2,733,871	206,031	93
Strategic plan Development	300,000	0	300,000	-	300,000	0
tax	1,655,853		1,655,853	-	1,655,853	
Total Expenditure	17,724,937	-	17,724,937	17,008,692	716,245	96
Surplus for the Period	1,923,756	-	1,923,756	1,552,045	371,711	81

(Note: PFM Act section 81(2) ii and iv requires a National Government entity to present appropriation accounts showing the status of each vote compared with the appropriation for the vote and a statement explaining any variations between actual expenditure and the sums voted. IFRS does not require entities complying with IFRS standards to prepare budgetary information because most of the entities that apply IFRS are private entities that do not make their budgets publicly available. However, for public sector entities, the PSASB has considered the requirements of the PFM Act, 2012 which these statements comply with, the importance that the budgetary information would provide to the users of the statements and the fact that the public entities make their budgets publicly available and decided to include this statement under the IFRS compliant financial statements.

Budget notes: Provide explanation of differences between actual and budgeted amounts (10% over/ under) Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Stationary	6,080
2	Underspent on Farm expenses	231,930
3	Underspent on Car wash	10,500
4	Unutilized Accounting system	850,000
5	Unutilized insurance expenses	290,000
6	Consultancy services	120,000
7	Meetings and workshop	254,099
8	Maintenance of Plant & equipment	70,400
9	Advertising & marketing	80,000
10	Board committee expenses	40,400

11.	Audit fee	260,000
12.	Purchase of plant & equipment	436,000
13.	Lipton expenses	142,751
14.	Compensation of employees	(234,949)
15.	Travelling & accommodation	(220,651)
16.	Strategic plan development	300,000
17.	Guesthouse expenses	(3,040,407)
18.	Bookshop expenses	(16,425)
	Closing Cash and Cash Equivalent as per the statement of Cash flows	301,791

21. Notes to the Financial Statements

1. General Information

University of Kabianga Enterprise & Services Ltd is established by and derives its authority and accountability from Companies Act. The company is wholly owned by the University of Kabianga. The entity's principal activity is generate income.

For Kenyan Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of profit or loss and other comprehensive income in these financial statements.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the company, and all values are rounded off to the nearest Kenya shillings. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Financial Reporting Standards (IFRS). The accounting policies adopted have been consistently applied to all the years presented.

3. Summary of Accounting Policies

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

a) Revenue recognition

Revenue is measured based on the consideration to which the entity expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The entity recognizes revenue when it transfers control of a product or service to a customer.

- i) **Revenue from the sale of goods and services** is recognized in the year in which the entity delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.
- ii) **Grants from National Government** are recognized in the year in which the entity actually receives such grants. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.
- iii) **Finance income** comprises interest receivable from bank deposits and investment in securities, and is recognized in profit or loss on a time proportion basis using the effective interest rate method.
- iv) **Dividend income** is recognized in the income statement in the year in which the right to receive the payment is established.
- v) **Rental income** is recognized in the income statement as it accrues using the effective interest implicit in lease agreements.
- vi) **Other income** is recognized as it accrues.

b) In-kind contributions

In-kind contributions are donations that are made to the entity in the form of actual goods and/or services rather than in money or cash terms. These donations

may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the entity includes such value in the statement of comprehensive income both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

c) Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost less accumulated depreciation and impairment losses.

Certain categories of property, plant and equipment are subsequently carried at re-valued amounts, being their fair value at the date of re-valuation less any subsequent accumulated depreciation and impairment losses.

Increases in the carrying amounts of assets arising from re-valuation are credited to other comprehensive income. Decreases that offset previous increases in the carrying amount of the same asset are charged against the revaluation reserve account; all other decreases are charged to profit or loss in the income statement. Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from the disposal with the net carrying amount of the items, and are recognised in profit or loss in the income statement.

d) Depreciation and impairment of property, plant and equipment

Freehold land and capital work in progress are not depreciated. Capital work in progress relates mainly to the cost of ongoing but incomplete works on buildings and other civil works and installations.

Depreciation on property, plant and equipment is recognized in the income statement on a straight-line basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life. The annual rates in use, as guided by National Treasury policy on assets depreciation are:

Freehold Land	Nil
Buildings and civil works	2%
Plant and machinery	12.5%

Motor vehicles, including motor cycles	25%
Computers and related equipment	33.3%
Office equipment, furniture and fittings	12.5%

A full year's depreciation charge is recognised both in the year of asset purchase and in the year of asset disposal.

Items of property, plant and equipment are reviewed annually for impairment. Where the carrying amount of an asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

e) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

f) Amortisation and impairment of intangible assets

Amortisation is calculated on the straight-line basis over the estimated useful life of the intangible asset. All intangible assets are reviewed annually for impairment. Where the carrying amount of an intangible asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

g) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss

in the period in which they arise. An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

h) Right of Use Asset

The right-of-use assets comprise 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 entity 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 IAS 37. 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 entity 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 consolidated statement of financial position.

Fixed interest investments (bonds)

Fixed interest investments refer to investment funds placed under Central Bank of Kenya (CBK) long-term infrastructure bonds and other corporate bonds with the intention of earning interest income upon the bond's disposal or maturity. Fixed interest investments are freely traded at the Nairobi Securities Exchange. These

bonds are measured at amortized cost/ at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL).

i) Quoted investments

Quoted investments are classified as non-current assets and comprise marketable securities traded freely at the Nairobi Securities Exchange or other regional and international securities exchanges. Quoted investments are stated at fair value through profit or loss (FVTPL).

j) Unquoted investments

Unquoted investments are measured at fair value through profit or loss (FVTPL).

k) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method or First in First out (FIFO). Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

l) Trade and other receivables

Trade and other receivables are recognized at amortized cost less allowances for any uncollectible amounts. These 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. Bad debts are written off after all efforts at recovery have been exhausted.

m) Taxation

i) Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Entity operates and generates taxable income. Current income tax relating to

items recognized directly in net assets is recognized in net assets and not in the statement of financial performance.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Entity operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

n) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognized in other comprehensive income and reclassified to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalized borrowing costs reflect the hedged interest rate. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for

capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

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

q) Borrowings

Interest bearing loans and overdrafts are initially recorded at fair value being received, net of issue costs associated with the borrowing. Subsequently, these are measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue cost and any discount or premium on settlement. Finance charges, including premiums payable of settlement or redemption are accounted for on accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Loan interest accruing during the construction of a project is capitalised as part of the cost of the project.

r) Trade and other payables

Trade and other payables are non-interest bearing and are carried at amortised cost, which is measured at the fair value of contractual value of the consideration to be paid in future in respect of goods and services supplied, whether billed to the entity or not, less any payments made to the suppliers.

s) Retirement benefit obligations

The company contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's obligation under the scheme is limited to specific contributions legislated from time to time.

t) Provision for staff leave pay

Employees' entitlements to annual leave are recognised as they accrue at the employees. A provision is made for the estimated liability for annual leave at the reporting date.

u) Exchange rate differences

The accounting records are maintained in the functional currency of the primary economic environment in which the entity operates, Kenya Shillings. Transactions in foreign currencies during the year/period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Entity's financial statements in conformity with IFRS 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: e.g.

a) Estimates and assumptions

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

b) Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the company
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the assets

c) Provisions

Provisions were raised and management determined an estimate based on the information available.

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 organization e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)

Revaluation Reserve

The revaluation reserve relates to the revaluation of certain items of property, plant and equipment. As indicated in the Statement of Changes in Equity, this is stated after transfer of excess depreciation net of related deferred tax to retained earnings. Revaluation surpluses are not distributable.

4. Fair Value Adjustment Reserve

The fair value adjustment reserve arises on the revaluation of available-for-sale financial assets, principally the marketable securities. When a financial asset is sold, the portion of the reserve that relates to that asset is reduced from the fair value adjustment reserve and is recognized in profit or loss. Where a financial asset is impaired, the portion of the reserve that relates to that asset is recognized in profit or loss.

5. Retained Earnings

The retained earnings represent amounts available for distribution to the entity's shareholders. Undistributed retained earnings are utilized to finance the entity's business activities.

22. Appendices

NOTE 1. Revenue

Description	2024-2025	2023-2024
	Kshs	Kshs.
Sales of Goods		
Guest house	9,416,533	10,380,233
Farm	4,490,790	5,105,310
Pineapple plant	1,018,190	741,660
Bookshop	124,272	124,148
Car wash	68,750	-
Total	15,118,535	16,351,351

Note 2. Other Income

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Lipton	2,939,902	-
Short Courses	502,300	-
Total	3,442,202	

Note 3. Guest House Cost of Goods Sold	2024-2025	2023-2024
	Kshs	Kshs
Opening Stock	135,215	62,211
Add Purchases	6,298,492	7,523,140
	6,433,707	7,585,351
less Closing Stock	121,235	135,215
COST OF GOODS SOLD	6,312,472	7,450,136

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Note 4. Farm Cost of Goods Sold	2024-2025	2023-2024
	Kshs	Kshs
Opening Stock	125,290	82,350
Add Purchases	633,610	931,900
	758,900	1,014,250
less Closing Stock	86,390	125,290
Cost of Goods Sold	672,510	888,960

Note. 5.Pineapple Plant Cost of Goods Sold	2024-2025	2023-2024
	Kshs	Kshs
Opening Stock	181,202	49,680
Add Purchases	709,279	748,866
	890,481	798,546
less Closing Stock	90,939	181,202
Cost of Goods Sold	799,542	617,344

Note 6. Bookshop Cost of Goods sold	2024-2025	2023-2024
	Kshs	Kshs
Opening Stock	49,135	29,521
Add Purchases	127,725	128,309
	176,860	157,830
less Closing Stock	69,940	49,135
Cost of Goods Sold	106,920	108,695

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Note 7. Cost of Sales		
Description	2024-2025	2023-2024
	Kshs.	Kshs
Guest house	6,312,472	7,450,136
Farm	672,510	888,960
Pineapple plant	799,542	617,344
Bookshop	106,920	108,695
Total	7,891,444	9,065,135

Note 8. Administration Costs		
Description	2024-2025	2023-2024
	Kshs.	Kshs
Staff costs(note 9)	4,076,312	3,800,903
Board Expenses	379,600	574,600
Stationery	123,920	52,785
Telephone	84,000	72,000
Travelling & Accommodation	820,651	236,442
Bank charges	13,796	10,123
Repairs and Maintenance	69,600	21,900
Lipton Expenses	2,733,871	-
Short courses Expenses	328,031	-
Audit fee	360,000	50,000
Medical expenses	18,000	
Depreciation	64,194	63,585
Total	9,071,975	4,882,338

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Note 9. Staff Costs		
Description	2024-2025	2023-2024
	Kshs.	Kshs.
Wages	3,364,587	3,267,416
NHIF	139,349	78,100
NSSF	437,138	404,822
HOUSING LEVY	109,888	37,965
NITA LEVY	25,350	12,600
Total	4,076,312	3,800,903

Note 10. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Guest house	121,235	135,215
Farm	86,390	125,290
Pineapple plant	90,939	181,202
Bookshop	69,940	49,135
Total	368,504	490,842

Note 11. Trade and Other Receivables

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Receivables(a)	356,200	3,477,700
Total Trade and Other Receivables	356,200	3,477,700

(a) Trade Receivables

Description	2024-2025	2023-2024
	Kshs	Kshs
Gross Trade Receivables	356,200	3,477,700
Net Trade Receivables	356,200	3,477,700
At 30th Sept 2024 the ageing analysis of the gross trade receivables was as follows		
Less than 30 days	74,000	635,240
Between 30 and 60 days	102,500	341,315
Between 61 and 90 days	150,000	630,420
Between 91 and 120 days	29,700	950,280
Over 120 days		920,445
Total	356,200	3,477,700

Note 12. Bank and Cash Balances

Description	2024-2025	2023-2024
	Kshs	Kshs
Kenya Commercial Bank	5,857,809	4,235,903
Total Bank and cash balances	5,857,809	4,235,903

Note 13. Trade and Other Payables

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Payables	798,944	1,234,504
Employee payables	307,650	305,270
Total	1,106,594	1,539,774

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Note 14. Income Tax Expense/(Credit)
Current Taxation

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Taxation based on adjusted profit for the Quarter at 30%	479,195	722,695
Total	479,195	722,695

Note 15. PPE SCHEDULE

	Land	Buildings	Plant and Equipment	Computers, Printers & Copiers	Furniture & Fittings	Motor Vehicles	Total
Depreciation Rate	0	2.00%	12.50%	33.33%	12.50%	25%	
COST/VALUATION	KShs	KShs.	KShs	KShs.	KShs.	KShs	KShs.
As at 1 July,2024			253,813	54,659			308,472
Additions	0	0	114,000	0	0	0	114,000
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Transfer to Buildings	-	-	-	-	-	-	-
As at 30 June,2025	0	0	367,813	54,659	0	0	422,472
Depreciation							
As at 30 June,2025	-		45,977	18,218			64,194
Depreciation	0	0			0	0	0
Revaluation							-
As at 30 June,2025	0	0	45,977	18,218	0	0	64,194
Net Book Values							
As at 30 June,2025	0	0	321,836	36,441	0	0	358,278
As at 30 June,2024	0	0	253,813	54,659	0	0	308,472



Name of entity where investment is held	No of shares					
	Direct shareholding	Indirect shareholding	Effective shareholding	Nominal value of shares/purchase price	Value of shares less impairment Current year	Value of shares less impairment Prior year
	No	No	No	Kshs	Kshs	Kshs
University of Kabianga	99	0	0	99,000,	99,000	99,000
Estate of Benard Ojiambo	1	0	0	1000	1,000	1,000
	100	0	0	100,000	100,000	100,000

Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company'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 company 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 company's financial risk management objectives and policies are detailed below:

(i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The board of directors sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

(iii) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of

market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The company's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

b) Interest rate risk

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

i) Management of interest rate risk

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

ii) Sensitivity analysis

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant.

iii) Fair value of financial assets and liabilities

a) Financial instruments measured at fair value

Determination of fair value and fair values hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the entity's market assumptions. These two types of inputs have created the following fair value hierarchy:

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

iv) Capital Risk Management

The objective of the entity's capital risk management is to safeguard the Board's ability to continue as a going concern.

6. Incorporation

University of Kabianga Enterprise & Services Ltd is incorporated in Kenya under *the Kenyan Companies Act* and is domiciled in Kenya.

7. Events after the Reporting Period

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

Appendices

Appendix 1: Implementation Status of Auditor-General prior year 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)
1.1 Variances in Revenue Generated	Unexplained variance of Kshs.5,105	The variance Explained	Resolved	
1.2 Inaccuracy of Cash and Cash Equivalent	Unexplained variance of Kshs.2,570	The variance Explained	Resolved	
1.2 Failure to Maintain Assets Register	Management did not maintain assets register	Assets register is now maintained	Resolved	
Understatement of Retained Earnings	Retained Earnings brought forward was excluded in the Statement of changes in Equity	Adjustment was made	Resolved	
Lack of Strategic Plan	The company's Strategic objectives may not be well defined and aligned to the	Draft Strategic Plan has been developed	Not Resolved	Quarter Two of 2025/2026 Financial Year.

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)
	medium term fiscal policy objectives of the National Government.			



Name: Dr. Raymond Kemboi

Accounting Officer

Managing Director

Date: 25/08/2025