

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 15 FEB 2024

DAY:

Thursday

OF

TABLED
BY:

Hon. Owen Baya
(Deputy Majority Leader)

CLERK AT
THE TABLE

Shibuko

THE AUDITOR-GENERAL

ON



**STREET FAMILIES REHABILITATION
TRUST FUND**

**FOR THE YEAR ENDED
30 JUNE, 2023**



REPUBLIC OF KENYA

**MINISTRY OF LABOUR AND SOCIAL PROTECTION
STATE DEPARTMENT FOR SOCIAL PROTECTION AND
SENIOR CITIZEN AFFAIRS**

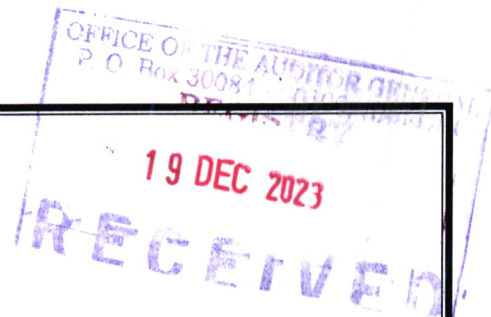
STREET FAMILIES REHABILITATION TRUST FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

30TH JUNE, 2023

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



Street Families Rehabilitation Trust Fund
Report and Financial Statements
For the Financial Year ended June 30, 2023

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background Information

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

(b) Principal Activities

The strategic goals of the Trust Fund are to safeguard and promote the rights of street families and to address the concerns of all homeless, destitute and vulnerable people in urban areas.

The mandate of the Trust Fund is to: coordinate rehabilitation programmes for street families, conduct public education on street families issues, mobilize resources, fundraise and receive donations and fund street families rehabilitation programmes, managing donations for the rehabilitation of street families through a Trust Fund, monitoring disbursement and expenditure of funds, advise the Government and other relevant agencies on matters relating to the rehabilitation of street families.

Vision: A country free of street families.

Mission: To coordinate, develop capacity and mobilize resources to facilitate and monitor rescue, rehabilitation, reintegration and resocialization programmes for street families.

Strategic Objectives

1. Build knowledge base on the plight of street families
2. Develop and implement policies on rehabilitation of street families Establish and manage a fund for rescue, rehabilitation, re-integration and resocialization programmes for street families.
3. Design systems and structures for effective implementation rescue, rehabilitation, re-integration and resocialization programmes
4. Lobbying and advocacy.

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5. Institutional strengthening of Street families Rehabilitation Trust Fund and implementing partners for effective programming.
6. Enact relevant legislation on issues of street families
7. Strategic planning, monitoring and evaluation
8. Develop and manage database on street families

(c) Key Management

The Secretary/Chief Executive Officer provides leadership to a Secretariat that manages the operations of the Trust Fund.

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

S/No	Names	Title designation	Responsibilities
1.	Joseph Motari	Principal Secretary	Accounting Officer
2.	Caroline Towett	Ag. CEO	Ag. CEO/Secretary to the board
3.	Alice Mwaniki	Director Accountant General	Head Accounting Unit
4.	Batista Osano Nyang'ara	Chief Finance Officer	Head Finance Unit
5.	Felister Ngang'a	Procurement Officer	Head Supply Chain Management Unit

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Fiduciary Oversight Arrangements

The Board of Trustees of Street Families Rehabilitation Trust Fund plays an oversight role on the management of Trust Fund's resources, with the help of ministerial Audit, Finance and Budget committee

(e) Trust Fund Headquarters

The Fund headquarters offices are at Tourism Fund Building Nairobi County, Kenya.

P.O Box 40326-00100

Tourism Fund Building,

Bishops Road

Nairobi.

(f) Trust Fund Contacts

Telephone: 0722-257486

E-mail: ceo.sfrtf@gmail.com

Website:

(g) Bankers

1. Central Bank of Kenya

Street Families Rehabilitation Trust Fund

1000398598

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

Nairobi, Kenya

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(h) Independent Auditors

Auditor General

Office of the Auditor general

Anniversary Towers, University Way

P.O. Box 30084

GOP 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

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2. THE BOARD OF TRUSTEES

1. Hon. Mary W. Munene – Chairperson
2. Ms Caroline Towett – Ag. CEO/Secretary to the Board
3. Mr. Ahmed Hussein – Trustee
4. Mr. Judson Nyabuto – Trustee
5. Mrs. Fatma Ahmed - Alternate Principal Secretary, State Department for Social Protection
6. Richard Chepkawai Limo (OGW) - Alternate to Principal Secretary, State Department for Early Learning and Basic Education



Hon. Mary Wambui Munene was born on 20th June 1952. She is an experienced, dedicated and passionate leader and entrepreneur, having worked with corporate organizations, non-profit and Government agencies on social welfare and social justice across Kenya, where she has been positively influencing, motivating, mentoring and leading various projects and events successfully.

Hon. Mary is the former Member of the National Assembly for Othaya Constituency (2013-2017); currently the Director FIGAROS Limited (2007 to date); former Secretary, Maendeleo ya Wanawake, Nyeri; and formerly the Administrator and Coordinator, KANU Nyeri Branch (1974-1983). She also previously worked as a teacher at Mukima and Chinta Primary Schools in Laikipia County.

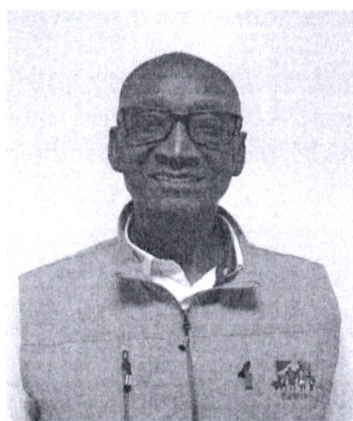
Hon. Mary holds a Bachelor of Business Administration in Business Management Degree from SMC University & Swiss Management Centre and Higher National Diploma from Stratford Business School. She is a Fellow at Institute of leadership management (Membership No. 10430110).

Currently, besides being the Chairperson of the Street Families Rehabilitation Trust Fund, Hon. Mary is a Board member and a Trustees of Computer for Schools, Mahiga Girls High School, Gakuyu Secondary School and Munyange Secondary School. She

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	has been very instrumental in conflict resolution and peace building in various parts of the country.
	Mr. Ahmed Hussein Ahmed is an accomplished and result driven individual who has grown through positions in the public service of increasing challenges and responsibility since 1977. He became Director of Children's Services on March 20015 up to June 2015 where he provided leadership, guidance and direction to the entire Department of Children Services in the country. Mr. Ahmed was also the Secretary to the National Council for Children's Services, National Adoption Committee, Counter Trafficking In Person's Advisory Board National Assistance Trust Fund for Victims of Trafficking of Persons and the National Steering Committee for Orphans and Vulnerable Children. Mr. Ahmed holds a Post-graduate Diploma in Psychological Counselling from the Institute of Healthcare Administration- India and a Certificate in Early childhood teachers training from the Kenya Institute of Education. Currently, besides being a Trustee, he is also the Chairman of the Board for Governors for Wamy High School-Nairobi, Arabuko High School in Kilifi, NEP Mewa College of Professional Studies Mombasa and NEP College of Health Science. Mr. Ahmed is also the Chairman of Kenya Association of Retired Officers (KARO) Nairobi.

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Hudson Nyabuto is a Business Consultant/Finance Advisor with extensive experience in Financial Management, Portfolio Management, Property Acquisition, Real Estate Financing and Real Estate Development within the public and private sectors with a proven track record of accomplishments in investment management, strategic planning, business development and relationship management. He is a highly effective negotiator and communicator with great people skills along with strong leadership, problem solving and decision-making abilities and an eye for the bottom-line.

Mr. Nyabuto holds MBA (Major: Accounting and Finance) - University of Nairobi, Kenya CPA (K) - Institute of Certified Accountants of Kenya and a Bachelor of Science (S/App. M) - University of Nairobi, Kenya

Mr. Nyabuto has worked in different capacities in various organizations which include: Finance Manager at Urban and Rural Construction Company Limited; General Manager – Accounts USAID, Kenya; Senior Accountant Mitchell Cotts (K) Limited; Group Internal Auditor Trattoria Limited; Senior Auditor at Sharma & Sharma (Under Grant Thornton International); and Audit Assistant, Coopers & Lybrand (Now Price Water House Coopers);

He is currently a Kenyan Partner at Stag African and Surge Infrastructure Development Limited. He is also a member of Certified Public Accountant (K) Ltd

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	Richard Chepkawai Limo (OGW), was borne on 12th May 1963. He is the alternate member to the Principal Secretary, State Department of Early Learning and Basic Education, Ministry of Education. He is the Deputy Director, Directorate of Policy, Partnerships and East African Affairs. He holds a Master's Degree in Educational Planning and has undertaken a Strategic Leadership Development Program. Previously, he was a member of Councils for Jaramogi Oginga Odinga University and Kisii University Councils. He is a member of KAEAM (Kenya Association of Educational Administration and Management).
	Fatma Ahmed was borne on 2nd October 1966. She is the Alternate to the Principal Secretary, State Department for Social Protection in the Board. She is a Senior Deputy Secretary at the Ministry of Labour and Social Protect. She has an advanced public administration diploma and she has done a number of senior managerial courses like strategic leadership development and senior management course. She is an experienced and self-motivated administrator. Fatma is result oriented and she has a proven track record of working collaboratively with other team members. She coordinates departmental conferences, workshops and state events. She utilizes excellent leadership skills to spearhead internal communication initiatives.

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	Caroline C. Towett was borne on 10th December,1970. She is a psychologist. She holds a Master of Public Administration degree from University of Nairobi, Bachelor's degree (Psychology Special) from Gujarat University, Ahmedabad India. Caroline has over 20 years' experience in working in the children protection sector. She has been in charge of two statutory institutions dealing with children and youth under the Juvenile Justice System overseeing management of rehabilitation programs and psychosocial support services for both children and their families. She has been involved in the development of policies and guidelines related to rehabilitation and treatment of children and youth in conflict with the law. She has expertise in policy formulation and implementation, resource mobilization, management of partnerships and conflict resolutions. In her work, Caroline has interacted with stakeholders that include line Ministries, County Governments, Development Partners, Civil Society Organizations, Faith based organizations among others. She has sat in many Task Forces and Committees, latest being National Council of Administration of Justice on Child Matters and Taskforce on Policy, Legal, Institutional and Administrative Reforms Regarding Intersex Persons of Kenya. She has also been involved in a number of researches and public awareness forum. Currently she is the Acting Chief Executive Officer at the Street Families Rehabilitation Trust Fund. She is the AIE holder and the Secretary to the board of Trustees.
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3. MANAGEMENT TEAM



Mr. Joseph Mogosi Motari is the Principal Secretary, State Department for Social Protection and Senior Citizen Affairs in the Ministry of Labour and Social Protection.

He is a seasoned career civil servant specialized in Public Administration and Governance. Preceding his appointment as Principal Secretary on 5th December, 2022, he was the Director Administration in the then State Department for Post Training and Skills Development, Ministry of Education from May 2022. Earlier he had served as the Senior Deputy Secretary in the State Department for Gender in the Ministry of Public Service, Youth and Gender Affairs between May, 2019 and May, 2022, and as Deputy Secretary from March 2019 to May 2019 in the same station.



Mr. Batista O.M Nyang'ara, MBA, CPA [K] is a Senior/Chief Finance Officer and Head of Finance in the State Department for Social protection and Senior Citizen Affairs. He holds a Masters of Business Administration [MBA] Degree, and is a Certified Public Accountant, and a Member of the Institute of Certified Public Accountants of Kenya [ICPAK] and the Kenya Institute of Management [KIM].

The Main Functions of Finance Department entails Budgetary Supply Matters; Processing of Annual Forward and Revised Estimates; issuance of Authority to Incur Expenditure (AIE); Expenditure Forecasts and Monitoring; Prioritization of Projects and activities for the purpose of Financial Allocations in the Budget; oversight of Commitment of funds and Expenditure Trends, Budget Monitoring and Reporting, Reallocation within the Budget and the overall Financial Management and Control of Voted Funds.

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	He has a track record in the Public Service spanning over thirty Years [30] with hands-on experience and competences in Finance Management, Budget Formulation and implementation, Corporate Governance, Resource Mobilization, Policy Formulation, Financial Analysis and Reporting, Risk Management and Finance Systems Review [IFMIS] & Business Re-Engineering.
	Caroline Towett has over 20 years' experience in working in the children protection sector. She has been in charge of two statutory institutions dealing with children and youth under the Juvenile Justice System overseeing management of rehabilitation programs and psychosocial support services for both children and their families. She has been involved in the development of policies and guidelines related to rehabilitation and treatment of children and youth in conflict with the law. She has expertise in policy formulation and implementation, resource mobilization, management of partnerships and conflict resolutions. Currently she is the Acting Chief Executive Officer at the Street Families Rehabilitation Trust Fund. She is the AIE holder and the Secretary to the Board of Trustees.
	Madam Alice Mwaniki is currently the head of accounting unit in the state department. She holds a BBM and MBA from Methodist and Kenyatta university respectively. She is a career civil servant who has rose through the ranks in various capacities with 36 years' experience in the civil service. She is a Certified Public Accountant and registered with the professional body under ICPAK no 5425.

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Felista Njoki Ngángá Supply Chain Management professional with vast experience in the Public Procurement domain. She is a Deputy Director- Supply Chain Management Services, heading the Supply Chain Management Unit in the State Department for Social Protection and Senior Citizens Affairs.

Felista holds an MBA (Strategic Management Option)- Kenya Methodist University, Bachelor of Commerce (Business Administration Option)- The University of Nairobi and a Diploma in Purchasing & Supplies- Kenya Institute of Management

She has a vast experience of nineteen (19) years spanning across diverse Government Ministries and Departments including the Ministry of Interior; The National Treasury and Planning; State department for Transport; Ministry of Energy and the State law Office.

Felista is a member of the Kenya Institute of Supplies Management and the Kenya Institute of Management.

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4. CHAIRPERSON'S STATEMENT

The Street Families' Rehabilitation Trust Fund was established on 11th March 2003 by the Local Government Act CAP 265 through a Legal Gazette Notice No. 1558 to address the concerns of all homeless, destitute and vulnerable persons in urban areas. It was registered as a body corporate in August 2010 under the Trustees (Perpetual Succession) CAP 164 Laws of Kenya (LoK). The Trust Fund (SFRTF) is domiciled in the State Department of Social Protection, Ministry of Labour and Social Protection.

The Trust Fund is managed by a Board of Trustees (BOT) composed of a Chairperson and members drawn from diverse fields. The mandate of the Trust Fund include: The mandate of the Trust Fund is to Coordinate rehabilitation programmes for street families, Conduct public education on street families issues, Mobilize resources, fundraise and receive donations and fund street families rehabilitation programmes, Managing donations for the rehabilitation of street families through a trust fund, Monitoring disbursement and expenditure of funds, Advise the government and other relevant agencies on matters relating to the rehabilitation of street families.

In order to realize its mandate, the Trust Fund partners with stakeholders that include line Ministries, County Governments, Development partners, non-Governmental organizations, Faith Based Organizations, Civil society Organizations, Reformed Street persons volunteers, among others to undertake rescue, rehabilitation, reintegration and re-socialization of street families.

During the financial year 2022/2023, a total of Kshs.87,392,367 (Eighty-seven million, three hundred ninety-two thousand, three hundred sixty-seven shillings) was disbursed to 30 institutions across the country to facilitate rescue, rehabilitation, reintegration and resocialization of street families.

The Trust Fund has developed a draft National Policy on Rehabilitation of Street Families and is awaiting validation.

In order to create synergies, the Trust Fund shall establish County Chapters across the 47 counties. This will bring together key stakeholders to address the plight of street families with an aim of harnessing resources and enhancing effectiveness of program implementation at the county level.

The Covid-19 pandemic adversely affected street families especially those who have no designated places of abode apart from the streets. The Trust Fund has continuously undertaken rescue of the

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homeless street persons to cushion them from the effects. A total of 4611 homeless persons were rescued and placed in institutions partnering with the Trust Fund.



**HON. MARY WAMBUI MUNENE
CHAIRPERSON BOARD OF TRUSTEES**

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5. REPORT OF THE CHIEF EXECUTIVE OFFICER

SFRTF was established on 11th March 2003 through Kenya Gazette Notice No. 1558 to address the concerns of all homeless, destitute and vulnerable people in urban areas. It was registered as a body corporate under cap 164 Trustees (Perpetual Succession) Act in August 2010.

The Street Families Rehabilitation Trust Fund has been tasked with the responsibility of coordinating all activities related to the rehabilitation and empowerment of persons living and/or working in the streets. Consequently, the Trust Fund implements rehabilitation programmes that will lead to realization of a country free of street families is in line with the Constitution of Kenya, the country's long term development blue print of the Kenya Vision 2030 and the international commitments which Kenya is a signatory that include the Sustainable Development Goals, the United Nations Convention on the Rights of the Child, and the Universal Declaration of Human Rights, among others.

In order to realize its mandate, the Trust Fund partners with stakeholders that include line Ministries, County Governments, Development partners, Non-governmental organizations, Faith Based Organizations, Civil society Organizations, Community Based Organizations, Reformed street persons volunteers, among others to undertake rescue, rehabilitation, reintegration and re-socialization of street families.

During the financial year 2022/2023, a total of Kshs.87,392,367 (Eighty-seven million, three hundred ninety-two thousand, three hundred sixty-seven shillings) was disbursed to 30 institutions to facilitate rescue, rehabilitation, reintegration and resocialization of street families. The disbursed funds are supporting the following number of beneficiaries in the under listed programmes.

No.	Programmes	No. of Beneficiaries
1.	Rescue	4,611
2.	Rehabilitation	5,612
3.	Reintegration and resocialization	3,639
4.	Provision of psychosocial Support	6,109

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5.	Talent Identification and Nurturing	287
6.	Economic empowerment support	347

The Trust Fund has embarked on development of a National Policy on Rehabilitation of Street Families. This will provide guidelines on how to address the plight of street families in an effort to realize a county free of street families. The policy focuses on harmonizing and standardization of program designs and implementation for sustainability and impact.

For effective implementation of its programmes and in order to create synergies, the Trust Fund established eleven (11) Chapters in counties with high concentration of street families as per the 2018 National Census of Street Families. The Counties include Nairobi, Mombasa, Kisumu, Nakuru, Uasin-Gishu, Nyeri, Meru, Bomet, Embu, Kakamega and Garissa.



Ms. CAROLINE TOWETT
Ag. CEO/SECRETARY TO THE BOARD

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**6. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED
OBJECTIVES FOR F/Y 2022/23**

The Trust Fund was established on 11th March, 2003 vide Gazette Notice No. 1558 and registered as a body Corporate in August, 2010 under the Trustees (Perpetual Succession) Act CAP 164 Laws of Kenya (L.O.K.). The main objective of the Fund is to address the concerns of all homeless, destitute and vulnerable persons in urban areas

The Mandate of the SFRTF is to:

- Coordinate rehabilitation activities for street families;
- Conduct public education on street families issues;
- Advise the Government and other relevant agencies on matters relating to the rehabilitation of street families;
- Initiate creation of SFRTF Local Chapters at County levels; and
- Lobby and advocate for street families' issues.

To achieve this mandate the Trust Fund has the following strategic objectives within the current Strategic Plan for 2018-2023 period.

1. To coordinate prevention and rescue of street families
2. To design systems and structures for effective implementation of Rehabilitation, re-integration and re-socialization of street families
3. To develop policies and legislations on issues affecting street families
4. To strengthen the institutional capacity of the Fund, implementing partners and other stakeholders
5. To mobilize resources for street families rehabilitation programmes.

The Trust Fund develops its annual work plans based on the above strategic objectives. Some performance outputs in the work plan are also captured in the annual Performance Contract, hence there is a direct link between the work plan and the Performance Contract. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Trust Fund achieved its performance targets set for the FY 2022-2023 period for its five strategic objectives, as indicated in the diagram below:

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Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
1. Prevention and rescue of street families	To enhance prevention and rescue of street families	No. of street persons assessed	Conduct a targeted needs assessment for relevant and appropriate placement	4,611
		No. of street persons rescued and placed	Undertake actual rescue and placement	4,611
2. Rehabilitation, re-integration and re-socialization of street families	To enhance Rehabilitation, Re-integration and Resocialization of Street Families	List of institutions supported	Financial Support to institutions undertaking the 4Rs programmes of street families	Kshs. 87,392,367 disbursed to 30 institutions to undertake rehabilitation programmes for 5,612 street persons
		List of beneficiaries supported by the disbursed funds		
		No. of street families provided with psychosocial support services	Provide psychosocial support to children and youth undergoing rehabilitation and families hosting reintegrated street families	6,109

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		No. of street persons' talents identified and nurtured	Identify and promote talents of street families undergoing rehabilitation and, on the streets	287
		No. of street persons reintegrated	Reintegration of street families to the society	3,639
		No. of families supported through economic empowerment to ensure retention of reintegrated persons	Economic empowerment for effective resocialization	347
3. Develop policy and legal framework	To provide policies and legislations on issues affecting street families	Policy document	Finalize National Policy on Rehabilitation of Street Families (NPRSF)	Draft policy in place awaiting submission to Cabinet
		Policy implementation guidelines	Develop and implement policy implementation guidelines on rehabilitation of street families	Guidelines developed
4. Strengthen institutional capacity	To promote efficiency and effectiveness in service delivery	Workshop report	Undertake capacity building to staff and management of	188 caregivers trained

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			partner institutions	
5. Mobilize resources for street families rehabilitation programmes.	To enhance financial viability of the Trust Fund	Resources raised	Resources raised to support street families rehabilitation programmes	Mobilized UNICEF support of Kshs.5.6 million
6. Secure ownership of Mavoko land	To establish a model rehabilitation Centre	Title deed	Transfer of land to the ownership of SFRTF	Title deed obtained

Compliance with Presidential Directive

The Trust Fund aligned its procurement policies with the Constitution of Kenya 2010, the PFM Act 2012 and Regulations, and the Procurement and Assets Disposal Act, 2015 and Regulations.

Access to Government Procurement Opportunities

The Trust Fund ensures transparency in procurement of goods and services and that 30% of procurement is awarded to AGPO suppliers (Women, People with Disabilities and youth).

Payment of Pending Bills

The Trust Fund remained steadfast in settling all its pending bills. During the financial year 2022/2023, the Trust Fund incurred pending bills of Kshs.220,000 being payment of directors sitting allowances which will be cleared in the financial year 2023/2024. The Fund will work towards maintaining a clean state as regards to pending bills.

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1. CORPORATE GOVERNANCE STATEMENT

The SFRTF Board of Trustees was appointed vide Gazette Notice No. 148 dated 3rd May 2019, while the Board Chair was appointed vide Gazette Notice No. 231 of 18th December, 2020. The Board, which is comprised of a Chair and five Trustees was appointed by the Cabinet Secretary, Ministry of Labour and Social Protection. In addition, there are two members representing the Principal Secretaries State Department for Social Protection and State Department for Early Learning and Basic Education. The Board undertook trainings on corporate governance, induction and strategic planning in June 2020 and May, 2019 respectively, by the Kenya School of Government. Corporate governance is a key element contributing to Trust Fund's sustainable business success and is highly regarded at the Fund.

Roles and Functions of the Board

The Board of Trustees is responsible for providing overall leadership through oversight, review and guidance in addition to setting the strategic and policy direction. It is the primary decision-making organ for all policy matters of the Trust Fund. The Board is endowed with the appropriate composition of skills, knowledge and experience to perform its duties effectively. The Board continues to offer oversight and review matters related to their duties including the Trust Fund's strategy, financial performance, corporate governance, ensuring the maintenance of sound internal control system and risk management framework, delegation and monitoring of the authority for expenditure and commitments.

Board Composition

The Board had six members; the Chairman, two independent trustees and two directors representing the Principal Secretaries State Department for Social Protection and State Department for Early Learning and Basic Education and the Chief Executive Officer as the Secretary to the Board.

Succession Plan

The Board is required to serve for a full term of three years renewable once, subject to evaluated performance. Appointment to serve on the Board is done prior to the expiry of the term of the sitting Board. In every subsequent term, one third of the Trustees shall retire from office with a maximum

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number of 6 years to serve. Unless one has an outstanding significant contribution to the Trust Fund, one is eligible for re-appointment up to a maximum of three terms.

Board's Induction and Development

Upon appointment, Trustees are provided with information regarding their roles and responsibilities to various stakeholders, all pertinent information about the Trust Fund and its operations, as well as information on their statutory obligations particularly in view of the fact that the Trust Fund is a Government entity. In addition to the induction information provided, opportunity for training in corporate governance as well as emerging trends that have an impact on the business of the Trust Fund is provided for all trustees.

Board Meetings and Attendance

The full Board meets on a quarterly basis and has a formal schedule of matters to be discussed. The Trustees receive appropriate and timely reports to facilitate informed deliberations and decision-making. The Board promotes an environment of innovative thinking, consultation, cordial relations, information sharing and openness in communication.

Board Committees

The Board has four committees with specific delegated authorities and terms of reference. These are Finance and Administration; Programmes; Advocacy and Communication; and Audit and Risk Committee each chaired by a Trustee. The committees meet on a quarterly basis and when need arises. The respective Committee Chairmen present their reports to the full board at the quarterly basis. The details of these committee and memberships are highlighted below.

1. Finance & Administration Committee

The functions of the Committee are;

- a) Fiscal and administrative matters.
- b) Investment plans
- c) Planning and development of physical infrastructure including acquisition of land and buildings, erection and location of new premises, alteration to or renovation of existing ones.
- d) Long term plans, budgets and projections for the Trust Fund's development and growth.
- e) Research and development.

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2. Programmes committee

Programmes Committee is responsible to the board for:

- a) Designing of programmes, strategies and plans in respect to Prevention, Rescue, Rehabilitation, Reintegration and Re-socialization
- b) Co-ordination of the implementation of the prevention, rescue, rehabilitation, reintegration & re-socialization(4R+P) programmes for street families;
- c) Innovation and ICT in the 4R programmes
- d) Benchmarking and Exchange Programmes

3. Advocacy and Communications Committee

The advocacy and publicity committee are responsible to the Board:

- a) Conduct public education on street families;
- b) Development and implementation of communication strategy
- c) Development and implementation of media and publicity plans and
- d) Periodic M&E on programmes Implementation

4. Audit and Risk Committee

- a. Create an environment for discipline and effective internal controls in the Trust Fund so as to reduce opportunities for fraud or any other malpractices.
- b. Increase public confidence in the credibility of the Trust Fund through quality assurance of the Company's internal controls.
- c. Provide policy and other necessary guidance to the head of internal audit and provide specific directives to the audit department as and where necessary.
- d. Periodically review the appropriateness, scope, efficiency and effectiveness of the Trust Fund's internal control system and submit suitable recommendations for improvement.
- e. Ensure compliance by the Trust Fund's management to the statutory Audit requirements and international accounting standards and procedures as well as relevant directives of treasury and other relevant Government agencies.

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Board Remuneration

The Trust Fund pays members of the Board a taxable sitting allowance as approved by the Salaries and Remuneration Commission. The sitting allowance is payable when a member attends meetings of the Board or Committees and when on official duty in and outside the Country. The Chairperson of the Board is paid a honoraria as approved by the Government on monthly basis. The payment of travelling, accommodation and lunch allowance is also based on the approved rates by the Government of Kenya. The Trust Fund does not grant personal loans or guarantees to Trustees. The remunerations as per the Salaries and Remuneration Commission circular dated 16th June, 2017 is shown on the table below.

Allowance	Chairman	Member
Honoraria	Kshs.60,000 per month	-
Sitting	Kshs.20,000 per sitting	Kshs.20,000 per sitting
Lunch	Kshs.2,000 per day in lieu of lunch	Kshs.2,000 per day in lieu of lunch
Accommodation	As per equivalent Job Group 'R' provided by the Salaries and Remuneration Commission circular on review of allowances in the public service	As per equivalent Job Group 'R' provided by the Salaries and Remuneration Commission circular on review of allowances in the public service
Transport	AA rates subject to maximum of Kshs.20,000 per month.	AA rates subject to maximum of Kshs.20,000 per month.
Airtime	Kshs.6,000 per month	Kshs.5,000 per month

**Street Families Rehabilitation Trust Fund
Report and Financial Statements
For the Financial Year ended June 30, 2023**

Conflict of Interest

The Trustees are obligated to inform the Board or the Chairperson as soon as the Member becomes aware of any conflict or potential conflict of interest, which that Member may have in relation to any transaction or matter relevant to the Trust Fund or its business. Unless the Board decides or the law requires otherwise, the member shall not participate in the deliberation and decision on that transaction or matter. This is recorded in the Board's Minutes and/or Conflict of Interest Register as deemed appropriate.

2. MANAGEMENT DISCUSSION AND ANALYSIS

The Principal Secretary for State Department for Social Protection and the Secretary to the Street Families Rehabilitation Trust Fund are responsible for the preparation and presentation of the Trust Fund's financial statement, which give a true and fair view of the state of affairs of the Trust Fund for and as at the end of the financial year ended on June 30, 2023. This responsibility includes:

- (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the Fund;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the State Department for Social Protection and special programmes together with and the Secretary to the Street Families Rehabilitation Trust Fund accept responsibility for the Fund'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.

**Street Families Rehabilitation Trust Fund
Report and Financial Statements
For the Financial Year ended June 30, 2023**

The Principal Secretary for the State Department for Social Protection and special programmes and the Secretary to the Street Families Rehabilitation Trust Fund are of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year/period ended June 30, 2023, and of the Fund's financial position as at that date. The Principal Secretary State Department for Social Protection and special programmes together with the Secretary to the Street Families Rehabilitation Trust Fund further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund financial statements as well as the adequacy of the systems of internal financial control.

The Principal Secretary State Department for Social Protection and special programmes together with and the Secretary to the Street Families Rehabilitation Trust Fund confirm that the Fund has complied fully with applicable Government Regulations and the terms of external financing covenants, and that funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

1.1 Funding summary

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

Below is the funding summary:

Source of funds	Ministry's Contribution	Amount received to date (30th June, 2023)	Balance yet to be paid to date (30th June, 2023)
	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
	<i>(A)</i>	<i>(B)</i>	<i>(A)-(B)</i>
(i) Counterpart funds	NIL	NIL	NIL

**Street Families Rehabilitation Trust Fund
Report and Financial Statements
For the Financial Year ended June 30, 2023**

Source of funds	Ministry's Contribution	Amount received to date (30th June, 2023)	Balance yet to be paid to date (30 th June, 2023)
	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
	(A)	(B)	(A)-(B)
Government of Kenya Exchequer	202,000,000.00	202,000,000.00	NIL
(ii) Bank Interests	NIL	NIL	NIL
Total	202,000,000.00	202,000,000.00	NIL

3. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

The core mandate of the Trust Fund is to coordinate rehabilitation programmes for the street families in Kenya. The Trust Fund partners with public and private organizations to implement its programmes in order to meet its objectives sustainably.

Sustainability strategy and profile

In keeping with the Trust Fund's Mandate as a statutory body, its viability has been founded in its current Strategic Plan. As indicated in the Strategic Plan, the Trust Fund has committed to integrating effective and efficient management systems and practices in the organizational functions.

Environmental performance

Under the United Nations Development Goals (SDGs), number 15 addresses the need to sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss. The Trust Fund supported efforts toward environmental sustainability by engaging in conservation activities. In fulfilling the Government's Forestry Strategy for a 10% tree cover, the Trust Fund

**Street Families Rehabilitation Trust Fund
Report and Financial Statements
For the Financial Year ended June 30, 2023**

participated and supported tree planting within the partner institutions, especially by planting fruit trees like that would also contribute to food security and provision of required nutrients by the street families as they undergo rehabilitation,

Employee welfare

The Trust Fund has not yet employed staff of its own but relies on personnel deployed by the State Department for Social Protection. However, in realization that the employees are an important stakeholder and asset in the realization of the Trust Fund's mandate, the Fund sponsored some of the officers for training programmes. The Trust Fund also held team building forum for both the employees and the Trustees with an aim of enhancing their morale hence more productivity at work. In addition, the Trust Fund ensures maintenance of occupational health and safety at workplace.

Market place practices

The Fund is involved in the following in relation to responsible market place practices.

a) Responsible competition practice

This is achieved through the Fund maintaining the minimum set standards. This is achieved by ensuring that there is uniform treatment of its clients and rehabilitation institutions as well as corrupt malpractices are not entertained in the organization.

b) Responsible Supply chain and supplier relations

The Trust Fund has maintained good business practices through treating its suppliers responsibly, by honouring contracts and respecting payment practices as indicated in the contract agreement with the suppliers.

c) Responsible marketing and advertisement

The Fund's marketing practices were done responsibly and advertisement both online and print media maintain ethical marketing practices. All the tender adverts were through the centralized advertising system under the Government Advertising Agency.

d) Product stewardship

By ensuring product and service standards, the Trust Fund undertook its mandate to safeguard consumer rights and interests. Any deviation to the expected standards was addressed and corrected.

Street Families Rehabilitation Trust Fund
Report and Financial Statements
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i) **Corporate Social Responsibility/Community Engagements**

The Trust involves community in its programmes from rescue to reintegration to ensure effective resocialization and settlement of beneficiaries back in the society. The Trust Fund also held deliberative engagement of the community in the development of its policy, which enabled the Fund to tap diverse perspective towards the policy document. As such, this has enabled the citizens and communities to better understand the functions of the Trust Fund.

**Street Families Rehabilitation Trust Fund
Report and Financial Statements
For the Financial Year ended June 30, 2023**

4. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the Trust Fund's affairs.

i) Principal activities

The strategic goals of the Trust Fund are to safeguard and promote the rights of street families and to address the concerns of all homeless, destitute and vulnerable people in urban areas.

ii) Results

The results of the Entity for the year ended June 30, 2023, are set out on pages 1 – 7.

iii) Directors

The Board of Trustees is at the apex of the Fund's structure and ensures implementation. The table below summarizes the members of the Board of Trustees who served during the year under review.

No.	Name	Position	Appointment	Retirement
1.	Hon. Mary W. Munene	Chairperson	18 th December, 2020	Ongoing
2.	Ahmed Hussein Ahmed	Independent Member	5 th August, 2022	Ongoing
3.	Judson Nyabuto	Independent Member	5 th August, 2022	Ongoing
4.	Fatma Ahmed	Alternate to PS	3 rd May, 2019	Ongoing
5.	Richard Limo	Alternate to PS	5 th November, 2020	Ongoing
6.	Caroline Towett	CEO and Secretary to the Board		Ongoing

**Street Families Rehabilitation Trust Fund
Report and Financial Statements
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iv) Surplus remission

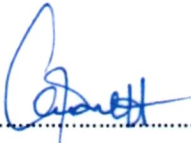
The Trust Fund did not make any surplus during the year financial year 2022/2023 and hence no remittance to the Consolidated Fund.

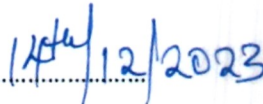
v) Auditors

The Auditor-General is responsible for the statutory audit of the Trust Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

Caroline. C. Towett
secretary to the board


.....
Signature


.....
Date

**Street Families Rehabilitation Trust Fund
Report and Financial Statements
For the Financial Year ended June 30, 2023**

5. 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 that Street Families Rehabilitation Trust Fund, which give a true and fair view of the state of affairs of the Street Families Rehabilitation Trust Fund at the end of the financial year/period and the operating results of the Street Families Rehabilitation Trust Fund for that year/period. The Directors are also required to ensure that the Street Families Rehabilitation Trust Fund 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 Street Families Rehabilitation Trust Fund.

The Directors are responsible for the preparation and presentation of the Street Families Rehabilitation Trust Fund financial statements, which give a true and fair view of the state of affairs of the Street Families Rehabilitation Trust Fund for and as at the end of the financial year (period) ended on June 30, 2023. 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 Street Families Rehabilitation Trust Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Street Families Rehabilitation Trust Fund financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), 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 Street Families Rehabilitation Trust Fund transactions during the financial year ended June 30, 2023, and of the Street Families Rehabilitation Trust Fund financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Street Families Rehabilitation Trust Fund which have been relied upon in the preparation of the Street Families Rehabilitation Trust Fund financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Street Families Rehabilitation Trust Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Street Families Rehabilitation Trust Fund financial statements were approved on behalf of the Board on 14/12 2023



Hon Mary Wambui Munene
Chairperson board of trustees



Caroline Chepkemai Towett
Ag chief Executive Officer

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON STREET FAMILIES REHABILITATION TRUST FUND FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

- A. Report on the 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 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 the 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 does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 Street Families Rehabilitation Trust Fund set out on pages 1 to 29 which comprise of the statement of financial position as at 30 June, 2023 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the

Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Street Families Rehabilitation Trust Fund as at 30 June, 2023 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 Trustee (Perpetual Succession) Act Cap 164 of the Laws of Kenya and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Lack of Land Ownership Documents

The statement of financial position reflects a property, plant and equipment balance of Kshs.52,369,789 as at 30 June, 2023. However, the value excludes various parcels of land that have no ownership documents as indicated below:

1.1 Land Donated by the Kenya Pipeline Company Limited

As previously reported, Kenya Pipeline Corporation donated and surrendered to the Fund a piece of land on 23 August, 2007 vide a letter Ref. No. LE/LA/ 25/4 addressed to the Commissioner of Lands by the Managing Director of the Company. The title deed was surrendered to the Commissioner of Lands on 6 August, 2007 for the purposes of transferring and registering the property in the name of the Trust Fund. Further, a review of the status in October, 2023 revealed that the Land had been encroached upon and had not been transferred to the Fund.

1.2 Parcels of Land in Embu, Murang'a and Laikipia

As previously reported, available information indicates that the defunct Local Authorities of Embu, Murang'a and Laikipia Counties informally allocated land to the Street Families Rehabilitation Trust Fund as captured in the Minutes dated 19 September, 2016. However, review of the matter revealed that the Fund had neither identified the locations of these properties nor obtained their title deeds or any other legal/formal allocation documents. Further, Management had not demonstrated any efforts put in place to acquire ownership documents.

In the circumstances, the ownership, accuracy and completeness of the property, plant and equipment balance of Kshs.52,369,789 could not be confirmed.

2. Failure to Value Land

The statement of financial position and as disclosed in Note 8 to the financial statements reflects an amount of Kshs.38,000,000 for land at the initial cost or purchase price in 2013. However, management had not revalued the land for the last ten (10) years to take cognizance of the drastic change in value of its land. This was contrary to International Accounting Standards No.16 which requires that property, plant and equipment be

revalued after every three (3) or five (5) years. The encroachment of the land could have impaired the value of the land.

In the circumstances, the reported land balance of Kshs.38,000,000 as at 30 June, 2023 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Street Families Rehabilitation Trust Fund 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. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

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

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions ISSAI 2315 and 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 the Board of Trustees

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

In preparing the financial statements, the Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using applicable basis of accounting unless the Management is aware of the intention to terminate the Fund or cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, the 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 Trustees is responsible for overseeing the Fund'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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit

report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

04 January, 2024

Street Families Rehabilitation Trust Fund
Report and Financial Statements
the Financial Year ended June 30, 2023

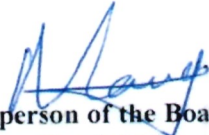
6. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments – gifts and services-in-kind	1	202,000,000	202,000,000
Other Receipts	2	9,313,507	4,940,320
Total revenue		211,313,507	206,940,320
Expenses			
Employee costs	3	41,234,268	44,176,679
Remuneration of directors	5	5,510,300	6,103,300
Depreciation and amortization expense	8	3,618,352	2,905,268
Repairs and maintenance	6	2,754,170	10,563,015
Government transfers	7	87,392,367	102,931,962
General expenses	4	25,094,287	20,701,248
Total expenses		165,603,744	187,381,471
SURPLUS/DEFICIT		45,709,763	19,558,848

The financial Statements set out on pages 1 were signed on behalf of the board of directors by:


Ag Chief Executive Officer
 Caroline Chepkemai Towett


Senior Accountant
 John I. Kongoh


Chairperson of the Board
 Hon Mary Wambui Munene

Date 14/12/2023

Date 14/12/2023

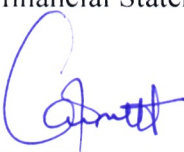
Date 14/12/2023

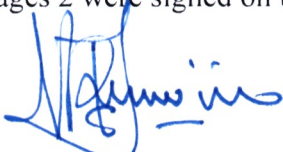
Street Families Rehabilitation Trust Fund
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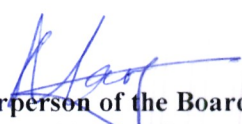
7. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2023

	Notes	2022-2023	2021 - 2022
		kshs	kshs
Assets			
Current Assets:			
Cash and cash equivalents	9	166,057,294	162,101,296
		166,057,294	162,101,296
Non-Current Assets:			
Property, plant and equipment	8	52,369,789	10,603,417
Receivables	10		12,607
Total Assets:		218,427,083	172,717,320
Liabilities:			
Trade and other payables	11	-7,000	-7000
Net Assets		218,420,083	172,710,320
Reserves		172,710,320	153,151,472
Accumulated surplus		45,709,763	19,558,849
Total Net Assets and Liabilities		218,420,083	172,710,320

The financial Statements set out on pages 2 were signed on behalf of the board of directors by:


Ag Chief Executive Officer
 Caroline Chepkemai Towett


Senior Accountant
 John I. Kongoh


Chairperson of the Board
 Hon Mary Wambui Munene

Date: 14/12/2023

Date: 14/12/2023

Date: 14/12/2023

**Street Families Rehabilitation Trust Fund
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8. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Reserves	Capital/Development Grants/Fund	Total
At July 1, 2020	140,082,843	-	140,082,843
Total comprehensive net income		13,068,629	13,068,629
At June 30, 2021	140,082,843	13,068,629	153,151,472
At July 1, 2021	153,151,472		153,151,472
Total comprehensive net income	-	19,558,849	19,558,849
At June 30, 2022	153,151,472	19,558,849	172,710,320
At July 1, 2022	172,710,320		172,710,320
Total comprehensive net income		45,709,763	45,709,763
At June 30, 2023	172,710,320	45,709,763	218,420,093

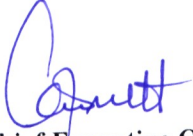
Street Families Rehabilitation Trust Fund
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9. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2023

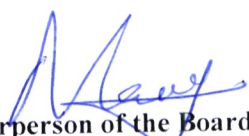
	Notes	2022/2023	2021/2022
		kshs	kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments – gifts and services-in-kind	1	202,000,000	202,000,000
other receipts		9,313,507	4,940,320
Total Receipts		211,313,507	206,940,320
Payments			
Employees Cost	3	41,234,268	44,176,679
General Expenses (use of goods and services)	4	25,094,287	20,701,248
Remuneration of directors	5	5,510,300	6,103,300
Repairs and maintenance	6	2,754,170	10,563,015
Grants and subsidies	7	87,392,367	102,931,962
Grant and subsidies refunded			
106,127,491 Total Payments		161,985,392	184,476,203
Net cash flows from operating activities		49,328,115	22,464,117
Adjust for changes in			
Receivables	10		
Payables	11		
Cash flows from investing activities			
Purchase of property, plant, equipment	8	45,372,117	3,474,320
Net cash flows used in investing activities		(45,372,117)	(3,474,320)
Net increase/(decrease) in cash and cash equivalents		3,955,998	18,989,797
Cash and cash equivalents at 1 JULY		162,101,296	143,111,500
Cash and cash equivalents at 30 JUNE		166,057,294	162,101,296

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The financial Statements set out on pages 4 were signed on behalf of the board of directors by:


Ag Chief Executive Officer
Caroline Chepkemai Towett


Senior Accountant
John I. Kongoh


Chairperson of the Board
Hon Mary Wambui Munene

Date.....14/12/2023

Date.....14/12/2023

Date.....14/12/2023

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5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL

Receipts/Payments Item	Original Budget	Final Budget	Actual on Comparable Basis	Variance	% of Variance
	2022-2023	2022-2023	2022-2023	2022-2023	2022-2023
	a	c=a+b	d	e=c-d	f=e/c %
Receipts					
Transfer from Government Exchequer	202,000,000	202,000,000	202,000,000	nil	nil
Total Receipts	202,000,000	202,000,000	202,000,000		
Other receipts	9,313,507-	9,313,507	9,313,507		
Total Receipts	211,313,507	211,313,507	211,313,507	9,313,507	4.6%
Employees Cost	57,210,436	57,210,436	50,943,517	6,266,919	10.95%
General Expenses	24,787,306	24,787,306	32,479,012	(7,691,706)	31%
Remuneration of directors	6,012,000	6,012,000	5,510,300	501,700	8.3%
Repairs and maintenance	2,900,000	2,900,000	2,754,170	145,830	5.03%
Government transfers	116,000,000	116,000,000	87,392,367	28,607,633	24.7%
Acquisition of Assets	7,950,000	7,950,000	7,384,725	565,275	7.11%
Total Payments	209,089,635	209,089,635	186,464,091	22,625,544	10.82%

Employee cost: The Trust Fund's mandate is to coordinate rehabilitation programmes for street families. In order to achieve the Trust Fund, collaborate with various institutions based in various regions in the country. This entails conducting due diligence, spot checks and monitoring and evaluation as well as impact assessment of street families rehabilitation programmes. This is to ensure that the street families in those facilities are receiving the right services and government resources are being utilized in the right manner. During the year under review, with the support of UNICEF the Trust Fund conducted research on children and adolescent in street situations with the aim of designing programmes for integration in child and social protection interventions.

General expenses: To ensure proper implementation of rehabilitation programmes, the Trust Fund carried out Capacity Building on 175 care givers. These are personnel who are working in partner institutions. This entail organizing for workshops whereby conference facilities had to be

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procured and transport for facilitators and participants being reimbursed. A lot of funding went into these activities. Officers were also sponsored to undertake training programmes for their career progression.

Remuneration of Directors: The tenure of five Board of Trustees came to an end before the financial year whereas two other Board of Trustees resigned to pursue political interest hence reduce the number of board meetings and allowances drawn for the same.

Repairs & Maintenance: The Trust Fund is currently premised at Tourism Fund Building. Office partitioning was carried in the last financial year. The offices are relatively new hence maintenance and repairs were minimal. Most equipment like computers and other furniture are in good condition.

Government transfers: During the financial year 2022/2023, a total of Kshs.87,392,367 (Eighty seven Million, three hundred ninety two thousand, three hundred sixty seven only) was disbursed to 30 institutions across the country to facilitate rescue, rehabilitation, reintegration and resocialization of street families. Utilization of the funds is more than 70% hence efficiently utilized.

Acquisition of Assets: The Trust Fund implemented the procurement plan hence a number of items and assets were purchased. However, some items were being imported from overseas hence the said items were not procured on time because of delay in shipment.

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11. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Street Families Rehabilitation Trust Fund (SFRTF) is established by and derives its authority and accountability from a Gazette Notice No. 1558 of 11th March, 2003. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to spearhead National Government response to restore dignity to street families.

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 Public Sector Accounting Standards (IPSAS) 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 judgment or complexity,

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the entity.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (include any other applicable legislation), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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3. ADOPTION OF NEW AND REVISED STANDARDS

i. Early adoption of standards

The Street Families Rehabilitation Trust Fund (SFRTF) did not adopt any new or amended standards in year 2022-2023.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The entity 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 entity 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 entity and can be measured reliably. 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

ii) Revenue from exchange transactions

Rendering of services

The entity 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.

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Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

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.

b) Budget information

The original budget for FY 2022-2023 was approved by the National Assembly on 18th June 2023. 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 entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity recorded appropriations of Ksh.202,000,000 on the 2022-2023 budget following the governing body's approval.

The entity'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

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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 financial performance has been presented under section B of these financial statements.

c) Taxes

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. 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.

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

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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.

Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable

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- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) 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 a 30-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.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity 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.

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f) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. 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 Entity 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 Entity 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.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

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

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- The technical feasibility of completing the asset so that the asset will be available for use or sale
 - Its intention to complete and its ability to use or sell the asset
 - How the asset will generate future economic benefits or service potential
 - The availability of resources to complete the asset
- 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.

i) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

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Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicator.

The debtors or an entity of debtors are experiencing significant financial difficulty

- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

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Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

i) Inventories

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

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

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

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j) Provisions

Provisions are recognized when the Entity 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 Entity 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.

Contingent liabilities

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

Contingent assets

The Entity 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 Entity 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.

k) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. Entity to state the reserves maintained and appropriate policies adopted.

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l) Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (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.

n) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

o) Borrowing costs

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

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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.

p) Related parties

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

q) Service concession arrangements

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

r) 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. 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.

s) Comparative figures

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

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t) 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, 2023.

3 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Entity'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: e.g

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 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 Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

The condition of the asset based on the assessment of experts employed by the Entity.

The nature of the asset, its susceptibility and adaptability to changes in technology and processes.

The nature of the processes in which the asset is deployed.

Availability of funding to replace the asset.

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Changes in the market in relation to the asset.

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

NOTES TO THE FINANCIAL STATEMENTS

1 EXCHQUER RELEASES		
Description	2022-2023	2021-2022
	KES	KES
Total Exchequer Releases	202,000,000.00	202,000,000
Total	202,000,000.00	202,000,000

2.A OTHER RECEIPTS

	2022-2023	2021-2022
TOTAL	KES	KES
A .I. A	NIL	4,940,320.00
UNICEF PROGRAMME	9,313,507	
Total	9,313,507	4,940,320.00

3 EMPLOYEE COSTS

	2022-2023	2021-2022
	KSH	KSH
Salaries and wages	NIL	

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Employee related costs - contributions to pensions and medical aids	NIL	NIL
Travel, motor car, accommodation, subsistence and other allowances	41,234,268	44,176,679
Employee costs	41,234,268	44,176,679

4 GENERAL EXPENSES

Description	2022-2023	2021-2022
Printing, Advertising and Information Supplies and Services	1,351,500	296,000
Training Expenses	4,782,701	6,392,712
Hospitality Supplies and Services	3,666,219	4,364,558
Office and General Supplies and Services	423,300	988,557
Fuel Oil and Lubricants	1,239,250	929,760
Communication supplies and services	1,409,800	912,000
Specialized material and supplies	546,200	78,000
other operating expenses	4,826,600	
Rental and produced assets	6,848,717	6,739,660
Committee expenses		
Total general expenses		
	25,094,287	20,701,248

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5 BOARD /COUNCIL EXPENSES

Description	2022-2023	2021-2022
Chairman/Director Honoraria	720,000	720,000
Sitting Allowances	300,000	1,340,000
Medical Insurance	NIL	
Induction and Training	504,000	
Travel and Accommodation	3,674,300	3,629,300.00
Other Allowances	312,000	414,000.00
Total	5,510,300	6,103,300.00

6 REPAIRS AND MAINTENANCE

Description	2022-2023	2021-2022
	Kshs	Kshs
Equipment and machinery		
Vehicles		
Furniture and fittings		
building and station	2,754,170	10,022,636
Computers and accessories		540,379
Total repairs and maintenance	2,754,170	10,563,015

7. GRANTS AND SUBSIDIES

Description	2022-2023	2021-2022
	Kshs	Kshs
Government transfers	87,392,367	102,931,962
g returned		
Total grants and subsidies	87,392,367	102,931,962

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8. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Motor Vehicles (20%)	Furniture and Fittings (12.5%)	Computers (30%)	Plant and Equipment	Total
Cost	Shs	Shs	Shs	Shs	Shs	Shs
At 1 July 2021	0.00	8,489,000	4,893,000	3,169,600	0.00	16,551,600
Additions	-		1,120,620	2,353,700		3,474,320
Disposals	-	-	-	-	-	0.00
Transfers/adjustments	-	-	-	-	-	0.00
At 30th June 2022		8,489,000.00	6,013,620	5,523,300	0.00	20,025,920
Additions	38,000,000	5,840,000	234,000	1,310,725		45,384,725
Disposals						
Transfer/adjustments						
At 30th June 2023	38,000,000	14,329,000	6,247,620	6,834,025	0.00	65,410,645
Depreciation and impairment	-					
At 1 July 2022	-	3,713,938	821,713	1,981,585	-	6,517,236
Depreciation	-	1,193,765	648,988	1,062,515	-	2,905,268
Impairment	-	-	-	-	-	0.00
At 30 June 2022	0.00	4,907,708	1,470,701	3,044,100	0.00	9,422,504
Depreciation for the Year	-	1,884,259	597,115	1,136,978		3,618,352
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-
Total Dep. At 30th June 2023	0.00	6,791,962	2,067,816	4,181,078	0.00	13,040,856
NBV as at 30th June 2022	-	3,581,297	4,542,919	2,479,200	0.00	10,603,416
NBV As At 30th June 2023	38,000,000	7,527,038	4,178,846	2,652,948	0.00	52,369,789

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8(a) Property, Plant and Equipment at Cost

	Cost	Acc Depreciation	NBV
	Ksh	Ksh	Ksh
land	38,000,000	NIL	38,000,000
Building			
plant and machinery			
Motor vehicles and Motorcycles	14,329,000	6,791,962	7,537,038
Computer and other related equipment	6,834,025	4,181,078	2,652,947
Office Equipment, furniture and fittings	6,247,620	2,067,816	4,179,804

9 CASH AND CASH EQUIVALENTS

Description	2022 - 2023	2021-2022
	Kshs	Kshs
Current account	166,057,294	162,101,296
Total cash and cash equivalents	166,057,294	162,101,296

9(a). DETAILED ANALYSIS OF THE CASH AND CASH EQUIVALENTS

		2022-2023	2021-2022
Financial institution	Account number	Kshs	Kshs
a) Current account			
Central Bank of Kenya	1000398598	166,057,294	162,101,296
Sub- total		166,057,294	162,101,296
Grand total			

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10. RECEIVABLES FROM NON- EXCHANGE TRANSACTIONS		
	2022-2023	2021-2022
VAT TYBEL ENTERPRISES	NIL	12,607.45

11 TRADE AND OTHER PAYABLES		
	2022-2023	2021-2022
UN-KNOWN RECEIPT 30-10-2020	7,000	7,000

12. NET ASSET		
	2022-2023	2021 - 2022
Reserves at the beginning	172,710,320	153,151,472
Accumulated surplus/deficit	45,709,763	19,558,849
Total Net Assets and Liabilities	218,420,083	172,710,321

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OTHER ANNEXES

ANNEX 1		
STREET FAMILIES REHABILITATION TRUST FUND		
TRIAL BALANCE		
As At 30th June 2023		
	DR	CR
Exchequer Receipt		202,000,000
Other receipts		9,313,507
Employee Cost	41,234,268	
Directors remuneration	5,510,300	
Depreciation/Amortization	3,618,352	
repairs & maintenance	2,754,170	
Government transfers	87,392,367	
General expenses	25,094,287	
Cash	166,057,294	
Assets	52,369,789	
Receivable		
Payables		7,000
Reserves		172,710,320
TOTAL	384,030,827	384,030,827

Annex 2. PRIO YEAR AUDIT ISSUES

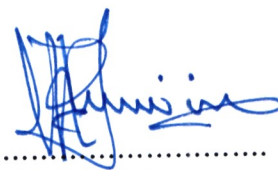
S/NO.	AUDIT ISSUE RAISED	MANAGEMENT COMMENT	STATUS
1.0	Directors Expenses	The director's expenses were charged appropriately and the accommodation expenses pertain to staff of the SFRTF	resolved

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2.0	Land Ownership Documents	The process of title acquisition is on- going and the funds management is following with the relevant government department to facilitate this process	Un resolved
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Ag Chief Executive Officer
Caroline Chepkemai Towett



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Senior Accountant
John I. Kongoh

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