

REPUBLIC OF KENYA



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THE AUDITOR-GENERAL

ON

**GOVERNMENT INVESTMENTS AND PUBLIC
ENTERPRISES - REVENUE STATEMENTS**

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

THE NATIONAL TREASURY



**THE NATIONAL TREASURY
GOVERNMENT INVESTMENTS AND PUBLIC ENTERPRISES (GIPE)
ANNUAL REVENUE STATEMENT**

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

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

THE NATIONAL TREASURY
Government Investment and Public Enterprises (GIPE)
Annual Revenue Statements for the year ended 30th June 2023

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1. Acronyms and Glossary of Terms

AGPO:	Access to Government Procurement Opportunities
A-in-A	Appropriations in Aid
AFC:	Agricultural Finance Corporation
BETA:	Bottom-Up Economic Transformation Agenda
CARB:	County Allocation of Revenue Bill
CCF:	Climate Change Fund
CGS:	Credit Guarantee Scheme
CSD:	Central Securities Depository
DORB:	Division of Revenue Bill
IPSAS:	International Public Sector Accounting Standards (IPSAS)
IRMF:	Institutional Risk Management Framework
KRA:	Key Result Areas
MCDAs:	Ministries, Counties, Departments and Agencies
MDAs:	Ministries, Departments and Agencies
MSME:	Micro, Small and Medium Enterprises
NIFC:	Nairobi International Financial Centre
NHIF:	National Hospital Insurance Fund
NSSF:	National Social Security Fund
PFM:	Public Finance Management
PSSS:	Public Service Superannuation Scheme
RK-FINFA:	Rural Kenya Financial Inclusion Facility
RTPs:	Restrictive Trade Practices
SACCOs:	Saving and Credit Cooperative Organizations
SAGAs:	Semi-Autonomous Government Agencies
VFM:	Value for Money

2. NATIONAL TREASURY INFORMATION AND MANAGEMENT

(a) Background Information

The National Treasury was established via the Executive Order No. 1 of 2023. The basis for establishment of the National Treasury is found in Article 225 (i) of the Constitution of Kenya which states that an Act of Parliament shall provide for the establishment, functions and responsibilities of the National Treasury. This has been actualized in Section 11 and 12 of the Public Finance Management (PFM) Act 2012.

At Cabinet level, the National Treasury is represented by the Cabinet Secretary for National Treasury and Economic Planning, who is responsible for the general policy and strategic direction of the Ministry.

Vision

“Excellence in economic and public financial management, and development planning”.

Mission

“To provide leadership in economic and public financial management, and development planning for shared growth through formulation, implementation and monitoring of economic, financial and development policies”.

Core Values

The National Treasury is guided by the following core values: Customer Focus, Results Oriented, Stakeholder Participation, Professionalism and Ethical Practices, Transparency and Accountability, Integrity, Teamwork and Commitment all geared towards excellence in service delivery.

Mandate of the National Treasury

The National Treasury derives its mandate from Article 225 of the Constitution, Public Finance Management Act 2012 and the Executive Order No.1 of 2023. The National Treasury will be executing its mandate in consistency with any other legislation as may be developed or reviewed by Parliament from time to time.

The core functions of the National Treasury as derived from the above legal provisions include:

- (i) Overall Economic Policy Management;
- (ii) Management of Public Finance;
- (iii) Formulation of National Budget;
- (iv) Public Debt Management;
- (v) Formulation and Maintenance of Government Accounting Standards;
- (vi) Bilateral and Multilateral Financial Relations;
- (vii) Capital Markets Policy;
- (viii) Oversight over Revenue Collection;
- (ix) Competition Policy Management; National Pensions Policy Management;
- (x) Insurance Policy and Regulation;
- (xi) Public Procurement and Disposal Policy;
- (xii) Public Investment Policy and Oversight;
- (xiii) Development and Enforcement of Financial Governance Standards;
- (xiv) Financial Sector Analysis and Management including SACCOs, NSSF and NHIF;
- (xv) Financial Institutions Oversight;
- (xvi) Management of National and County Governments Financial Management System and Standards;
- (xvii) Development of Kenya as an International Financial Centre;

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- (xviii) Anti-Money Laundering Policy;
- (xix) Custodian of National Government Assets and Properties; and,
- (xx) Secretariat to Intergovernmental Budget and Economic Council.

Role of the National Treasury in the Devolved System of Government

The National Treasury is mandated by law to:

- (i) Strengthen financial and fiscal relations between the National Government and County Governments and support for county governments in performing their functions;
- (ii) Issue guidelines on the preparation of county development planning;
- (iii) Prepare the annual legislative proposals on intergovernmental fiscal transfers;
- (iv) Provide logistical support to intergovernmental institutions overseeing intergovernmental fiscal relations;
- (v) Coordinate the development and implementation of financial recovery plans for County Governments that are in financial distress;
- (vi) Build capacity of County Governments on public finance management matters for efficient, effective and transparent financial management as well as planning, monitoring and evaluation; and,
- (vii) Administer the Equalization Fund.

(b) Key Management

The National Treasury day-to-day management is under the following key offices.

Office of the Principal Secretary

The Office of the Principal Secretary is responsible for the day-to-day administration of the National Treasury operations and is the accounting officer. In addition, the Principal Secretary is charged with the responsibility of providing advice to the Cabinet Secretary in order to enhance efficiency and collective responsibility.

Organizational structure of the National Treasury

The National Treasury is organized into five (5) technical Directorates headed by Directors General and (1) Administrative and Support Services Directorate headed by a Principal Administrative Secretary. Each Director General is responsible for a Directorate comprising a cluster of Departments responsible for related policy functions. In addition, the National Treasury has two independent departments namely Public Procurement and Internal Auditor General, headed by Directors and a Public Finance Management Secretariat headed by a Programme Coordinator. The Directorates and Departments are as follows:

Directorate of Budget, Fiscal and Economic Affairs

The Directorate is headed by a Director General, reporting to the Principal Secretary, National Treasury. It is organized into the following four (4) Technical Departments each headed by a director:

- (a) Budget Department;
- (b) Macro and Fiscal Affairs Department;
- (c) Financial and Sectoral Affairs Department; and,
- (d) Inter-Governmental Fiscal Relations Department.

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Directorate of Accounting Services and Quality Assurance

The Directorate is headed by a Director General reporting to the Principal Secretary, National Treasury. It is organized into the following four (4) Technical Departments each headed by a Director:

- (a) Government Accounting Services;
- (b) Information Financial Management Systems (IFMIS);
- (c) National Sub-County Treasuries; and,
- (d) Government Digital Payments Unit.

Directorate of Public Investment and Portfolio Management

The Directorate is headed by a Director General, reporting to the Principal Secretary. It is organized into the following four (4) Technical Departments each headed by a Director:

- (a) Government Investment and Public Enterprises;
- (b) National Assets and Liabilities Management;
- (c) Pensions Department; and,
- (d) Public Investment Management Unit.

Directorate of Public Debt Management Office

The Directorate is headed by a Director General, reporting to the Principal Secretary. It is organized into the following three (3) Technical Departments each headed by a Director:

- (a) Resource Mobilization (Front Office);
- (b) Debt Policy, Strategy and Risk Management (Middle Office); and,
- (c) Debt Recording and Settlement (Back Office).

Directorate of Public Private Partnership

The Directorate is headed by a Director General, reporting to the Principal Secretary on matters relating to Public Private Partnership.

Directorate of Administrative and Support Services (Common Shared Services)

The Directorate is headed by a Principal Administrative Secretary, reporting to the Principal Secretary. It is organized into ten (10) specialized functions offering common shared services. The common shared services of the National Treasury consist of functions that are not core to the National Treasury but offer critical support services to the National Treasury. The functions include:

- (a) Accounting;
- (b) Finance;
- (c) Human Resource Management and Development;
- (d) Central Planning and Project Monitoring;
- (e) Supply Chain Management;
- (f) Legal;
- (g) Public Communications;
- (h) General Administration;
- (i) Internal Audit; and,
- (j) ICT.

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(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.	Designation	Name
1.	Principal Secretary	Dr. Chris Kiptoo, CBS
2.	Principal Administrative Secretary	Mr. Samson Wangusi, OGW
3.	Director General, BFEA	Mr. Albert Mwenda, HSC
4.	Director General, Accounting Services	Mr. Bernard Ndung'u, MBS
5.	Director General, PIPM	Mr. Lawrence Kibet
6.	Director General, PDMO	Dr. Haron Sirma, EBS
7.	Director General, PPP	Mr. Christopher Kirigua, OGW
8.	Director, Macro and Fiscal Affairs Department	Mr. Musa Kathanje
9.	Director, Budget Department	Mr. Francis Anyona, OGW
10.	Ag. Director, Financial and Sectoral Affairs Department	Mr. Mark Obongo
11.	Director, Public Procurement Department	Mr. Eric Korir
12.	Ag. Director, Intergovernmental Fiscal Relations Department	Ms. Josephine Kanyi, HSC
13.	Ag. Director, Internal Auditor General	Ms. Jane Micheni
14.	Ag Director, Government Accounting Services Department	Mr. Jona Wala
15.	Ag. Director, National Sub County Treasuries	Mr. Francis Kariuki, OGW
16.	Ag. Director, Information Financial Management System	Mr. Mboni Kyallo
17.	Ag. Director, National Assets and Liability Management	Mr. Geoffrey Malombe
18.	Director, Government Investment and Public Enterprises	Mr. Kennedy Ondieki
19.	Director, Pensions Department	Mr. Michael Kagika, EBS
20.	Ag. Director, Public Investment Management Unit	Dr. Patrick Mugo
21.	Ag. Director, Resource Mobilization Department	Mr. David Komen
22.	Director, Debt Policy, Strategy and Risk Management Department	Mr. Daniel Ndolo
23.	Ag Director, Debt Recording and Settlement Department	Mr. George Kariuki
24.	Director Administration	Mr. Elijah Song'ony
25.	Head, Accounts Division	Mr. George Gichuru
26.	Head, Finance	Mr. Ambrose Ogango
27.	Senior Deputy Director, SCM	Mr. Caleb Ogot
28.	Deputy Internal Auditor General, Internal Audit Unit	Ms. Lucy Mugwe
29.	Principal State Counsel, Legal Unit	Ms. Faith Pesa
30.	Director, Human Resource Management and Development	Mr. Benson Giuthua
31.	Ag Director, Information Communication and Technology	Ms. Lynn Nyongesa
32.	Director, Central Planning and Project Monitoring Department	Mr. Antony Muriu, HSC
33.	Head, Public Communications	Ms. Catherine Njoroge
34.	Programme Coordinator, Public Financial Management Reform Secretariat	Mr. Julius Mutua

(e) Fiduciary Oversight Arrangements

To manage the fiduciary risk, the National Treasury has put in place fiduciary oversight arrangements including setting up committees. The key oversight arrangements include:

(i) Audit Committees

In line with the Public Finance Management Act, the National Treasury has established a Ministerial Audit Committee comprising five members, three of whom are independent. The Committee provides overall oversight and quality assurance including follow up on the effectiveness of implementation of audit recommendations.

Further, the National Treasury established an audit committee comprising of officers from all departments of the Ministry, under the chairmanship of the Senior Chief Finance Officer. The Committee reviews and analyses all audit queries and makes recommendations on how to reduce fiduciary risks. In addition, the committee prepares responses to all audit queries for presentation to the relevant committees of parliament.

(ii) Public Finance Management Committees

Budget Implementation Steering Committee

In order to effectively monitor the implementation of the National Government budget implementation, the National Treasury has established a steering Committee chaired by the Cabinet Secretary, National Treasury and Economic Planning. The Principal Secretaries for the National Treasury and State Department for Economic Planning provide general oversight in the Budget implementation.

Budget Implementation Technical Committee

The Committee is chaired by the Principal Administrative Secretary and comprises the Directors General and various Heads of Department. The Committee is responsible for monitoring the actual implementation of the identified measures and programmes and reporting detailed progress on the same regularly.

Budget Implementation Ministerial Committee

To monitor the implementation of the Ministry's budget, programmes and activities, the National Treasury has appointed a committee comprising of officers from all the Departments of the Ministry. The Committee reviews and analyses the progress made by Departments in the implementation of budget and the planned programmes and activities and advises the management accordingly.

(iii) Senior Management Committee

To monitor the implementation of the Ministry's programmes and performance, the National Treasury has appointed Senior Management Committee comprising of Directors General. The Committee receives reports from departments, build consensus on National Treasury responses to emerging issues, challenges and risks and ensures that the decisions made are implemented in a timely manner. Additionally, the Treasury constituted Ad hoc Committees to handle specific assignments in the Financial Year 2022/23.

(iv) Other oversight activities

Other fiduciary oversight arrangements include the following committees with specific objectives;

Project Implementation Committee

To monitor the implementation of the Government's Infrastructure Projects, the National Treasury has established a Project Steering Committee comprising Principal Secretaries from implementing Ministries and appointed a technical committee comprising officers from the technical departments of the Ministry. The Committees review and analyse the progress made by ministries in the implementation of domestically and externally funded projects and advises accordingly.

Parliamentary Activities

In order to effectively manage the parliamentary activities relating to the Ministry, the National Treasury has established a committee and designated a liaison officer to coordinate the activities under the Office of the Cabinet Secretary.

Development Partner Oversight

To effectively manage Official Development Assistance to the Government, the National Treasury has, under the Public Debt Management, a department responsible for all matters relating to Development Partners. The Department has various Units that coordinate different development partner activities in the Country.

Public Financial Management Sector Working Group

To facilitate the implementation of financial management reforms, the National Treasury has appointed senior officers to the Public Financial Management Sector Working Group. The Committee plays an oversight role in the implementation of financial reforms in the public service in collaboration with the development partners.

Monitoring and Evaluation

The Ministry undertakes monitoring and evaluation exercises to establish progress made in the implementation of various programmes and projects including those that are funded by the development partners.

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The National Treasury Headquarters

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The National Treasury Contacts

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Website: www.treasury.go.ke

The National Treasury Bankers

Central Bank of Kenya
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City Square 00200
NAIROBI, KENYA

Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O Box 30084
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Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
NAIROBI, KENYA

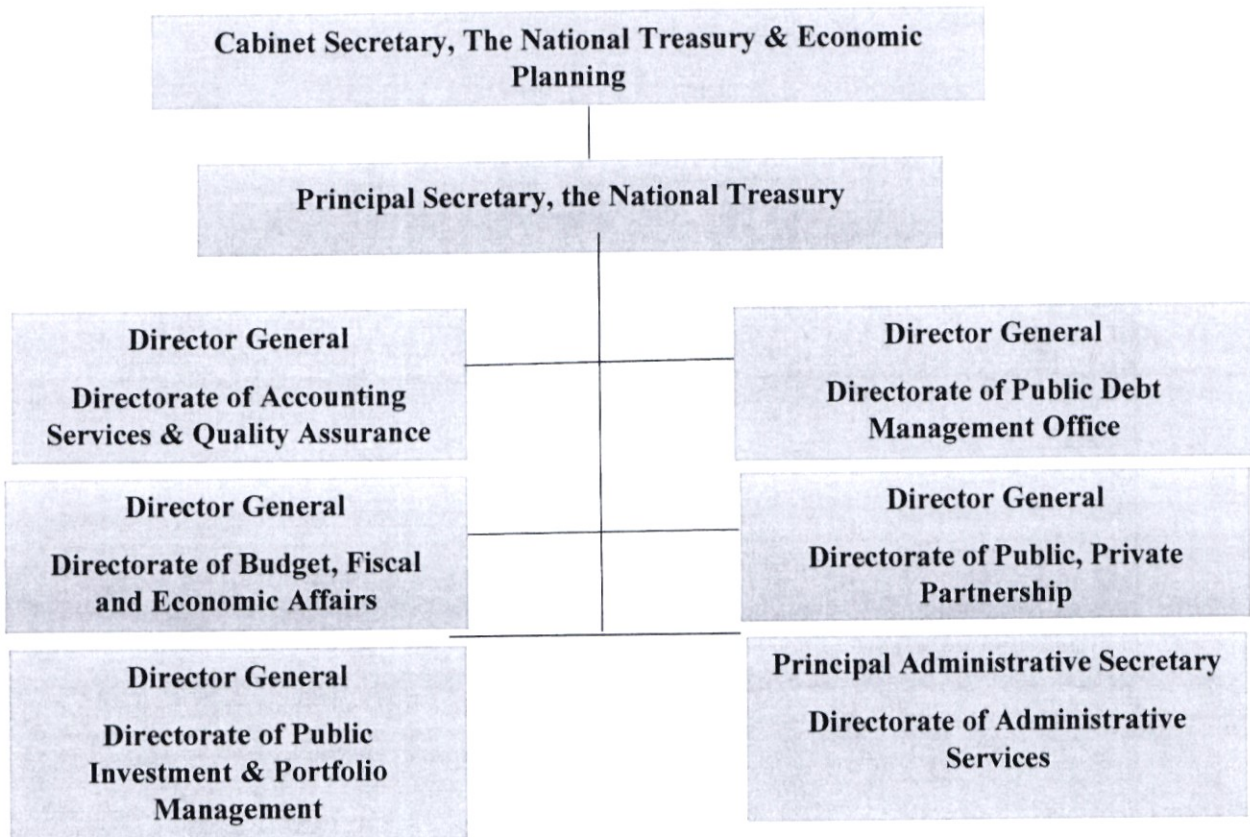
3. STATEMENT OF GOVERNANCE

(i) Brief of Key Leadership Structure

The National Treasury and Economic Planning is divided into two entities: The National Treasury and State Department for Economic Planning. It is represented by the Cabinet Secretary who is responsible for the general policy and strategic direction of the Ministry.

At the top management level, the National Treasury is headed by the Principal Secretary who is the accounting officer and is responsible to the Cabinet Secretary in the performance of his duties. The National Treasury has six Directorates headed by Director Generals and a Principal Administrative Secretary who is responsible for Administration and Support Services.

The National Treasury Leadership Structure



(ii) Management Committees Established and Their Roles

The National Treasury has appointed managements committees to monitor the implementation of programmes, projects and report on their performance. They include:

Top Management Committee

Top Management Committee comprises of Cabinet Secretary, Principal Secretary and Directors General. The Committee receives reports from departments, build consensus on National Treasury responses to emerging issues, challenges and risks and ensures that the decisions made are implemented in a timely manner.

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(iii) The Audit Committee

In line with the Public Finance Management Act, the National Treasury has established a Ministerial Audit Committee comprising of the Chairperson and four members, of which three are independent. The members were appointed on 15th December, 2022.

The Committee provides overall oversight and quality assurance including follow up on the effectiveness of implementation of audit recommendations.

The Committee is active and meets on a quarterly basis to deliberate on their functions.

(iv) Risk Management, compliance, conflict of interest

The National Treasury appointed risk champions who have been trained. The processes of developing a risk management framework have commenced.

(v) Recent Trainings and development in governance for those in key leadership

The National Treasury supported those in key leadership positions to attend leadership and strategic management courses at the Kenya school of Government and other reputable international institutions.

(vi) Public participation activities

The National Treasury underscores the importance for public participation as provided for under the Constitution of Kenya and Public Finance Management (PFM) Act, 2012 by giving Kenyans opportunities to interrogate proposed amendments to the PFM Act, 2012 and make submissions on their views for consideration in policy making and implementation so as to strengthen and deepen good governance. The National Treasury carried out Public Sector Hearings for the Proposed Budget for the FY 2022/23 and the medium term by holding both physical meetings and virtual hearings. In addition, it carried out five (5) public participations in all regions in the country on the proposed Privatization Bill, 2023. The National Treasury provided an opportunity to all Kenyans across the country to interrogate the Public Finance Management Act 2012 Amendments that aimed at settling debt anchored in line with international best practices.

(vii) Compliance with laws and regulations

The National Treasury complies with the Constitution of Kenya, all applicable laws and regulations in line with acceptable national and international standards as well as its internal policies. The National Treasury identified and documented all laws and regulations that are applicable in its operations.

The National Treasury through the legal unit is planning to carry out the first legal compliance audit in September 2023/24 FY, to establish the level of adherence of applicable laws, rules, regulations and standards, and make recommendations for implementation.

4. STATEMENT BY THE CABINET SECRETARY

In accordance with Section 12 of the Public Finance Management Act, 2012, the National Treasury is responsible for coordinating the country's economic and financial management. Overall, the National Treasury has continued to maintain a policy environment that is conducive to economic growth and development of the country.

The FY 2022/23 marked the transition from the previous administration to the current one. The first half of the FY 2022/23 was marked by slow implementation of programmes and projects due to inadequate revenue resources and transition related challenges. There was a general slowdown of economic activities.

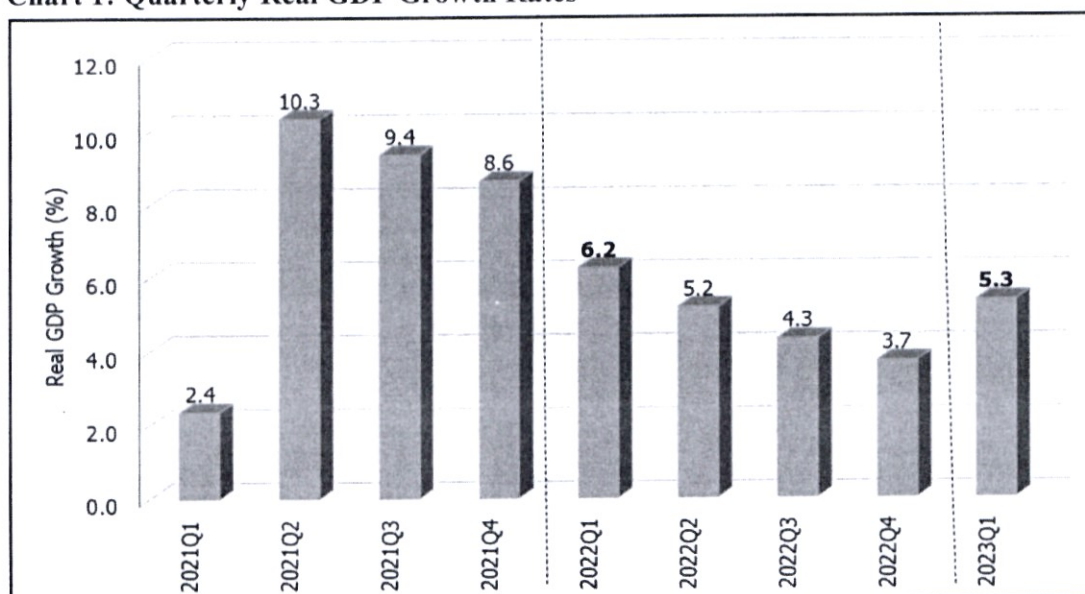
This was occasioned by external shocks including supply chain problems and prolonged Covid-19 impacts in the global arena; climate change occasioning the worst drought in 40 years and the ongoing Russia – Ukraine conflict.

Economic Growth

The Kenyan economy slowed down to a growth of 4.8 percent in 2022 compared to a revised growth of 7.6 percent in 2021. The slowdown was due to the impact of climate change that led to drought affecting agricultural productivity which also contributed to a slowdown in growth in manufacturing and in wholesale and retail trade. The growth in 2022 was spread across all sectors of the economy but was more pronounced in service-oriented activities.

The economy remained resilient and expanded by 5.3 percent in the first quarter of 2023, compared to 6.2 percent in a similar quarter in 2022 (**Chart 1**). The growth was mainly supported by a rebound of the agriculture sector and continued resilience of service sectors. All economic sectors recorded positive growths, though the magnitudes varied across activities.

Chart 1: Quarterly Real GDP Growth Rates



Source of Data: Kenya National Bureau of Statistics

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Activities in the agriculture, forestry and fishing sub-sector expanded by 5.8 percent in the first quarter of 2023 compared to a contraction of 1.7 percent in the first quarter of 2022 (**Table 1**). The significantly improved performance of the sector was attributable to favorable weather conditions that led to enhanced production, especially that of food crops. The performance was evident in the significant increase in export of vegetables and fruits recorded during the first quarter of 2023. However, the sector's performance was somewhat curtailed by decline in milk deliveries to processors, production of tea, coffee and sugarcane.

The performance of the industry sector slowed down to a growth of 2.4 percent in the first quarter of 2023 compared to a growth of 4.4 percent in the first quarter of 2022. This was mainly on account of a slowdown in activities in the manufacturing; electricity and water supply; and construction sub-sectors.

Manufacturing sub-sector expanded by 2.0 percent in the first quarter of 2023 compared to a growth of 3.8 percent in a similar quarter in 2022. The growth was mainly supported by the manufacture of food products that included bakery products and processing and preservation of fish. In the non-food manufacturing, the growth performance was supported by substantial growth in the manufacture of basic metals and fabricated metal products.

Electricity and Water Supply sub-sector expanded by 2.3 percent in the first quarter of 2023 compared to 3.2 percent growth registered in the first quarter of 2022. The growth in the sub-sector was supported by increased generation of electricity from renewable sources such as geothermal and wind that more than offset the decline in generation from hydroelectric sources. Activities of the construction sub-sector expanded by 3.1 percent in the first quarter of 2023 compared to a 6.0 percent growth in the first quarter of 2022. The slowdown in growth of the sector's performance in the first quarter of 2023 was mirrored in the decline of volume of cement consumption and imports of various construction materials such as bitumen and iron and steel.

The activities in the services sector remained strong in the first quarter of 2023 growing by 6.0 percent compared to a growth of 8.5 percent in a similar period in 2022. This performance was largely characterized by significant growths in Accommodation and Food Service; Information and Communication Technology; Transportation and Storage; Financial and Insurance; and Wholesale and Retail Trade Sub-Sectors.

Accommodation and Food Service sub-sector is estimated to have expanded by 21.5 percent in the first quarter of 2023 compared to 40.1 percent growth recorded in the first quarter of 2022. Activities in the sub-sector have been growing steadily owing to dissipation of the effects of the COVID-19 pandemic that consequently led to improved economic environment in most tourist destinations. Transportation and Storage sub-sector grew by 6.2 percent in the first quarter of 2023 compared to a growth of 7.7 percent in a similar quarter in 2022. The growth was attributed to improved performance in most of the subsectors, especially transportation of passenger and freight through rail.

Information and communication sub-sector recorded a growth of 8.7 percent in the first quarter of 2023 compared to a growth of 9.0 percent in the first quarter of 2022. This growth was mainly supported by increase in mobile money transfers, domestic voice traffic, domestic Short Messaging Services (SMSs), and utilized international bandwidth. Financial and Insurance sub-sector grew by 5.8 percent in the first quarter of 2023 compared to 17.0 percent growth in the corresponding quarter of 2022.

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The Government undertook reprioritization and cost-cutting measures to ensure smooth implementation of priority programmes for the remainder of the financial year.

Consequently, we managed to bring the fiscal deficit from the planned 6.2% under the previous administration to about 5.3% of the GDP by the closure of FY 2022/23. Moving forward in the FY 2023/24, the fiscal deficit is planned to come further down to 4.4% of the GDP.

The FY 2022/2023 closed on a strong and positive note with total revenue collection by the year to June 2023 growing by 7.3% to amount to Kshs.2.36 trillion (16.3% of GDP). Of these ordinary revenues collected amounted to Kshs.2.04 trillion which was an annual growth of 6.4 % and represented a performance rate of 95.1% against target. All tax revenue targets recorded positive growth, an indication of continued recovery in revenue collection.

Total expenditure by end of FY 2022/23 amounted to Kshs.3.21 trillion against target of Kshs.3.36 trillion translating to a shortfall in expenditure of Kshs.148.4 billion.

Critical payments made that had significant impact at the grassroots, included:

- (i) 100% payment of equitable share was disbursed to the 47 County Governments amounting to Kshs.399.6 billion. This figure included the equitable share of Kshs.370.0 billion and arrears of KSh.29.6 billion from the previous year;
- (ii) The entire allocation of KSh. 47.2 billion to the National Government Constituency Development Fund (NGCDF); and,
- (iii) 100% Cash transfer to the Elderly to cater for their needs including for food, health and upkeep. Additionally, all arrears for cash transfers to Orphans and Vulnerable Children (OVCs) amounting to Kshs.16Billion were funded.

Inflation

Year-on-year overall inflation rate has been above the 7.5 percent upper bound of the policy target range since June 2022. Inflation rate remained sticky at 7.9 percent in June 2023 same as June 2022 driven by relatively higher food and fuel prices. Overall annual average inflation increased to 8.8 percent in June 2023 compared to 6.3 percent recorded in June 2022.

Interest Rates

Monetary policy stance remains tight to anchor inflation expectations due to the sustained inflationary pressures, increased risks to the inflation outlook, the elevated global risks such as financial market volatility, and their potential impact on the domestic economy. In this regard, the Central Bank Rate was raised from 9.50 percent to 10.50 percent in June 2023.

Short-term interest rates have remained relatively stable despite tight liquidity conditions. The interbank rate increased to 9.6 percent in June 2023 compared to 5.1 percent in June 2022 while the 91-day Treasury Bills rate was at 11.5 percent compared to 7.9 percent over the same period.

Exchange Rates

The foreign exchange market has largely remained stable despite the tight global financial conditions attributed to strengthening of the US Dollar and uncertainties regarding the ongoing Russian-Ukraine conflict. Due to the strong dollar, the exchange rate to the Kenya shilling like with all world currencies has weakened to exchange at KSh. 139.7 in June 2023 compared to KSh. 117.3 in June 2022. Against the Euro, the Kenya shilling weakened to exchange at KSh 151.4 in June 2023 compared to KSh. 124.1 in June 2022 while against the Sterling Pound the Kenyan shilling also weakened to exchange at KSh. 176.3 compared to KSh. 144.8, over the same period.

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Pending Bills

The total outstanding national government pending bills as at 30th June, 2023 amounted to KSh. 567.5 billion. These comprise of KSh. 443.6 billion (78.2 percent) and KSh.123.9 billion (21.8 percent) for the State Corporations (SCs) and Ministries/State Departments/other government entities respectively. The SCs pending bills include payment to contractors/projects, suppliers, unremitted statutory and other deductions, pension arrears for Local Authorities Pension Trust, and others. Ministries/State Departments and other government entities pending bills constitutes mainly of historical pending bills for the last two years.

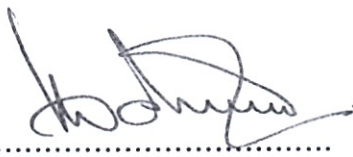
The National Government policy on clearance of pending bills continues to be in force. The National Treasury is currently developing a comprehensive strategy to clear outstanding stock of verified pending bills of the National Government over the medium term. In this strategy, deficiencies and lapses that led to accumulation of pending bills will be addressed. In the FY 2023/24 all Ministries, Departments and Agencies (MDAs) are expected to clear all the expenditure carryovers from FY 2022/23 as a first charge before payment of commitments of the current financial year.

Bottom-Up Economic Transformation Agenda (BETA)

Going forward, MDAs will be required to prioritize allocations towards the achievement of the BETA priorities while addressing the policy, legal, regulatory, and governance issues as a matter of priority to ensure optimal use of resources in execution of the planned interventions. BETA is geared towards economic turn around and inclusive growth and aims to increase investments in at least five sectors with high potential impact on the economy as well as household welfare. These include: -

- (i) Agricultural Transformation;
- (ii) Micro, Small and Medium Enterprise (MSME);
- (iii) Housing and Settlement;
- (iv) Health care; and,
- (v) Digital superhighway and Creative Industry.

The BETA priorities should therefore be mainstreamed into the regular programmes of Ministries, Departments and Agencies. The planning and budgeting should embrace the value chain approach ensuring that there are no funding gaps, no duplications and allows for efficiency in the use of resources.

Signature.....

Date 25-09-2023

**NJUGUNA NDUNG’U, CBS
CABINET SECRETARY**

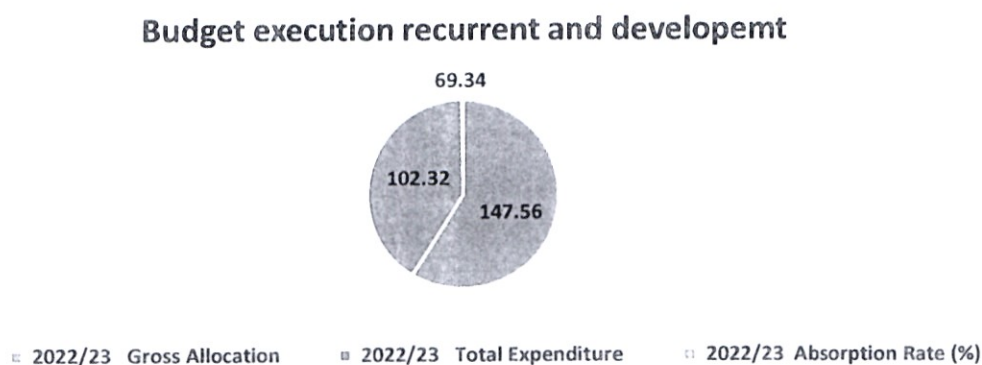
THE NATIONAL TREASURY AND ECONOMIC PLANNING

5. STATEMENT BY THE PRINCIPAL SECRETARY

Budget performance

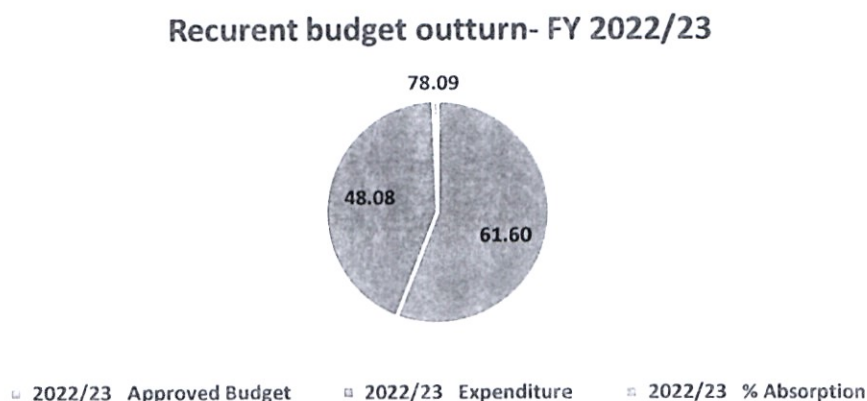
The National Treasury expenditure (inclusive of A-in-A) for the FY 2022/23 stood at KSh. 102.032 billion against an approved budget of KSh. 147.56 billion translating to an overall absorption rate of 69.43 percent as demonstrated in the pie chart below. This translates to an improvement of 6.43 percent from 63% recorded in the financial year 2021/22. Chart 2 below presents the National Treasury total budget execution for the FY 2022/23.

Chart 2: Total Allocation against Total Expenditure (KSh. Billions)



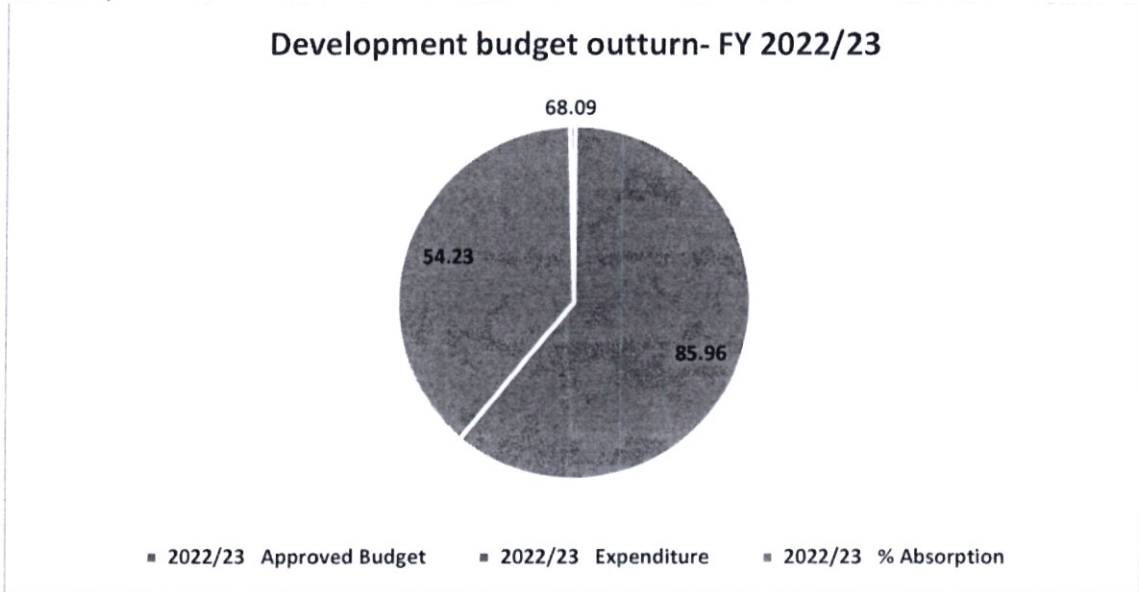
When disaggregated by recurrent and development expenditure, the budget execution indicates that recurrent expenditure (inclusive of A-in-A) stood at KSh. 48.08 billion in the FY 2022/23 against an allocation of KSh 61.60 billion translating to 78.05 % absorption rate as shown in Chart 3 below.

Chart 3: National Treasury recurrent budget execution for the FY 2022/23 (KSh. Billions)



On the other hand, development expenditure (inclusive of A-in-A) absorption was KSh 54.23 billion against an allocation of KSh 85.96 billion recording an absorption rate of 63.09% as illustrated in Chart 4 below. The underabsorption in development expenditure is attributed to exchequer challenges.

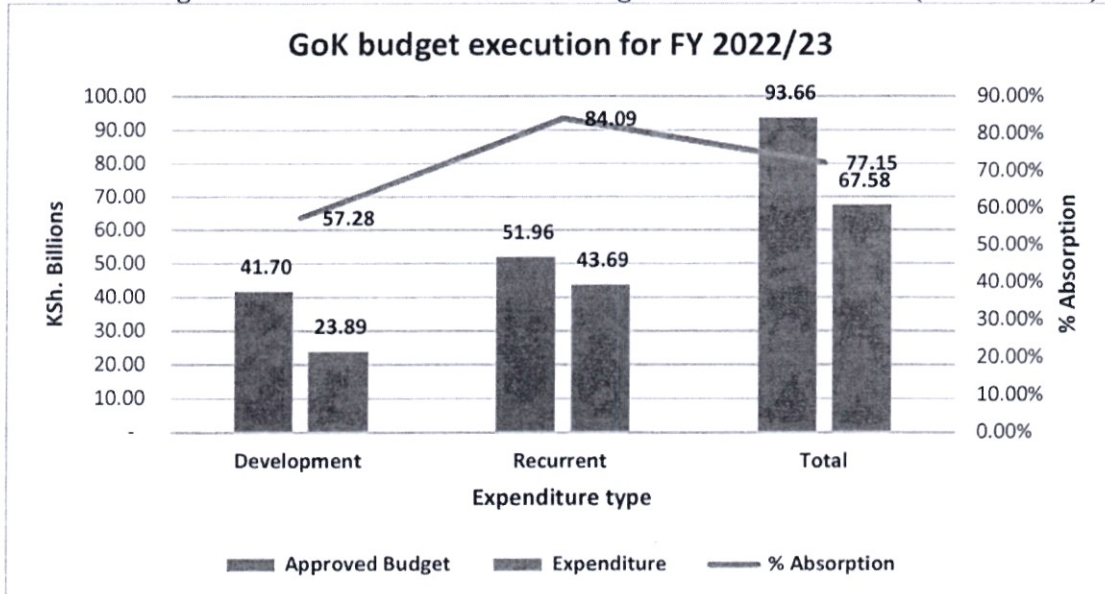
Chart 4: National Treasury development budget execution for the FY 2022/23 (KSh. Billions)



Budget execution for GoK Funds (Net of A-in-A)

The National Treasury expenditure for GoK funds (exclusive of A-in-A) for the FY 2022/23 stood at KSh. 67.58 billion against an allocation of KSh. 93.66 billion. This translates to an absorption rate of 72.15 per cent. GoK development expenditure for the year was KSh. 23.89 billion against an allocation of KSh. 41.70 billion. This constitutes an absorption rate of 57.28 per cent. On the other hand, recurrent GoK budget recorded an expenditure of KSh. 43.69 billion against an allocation of KSh. 51.96 billion translating to an absorption of 84.09 per cent. Chart 5 below illustrates budget execution for GoK funded budget for the FY 2022/23.

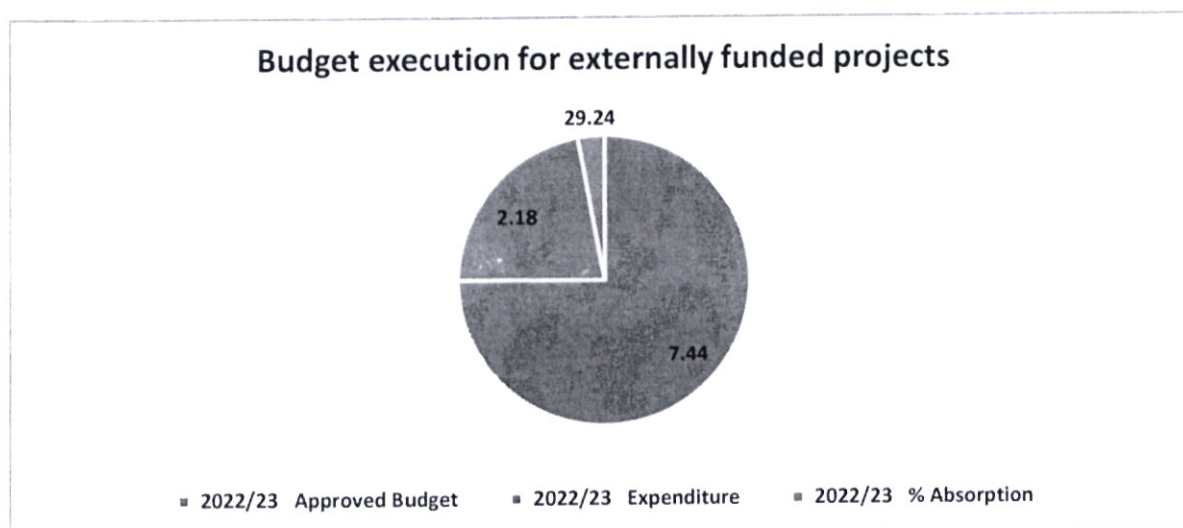
Chart 5: budget execution for GoK funded budget for the FY 2022/23 (KSh. Billions)



Budget execution for externally funded resources for FY 2022/23

The externally funded projects recorded an absorption of KSh. 2.18 billion against an allocation of KSh. 7.44 billion translating to an absorption rate of 29.24%. The under absorption in externally funded resources was attributed to: transfer of a budget of KSh. 2 billion for the National Treasury Dongo Kundu Special Economic Zones to Ministry of Transport and Infrastructure; inability to secure donor commitments; differences in accounting period of the donor; and lack of no objection from the donors for some projects. Chart 6 below presents the budget execution for externally funded resources for the FY 2022/23.

Chart 6: Budget execution for externally funded resources for FY 2022/23 (KSh. Billions)



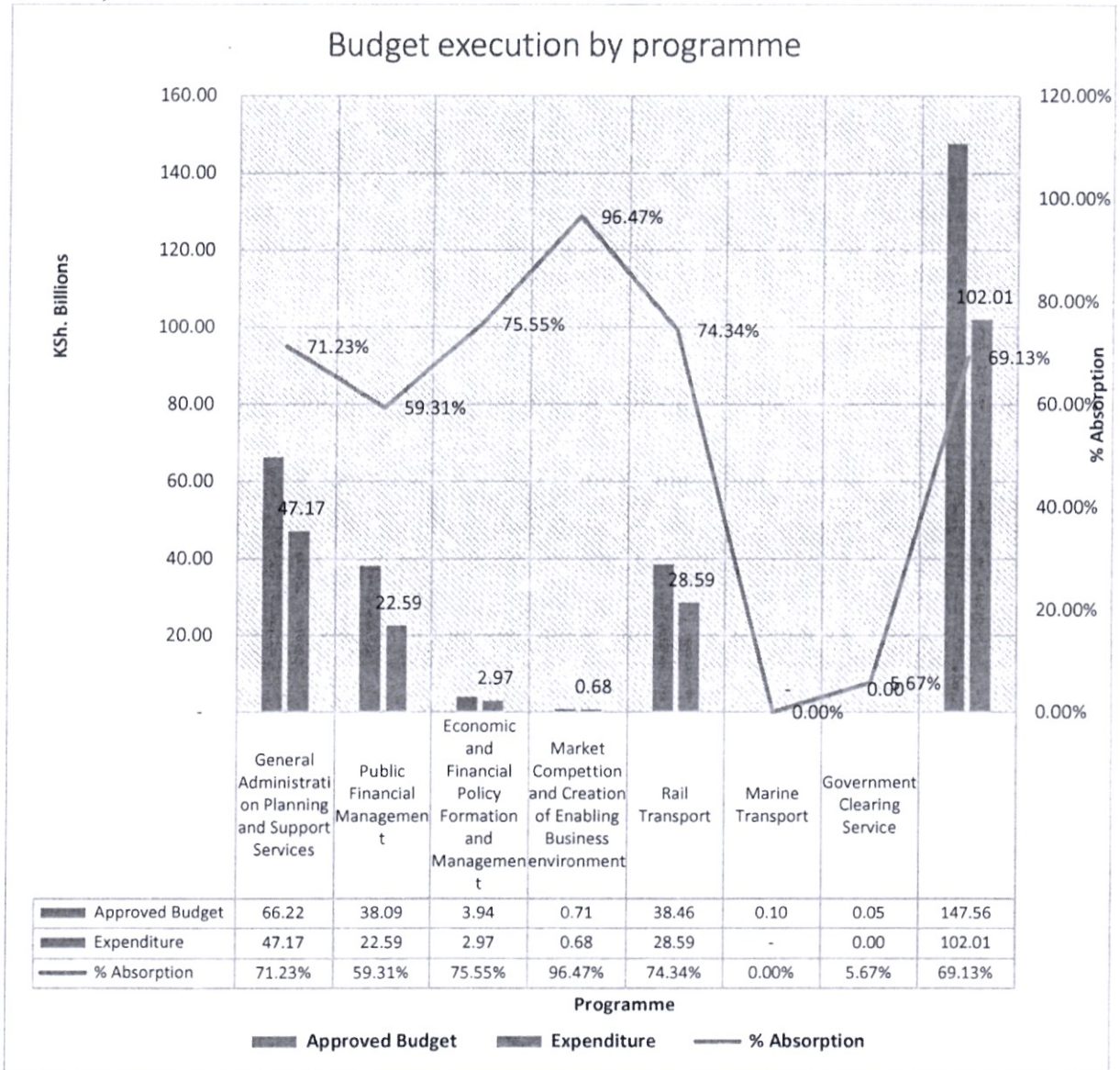
Budget Execution by Programmes

The National Treasury implemented the 2022/23 budget within seven economic programmes. These were: General Administration, Planning and Support Services; Public Financial Management; Economic and Financial Policy Formulation and Management; Market Competition and Creation of an Enabling Business Environment; Government Clearing Services; Rail Transport; and Marine Transport. The latter three programmes were transferred to the National Treasury by an executive directive that merged the ports, rail and pipeline services in the FY 2021/22. These three programmes have since been transferred back to the Ministry of Transport and Infrastructure and will no longer be under the National Treasury reporting in the FY 2023/24.

As demonstrated in the chart below, Market Competition and Creation of Enabling Business Environment Programme had the highest absorption at 96.47 percent followed by Economic and Financial Policy Formulation and Management at 75.55 percent, Rail Transport at 74.43 percent, General Administration at 71.23 percent, Public Financial Management at 59.31 percent, Government Clearing Service at 5.67 percent, and Marine transport at zero (0) per cent. The lack of absorption in Government Clearing Service and Marine Transport is due to the transfer of the functions to Ministry of Transport and Infrastructure in the FY 2022/23. Chart 7 below illustrates the National Treasury budget execution by programme for the FY 2022/23.

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Chart 7: Budget execution (KSh. Billions) and proportion (%) by Programme (KSh. Billions)



Key Achievements

The National Treasury registered Key Achievements during the Financial Year 2022/23. These include:

1. **Under General Administration, Planning and Support Services programme**, the National Treasury leased 4,023 security vehicles for the National Police Service towards enhancing security;
2. **Under the Public Financial Management programme**, the National Treasury mobilized a total of KSh. 22.6 billion worth of private capital under Public Private Partnerships; mobilized KSh. 8.8 billion under the Global Fund towards treatment of HIV, TB and Malaria, registered 29,435 AGPO Enterprises; and digitized an additional 4,687 government services; and conducted 269 Value for Money Audits;

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3. Under **Economic and Financial Policy Formulation and Management programme**, the National Treasury implemented fiscal consolidation initiatives that led to realization of 5.7 % fiscal deficit against a target of 6.3% of GDP; developed the Nairobi International Financial Centre (NIFC) Guidelines and Regulations; established Climate Change Fund (CCF) in 7 Counties; and provided 197,960 No. of Clients with Agricultural Finance Corporation (AFC) loans in both wholesale and retail lending against a target of 196,617; and,
4. Under **Market Competition and Creation of an Enabling Business Environment programme**, the National Treasury through Competition Authority of Kenya determined 100% merger and acquisitions applications and developed one (1) Restrictive Trade Practices Guideline and one (1) Consumer Protection Guideline.

Emerging Issues

The emerging issues that impacted or may impacted the operations of the National Treasury include:

- (i) The Ongoing Russia-Ukraine conflict, and lingering effects of the COVID-19 pandemic and drought has heightened global inflation and resulted in tightening monetary policy and persistent supply chain disruptions. This hampered achievement of targets for the period under review;
- (ii) Technological advancement in the ICT sector presented opportunities to leverage ICT innovations in the conduct of business as well as risks relating to governance and data security;
- (iii) The proliferation of fake news on social media platforms, which have a wider audience and faster response time sometimes portrayed the National Treasury in a negative manner; and,
- (iv) Development of Sector specific Project Appraisal Manuals: although the National Treasury developed a generic manual to guide the investment appraisal processes, it has now emerged that there is need to develop sector specific methodological appraisal manuals to guide sector specific analysis. Therefore, the National Treasury is required to develop over 40 sector specific appraisal manuals to guide the over 40 sectors on the nuanced appraisal process.

Challenges

Some of the challenges the National Treasury faced while implementing the 2022/23 budget include:-

(i) Resource Constraint continues to persist and affects implementation of budgets

The rationalization of the budget, occasioned by underperformance of revenue collection and emerging government priorities affected the implementation of programmes on training, hospitality, transfer of conditional grants to County Governments and to semi-autonomous Agencies (SAGAs). The underperformance in revenue also caused delays in disbursement of funds by the National Treasury to MCDAs. The underperformance of county governments own source revenue led to overreliance on transfers from the National Government occasioning more pressure on the exchequer.

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Shortage of Key Technical Staff continues to affect operational efficiency in core mandate

Despite recruitment of staff across certain cadres, the National Treasury continues to experience staff shortage across all cadres against authorized establishment. As indicated in the operational performance on human resource, the current staff capacity is at 58%. This is mainly attributed to natural attrition. The planned recruitment and promotion of staff by the appointing authorities has been slow hence affecting service delivery and succession management initiatives.

- (ii) **Operating environment** is manifested, among others, by shortage of office space especially for key technical staff and, inadequate resourcing of the Monitoring and Evaluation function.

To manage the above emerging issues and challenges and ensure successful implementation of the National Treasury goals and objectives, the Ministry undertook the following: -

- (a) Continued to implement borrowing policy that provides for domestic borrowing to plug the financing gap created by non-performing revenue;
- (b) The effects of the Eastern Europe Conflict on inflation and cost of living were moderated by the Government's interventions including among others, making fertilizer available and improve productivity in counties and regions that plant in the short rain season, where the Government imported 1.5 million 50 kg bags of fertilizers and distributed them at a lower cost of Ksh 3,500;
- (c) Continued to implement succession planning towards progressively filling in staff shortage, continued training and timely promotions. As at the end of the Financial Year 2022/23, the National Treasury had enhanced its staff capacity to 80% of authorized establishment from 30% in the Financial Year 2020/21; and,
- (d) Engaged other development partners for concessional loans and grants as well as pursued strategies to finance government projects.

Recommendations

- (i) There is need for increasing allocation to the National Treasury to facilitate effective mobilization of resources to finance public expenditure particularly towards facilitation and implementation of post COVID-19 Economic Recovery Strategy and emerging Government priorities;
- (ii) Reforms in Public Financial Management and taxation shall be sustained to enable the National Treasury to mobilize adequate financial resources and enhance absorption capacity;
- (iii) Continued sustained implementation of succession planning, especially with respect to recruitment of key technical staff to achieve optimal staffing levels for enhanced operational efficiency;
- (iv) Strengthening Monitoring and Evaluation Framework and capacity;
- (v) Continued leveraging on ICT to ensure timely delivery of targets; and,
- (vi) Implementing the project rationalization to achieve optimal project portfolio and increase fiscal space.

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Going forward, the National Treasury will continue to implement fiscal policies that pursue growth friendly fiscal consolidation to preserve debt sustainability. This will be achieved through enhancing revenue collection and curtailing non-core expenditures while prioritizing high impact social and investment expenditure. As such, fiscal deficit is projected to decline from 5.7 percent of GDP in FY 2022/23 to 4.4 percent of GDP in FY 2023/24.

Signature



DR. CHRIS KIPTOO, CBS

PRINCIPAL SECRETARY/THE NATIONAL TREASURY

Date

25/9/23

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6. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR THE FY 2022/23

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each National Government National Treasury in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives. The key development objectives of the National Treasury's 2018-2022 Strategic Plan are to:

- (a) Strengthen organization capacity for quality service delivery;
- (b) Enhance mobilization, allocation and utilization of public resources;
- (c) Ensure stable and sustainable macro-economic environment; and,
- (d) Ensure market structures that encourage competition and orderly conduct of business;

Progress on Attainment of Strategic Development Objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Table 1: Performance against Predetermined Objectives for 2022/23

MDA Program	Strategic Objective	Outcome	Indicator	Performance	Comments
General Administration, Planning and Support Services.	To enhance institutional and human resource capacity for quality delivery of services	Efficient and effective service delivery	No. of vehicles leased	In FY 2022/23, 4,023 security vehicles were leased for the National Police Service towards enhancing security against a target of 3,477	Target surpassed
			Ordinary revenue as a percentage of GDP	In FY 2022/23 the ordinary revenue as a percentage of GDP collected was 16% against a target of 17.1%	Target was not achieved
			% level of compliance to PSSS	100%	The eligible public servants were on boarded in real time
			No. of Pension claims processed	Pensions claims were processed within 60 days of submission.	Target achieved
Public Financial Management	To increase the reliability, stability and soundness of the financial sector	Increased reliability and soundness of the financial sector	Annual National Budget presented to Parliament by 30th April 2023	1 achieved against a target of 1	Budget presented to parliament.
			No. of Published External Public Debt Stock & Register on the TNT website	1 External Public Debt Stock & Register on the TNT website published against a target of 1	Target achieved and published in the website
			No. of benchmark bonds issued	12 bonds issued against a target of 12	Target achieved. benchmark bonds are determined by the issuer to create liquidity and have established to attract more liquidity over time than other bonds

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MDA Program	Strategic Objective	Outcome	Indicator	Performance	Comments
			% Of mature serviceable public debt serviced	100% mature serviceable public debt serviced achieved against a target of 100%	Target achieved
			No. of Audit Committees Capacity Built.	31 Audit Committees Capacity Built	Target achieved
			Amount mobilized in KSh. (Billion)	A total of KSh. 22.6 billion worth of private capital was mobilized following private sector investments against a target of 50 billion	Target was not achieved
			No. of People receiving ACT (Millions)	6 Million doses of ACT treatment were issued in the FY 2022/23.	The total number of confirmed malaria cases annually is about 6 million. The number of doses of ACT distributed to ensure continuous supply at facility is 7 million doses annually. On a quarter about 1.5 million doses are issued to facilities.
			No. of Registered AGPO Enterprises	Registered 29,435 AGPO Enterprises against a target of 20,000	Over achievement is due to stabilization of system uptime and deployment of staff at Huduma Center to assist in enterprise registration
			No. of additional Government Payments Digitized	4687 additional Government payments digitized from 397 as at June 2022	Target surpassed
			No of Annual Borrowing Plans	1 annual borrowing plan achieved against a target of 1	Annual borrowing plan developed
			No. of Strategies	1 Medium Term debt strategy developed medium strategy against a target of 1	Target achieved
			No. of Government Entities capacity built on IRMF	26 Government Entities capacity built on Institutional Risk Management Framework (IRMF)	Target achieved
			No. of VFM Audits reports	Conducted 269 Value for Money Audits. Target surpassed due to increased requests	Target achieved
Economic and Financial Policy Formulation and Management	To ensure a stable macroeconomic environment	Stable macroeconomic environment	Inflation rate (%)	7.9% against a policy range target of 5 + -2.5.	Target was out of policy range due to higher food and fuel prices
			Months of import cover	4.5 months of import cover against a target of 5.8	Target not met due to high demand for foreign exchange
			% of fiscal deficit	(5.7) % of GDP against the target of 6.3%	Target surpassed due to fiscal consolidation initiatives such as budget

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MDA Program	Strategic Objective	Outcome	Indicator	Performance	Comments
					rationalization in the second Quarter
			No. of Guidelines and regulations prepared	1 Nairobi International Financial Centre (NIFC) Guidelines and regulations prepared against a target of 1	Target achieved
			No. of legal frameworks developed	1 Legislative framework for NIFC and financial services sector developed against a target of 1	Target achieved
			No. of counties with CCF	7 Counties have established their Climate Change Fund (CCF)	Remaining Counties to be targeted in the FY 2023/24
			County Allocation of Revenue Bill (CARB) & Division of Revenue Bill (DORB)	Prepared the County Allocation of Revenue Bill (CARB) 2023 & Division of Revenue Bill (DORB) 2023.	Target achieved in 2nd quarter
			No. of Clients accessing Agricultural Finance Corporation (AFC) loans	A total of 197,960 client outreach was achieved in both wholesale and retail lending	The AFC client outreach was achieved against a target of 196,616
			Loan amount issued to clients in KSh. millions	KSh. 4,112 Million Loan issued to clients	The corporation achieved against a target of KSh. 4,000 Million
			Loan repayments as % of disbursements	82% loan repayments was achieved against a target of 85% of disbursements	AFC will strive to collect the balance of 18% of disbursements in the FY 2023/24
			Public Debt at ≤ KSh. 10 trillion	KSh. 9.2 Trillion. Target within the ceiling	Target within the ceiling
			% of Government imports/exports cleared within 9 days at the ports and 2 days at the airports	100%	Target achieved
Market Competition and Creation of an Enabling Business Environment	To promote and sustain competition	Sustained high productivity and competitive markets	% of Merger and acquisitions applications determined	100% merger and acquisitions applications determined	Target achieved
			Merger, Restrictive Trade Practices (RTPs) and Consumer protection guidelines	Developed one (1) Restrictive Trade Practices and one (1) Consumer Protection Guideline	Target achieved
			Cases concluded as a % of total investigations	83% cases concluded against a target of 95%	Target not achieved due to delay in release of resources
			% of cases on restrictive trade practices investigated and finalized	60% cases on restrictive trade practices investigated and finalized	Target achieved
			% of Appeals on Competition Determined	100% appeals on competition determined achieved	Target achieved

7. MANAGEMENT DISCUSSION AND ANALYSIS

Report on Operational and Performance financial performance of the organization for the last three-to-five-year period

Operational Performance

Operational performance is examined from three main indicators. These are: (i) Performance Contract Management (ii) Effectiveness in implementation of National Treasury Strategic Plan 2018/19-2022/23, and (iii) Human Resource Staff Capacity.

Performance Contract Management

Although the Ministries have been completing the performance contracting cycle that ends with announcement of results by the Ministry responsible for Public Service, announcement of results have not been undertaken except for the two FYs (FY 2019/2020 and 2020/2021).

In the Financial Year 2019/2020, the National Treasury and Economic Planning was ranked as the best performing Ministry with a Composite Score of 3.0209. This means that TNT&P achieved but not fully all its set PC targets resulting to a score of between 70 – 100% which translates to Good Performance.

In the Financial Year 2020/ 21, the National Treasury and Planning was ranked 5th in the Top Five Performing Ministries with an Average Composite Score of 3.2124 which is a good performance. There was a decline in performance compared to that of 2019/2020 whereby TNT&P was ranked the best performing Ministry with a Composite Score of 3.0209. A summary of performance contract ranking is given in table 2 below.

Table 2: Summary of performance of the National Treasury and Economic Planning in ranking of Ministries Departments and Agencies over three Financial Years

2018/19	2019/2020	2020/2021
Ministries were not ranked	Overall Score: 3.0209 Overall Rank: Position 1 Overall Grade: 70-100% Performance category: Good Core Mandate Score: 1.8089 Core Mandate Rank: Position 3	Overall Score: 3.2124 Overall Rank: Position 5 Overall Grade: 70-100% Performance category: Good Core Mandate Score: Not measured Core Mandate Rank: Not ranked among the 5 best performing Ministries

Effectiveness in implementation of Strategic Plan 2018-2023

The National Treasury implemented its Strategic Plan under four (4) Key Result Areas (KRAs) namely: (i) Stable Macro Economic Environment, (ii) Resource Mobilisation for financing public expenditure, (iii) Development planning, budgeting and intergovernmental relations and (iv) Institutional efficiency and effectiveness.

Effectiveness measures considered achievement of planned outcomes and outputs against set targets. In this regard the National Treasury achieved overall effectiveness level of 73% implementation of the objectives under the four KRAs. On the Key Result Areas, the National

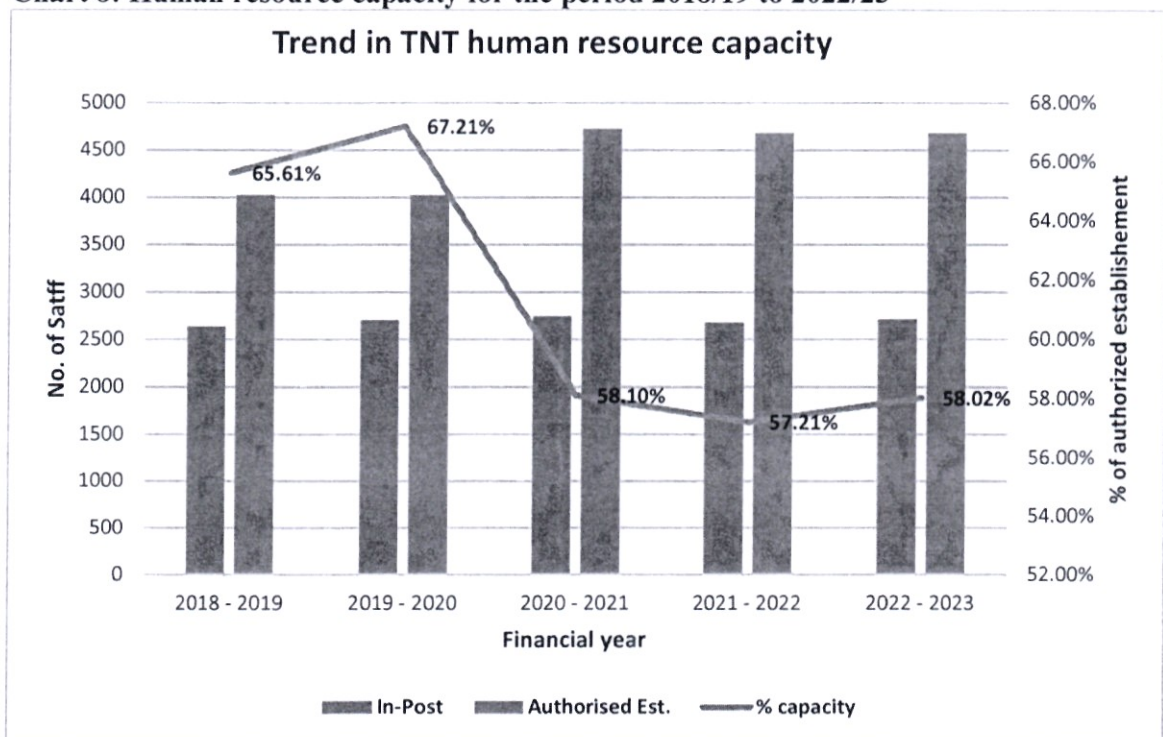
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Treasury recorded the following level of effectiveness: Stable and sustainable macroeconomic environment - 90%; Resource mobilization for financing public expenditure realised 74 %; Development planning, budgeting, and intergovernmental relations, 80%; and Institutional efficiency and effectiveness- 29%. KRA 4: Institutional efficiency and effectiveness recorded lowest level of effectiveness in achievement of set objectives. This is attributed to inadequate resources to effectively implement targets.

Human Resource Staff Capacity

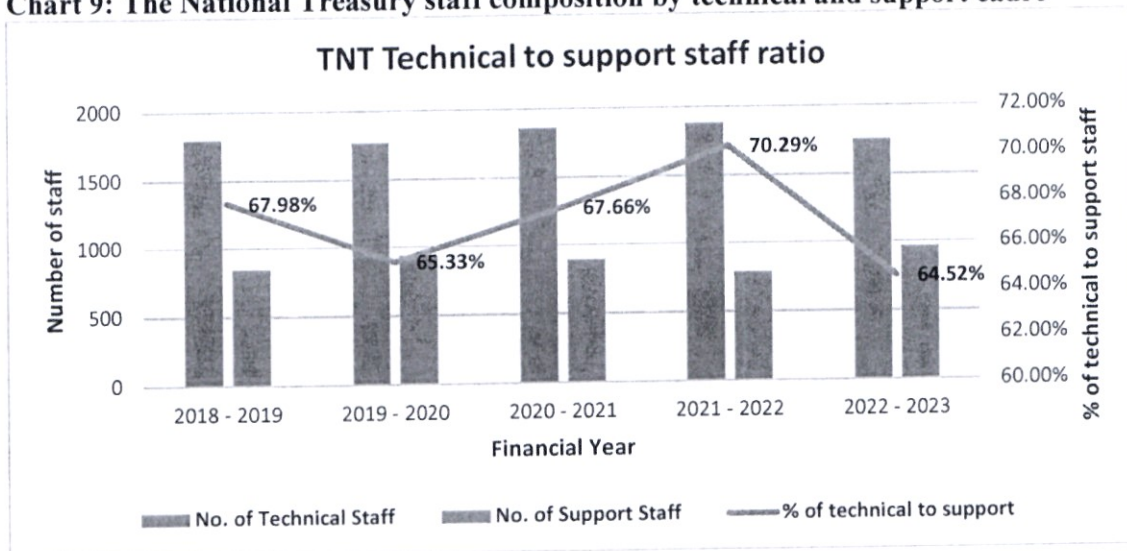
Human resource capacity is a component of operational efficiency in the National Treasury. In this regard, the National Treasury currently operates at 58 per cent staff capacity in relation to authorized establishment. This is a decline from staff operational capacity of 65.6 percent in 2018/19. The decline in staff capacity is attributed to slow succession management in relation to increasing staff requirement as indicated by authorized establishment. Chart 8 below illustrates the current staff capacity against authorised establishment.

Chart 8: Human resource capacity for the period 2018/19 to 2022/23



In terms of cadre, the National Treasury ratio of technical to support staff currently stands at 64.52 per cent of in-post staff against a target of 70 per cent. This ratio has remained fairly stable at an average of 67 per cent over the period 2018/19-2022/23. Specifically, the technical staff requirement is 3,278 (70 % of staff authorized establishment). However, the current technical staff in-post is 1,753 (53 per cent of technical staff requirement). Chart 9 below illustrates the composition of the National Treasury staff disaggregated by technical and support cadre

Chart 9: The National Treasury staff composition by technical and support cadre



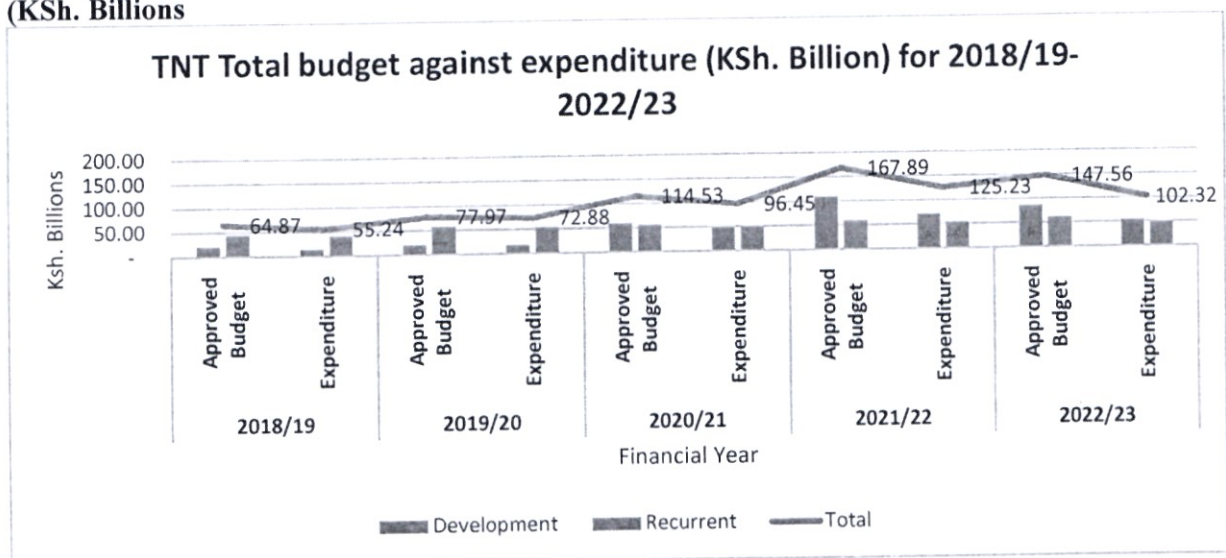
Financial Performance

Over the last five-year period, the National Treasury recorded mixed trend in performance in financial stewardship relating to absorption of GoK funds and externally funded resources as well as in A-in-A. Charts 10, 11 and 12 below indicate the specific performance in the mentioned areas.

Overall budget execution for the National Treasury for the period 2018/19- 2022/23

Chart 10 illustrates the National Treasury financial performance in relation to expenditure for the period 2018/19- 2022/23. The allocations to the National Treasury recorded increasing trend with highest allocations recorded in the FY 2021/22. The increase in allocation in the FY 2021/22 is attributed to transferring of marine and transport functions to the National Treasury. The same functions have since been transferred back to the Ministry of Transport and Infrastructure in the FY 2023/24.

Chart 10: The National Treasury total budget against expenditure for 2018/19- 2022/23 (KSh. Billions)

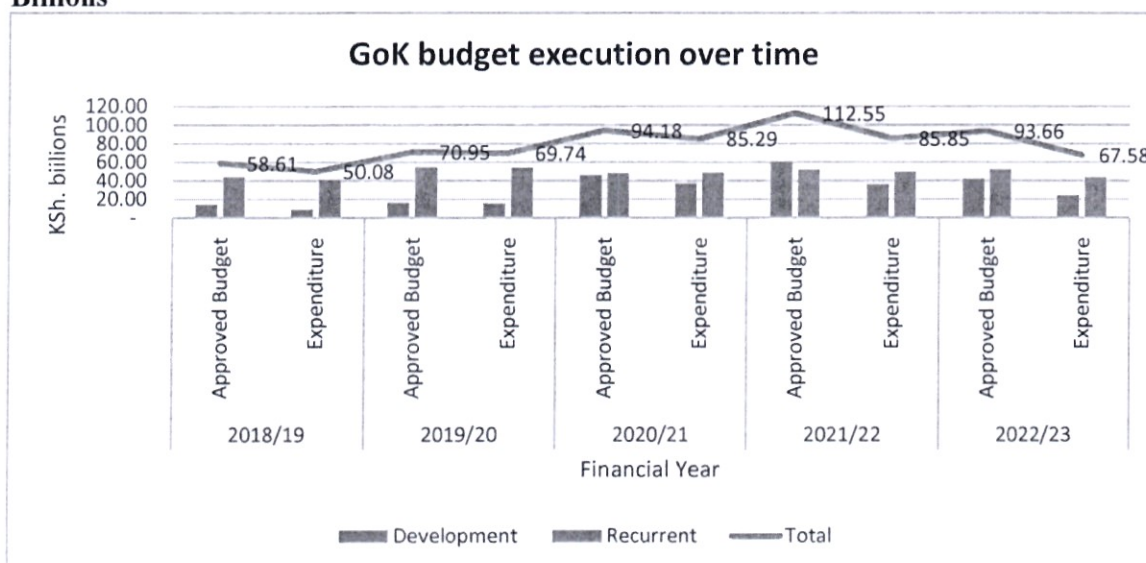


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Performance of GoK funded resources for the period 2018/19-2022/23

An analysis of budget performance for the National Treasury for the period 2018/19 to 2022/23 for GoK funded resources indicate increasing allocation over time. The highest allocation of KSh. 112. billion was recorded in the FY 2021/22. This was due to transfer of marine and transport functions to the National Treasury by executive order. There was a decline in allocations in FY 22/23 when the same functions were transferred back to the Ministry of Transport and Infrastructure. The performance of GoK funded resources is shown in Chart 11.

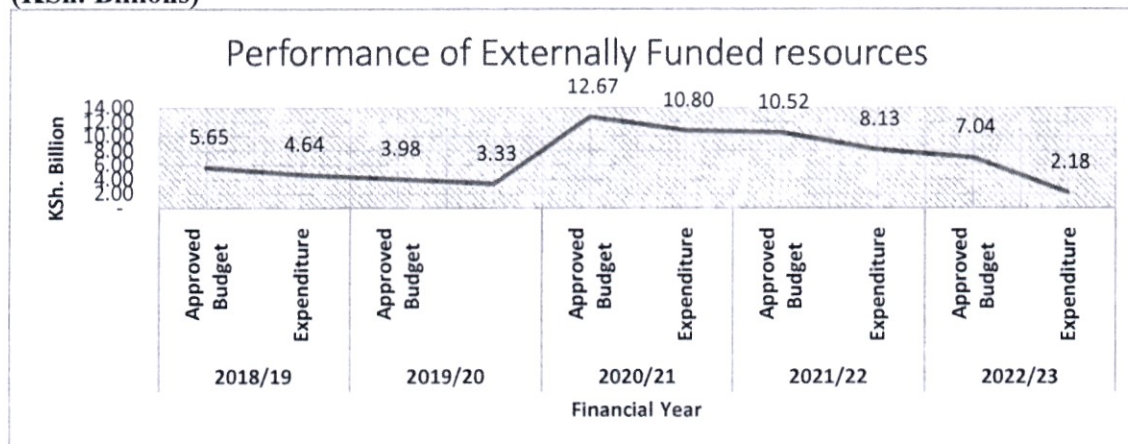
Chart 11: Performance of GoK funded resources for the period 2018/19-2022/23 (KSh. Billions)



Performance of externally funded resources for the period 2018/19-2022/23

The externally funded resources rose sharply in the FY 2020/21 before gradually decreasing in the subsequent years. The rise was due to mobilization of additional resources to combat the COVID 19 pandemic. Chart 12 highlights the performance of externally funded resources for the period 2018/19- 2022/23.

Chart 12: the performance of externally funded resources for the period 2018/19-2022/23 (KSh. Billions)

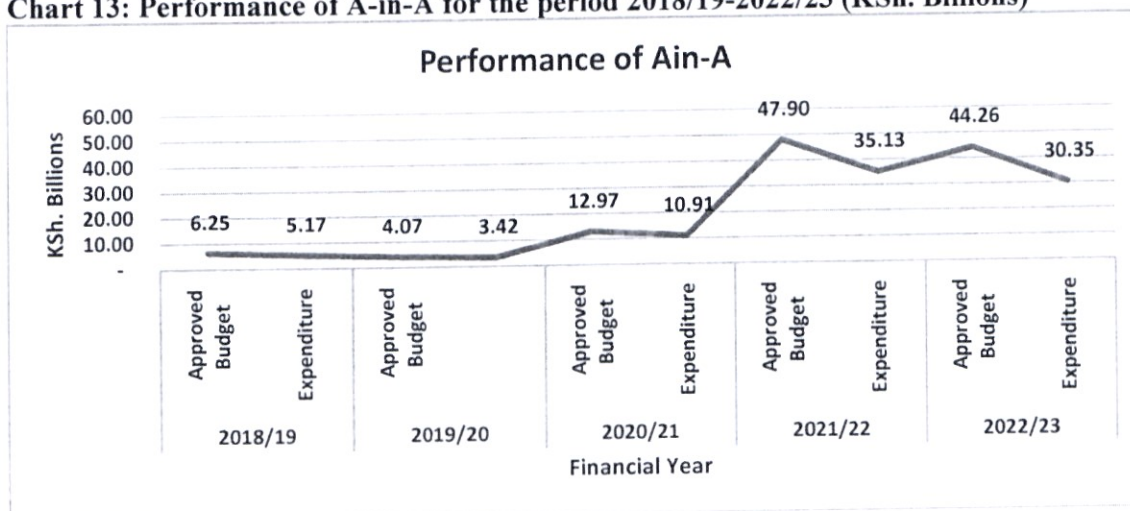


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Performance of Appropriation in Aid the period 2018/19-2022/23

The National Treasury registered a sharp rise in A-in-A allocations in the FY year 2020/21. The rise in A-in-A relates to development partner financing towards interventions to combat COVID 19 pandemic as well as the transfer of the rail transport function to the National Treasury. Chart 13 below illustrates the trend in the performance of A-in-A for the period 2018/19 to 2022/23.

Chart 13: Performance of A-in-A for the period 2018/19-2022/23 (KSh. Billions)



The National Treasury Key Projects/ Investments implemented or ongoing indicating source of Funds, Project Status, Project Costs and amount spent so far

The Table below indicates a summary of 13 key projects for the National Treasury indicating project cost, source of funds, cumulative expenditure to date and project status

Table 3: Key projects implemented by the National Treasury

S/No.	Project Name	Project Timelines			Estimated Cost of the Project (KSh. Millions)							
					Total Project Cost (a)	Foreign	GoK	Total Allocations to Date	Actual cumulative Expenditure (As of 30 th June 2022/23 (b))	Outstanding Balance as of 30 th June 2022/23 (a-b)	Project Completion Rate as of 30 th June 2022/23	
1.												
2.	Credit Guarantee Scheme	8/12/2020	Continuous	20%	10,000.00	0	10,000.00	3,000	830.3	9,169.70	8.3%	
3.	Kenya Electronic Single Window System	9/11/2012	Continuous	80%	8,830.00	330	8500	8300	8300	530.00	100% for the legacy TradeNet system and 71% for the upgrade (TFP)	
4.	Implementation of the e-procurement system for the Government of Kenya	5/1/2022	5/1/2026	25%	5,000.00	0	5000	942.19	22	4,978.00	25%	

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S/No.	Project Name	Project Timelines			Estimated Cost of the Project (KSh. Millions)						
		Start	End	Progress	1	2	3	4	5	6	7
5.	Rural Kenya Financial Inclusion Facility	6/2/2022	12/31/2028	14%	13,405.00	11005	2400	200.08	0	13,405.00	5%
6.	Global Fund HIV	7/1/2021	6/30/2024	58%	27,596.19	17931.91	9664.28	14837.36	9296.97	18,299.22	34%
7.	Global Fund TB	7/1/2021	6/30/2024	58%	5,594.13	4276.28	1317.85	1782.59	1112.69	4,481.44	20%
8.	Global Fund Malaria	7/1/2021	6/30/2024	58%	3,641.27	2323.42	1317.85	1064.23	878.76	2,762.51	24%
9.	1071107900, Infrastructure Finance Public Private Partnerships Project - Additional Financing (IFPPP-AF)	2017	6/1/2023	95%	5,000.00	5000	0	1396.05	585.65	4,414.35	85%
10.	1071102201: Strategic Investments in Public Entities	7/1/2014	30th June 2024	85%	150,000.00	0	150000	73851	87881	62,119.00	59%
11.	1071100101: Support to Public Financial Management (PFMR)	7/1/2018	6/1/2028	50%	26,102.00	1189	24913	3312	2466	23,636.00	70%
12.	107111040 Green Climate Fund Readiness Project	3/10/2021	3/10/2024	66.60%	84.50	84.5	0	84.5	18.5	66.00	22.30%
13.	107106600 Strategic Response to Public Initiatives	1 Jul 2019	30th June 2024	70%	6,000.00		6000	3950	350	5,650.00	5.80%

Future Developments and other information

In the next five (5) Year period, the National Treasury is planning to implement key policies and strategies as follows:

Stable and sustainable macroeconomic environment

Under this Key Result Area, the National Treasury plans to:

- (i) Develop and implement macroeconomic and fiscal policies that support stable macroeconomic environment and stimulate economic recovery to 5.6 percent growth in FY 2027/28; boost the ratio of gross national savings to GDP to 13.3 percent in the FY 2027/28; increase the ratio of national investments to 18.6 percent of GDP in the FY 2027/28;
- (ii) Oversee implementation of monetary policy that targets to maintain inflation rate at 5 percent +/-2.5 percent; low and stable lending interest rates; stable and competitive exchange rates; and strong official foreign exchange reserves;
- (iii) Develop and implement tax policy and administrative measures designed to gradually reduce the fiscal deficit including grants to 3.5 percent of GDP in the FY 2027/28; increase revenue collection to 18.5 percent of GDP in FY 2027/28; and reduce total expenditures and net lending to 22.3 percent as a share of GDP in the FY 2027/28;

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- (iv) Establish the Kenya Credit Guarantee Company to administer CGS – This will entail establishing a functional Credit Guarantee Company to administer Credit Guarantee Scheme (CGS);
- (v) Agricultural and Rural Financial Inclusion (RK- FINFA) – this will enhance access, efficiency and stability of agricultural and rural finance by smallholder farmers and agribusiness MSME; and,
- (vi) Implement the Green Financial Markets programme to enhance access to green finance and strengthen the enabling environment to attract green finance and investments needed to transition to a low-carbon, climate resilient and green economy.

Resource mobilization for financing public expenditure

Under this Key Result Area, the National Treasury plans to:

- (i) Integrate Meridian Debt Management System with IFMIS- Development of integration Solutions and training officers with new system and with CBK DHOW Central Securities Depository (CSD) System- Development of integration Solutions and uploading of Domestic Debts in the system;
- (ii) Develop a Resource Mobilization Strategy;
- (iii) Review the Debt and Borrowing Policy to capture the emerging issues and changes in the operational environment; and,
- (iv) Implement the digitalization of Government services through the Digital Payments by enhancing the capabilities and scope of the eCitizen payment platform.

Development Planning, budgeting and intergovernmental relations

This Key Result area aims to undertake the following:

- (i) Business process automation to improve efficiency in National Treasury operations;
- (ii) Digitalization and digitization of Government process for effective service delivery and, revenue enhancement;
 - (a) Strengthening the internal audit fiduciary assurance and advisory services for effective governance process, internal control structures and risk management to increase the level of transparency, effectiveness, efficiency, economy and accountability;
 - (b) Development and implementation of the Public Finance Management Reforms Strategy 2023-2028;
 - (c) Enhancing participation of marginalized groups in public procurement by registration and capacity building;
 - (d) Operationalize the Treasury Single Account to ensure efficient distribution of cash balances; and,
 - (e) Upgrading and integration of Pension Management Information System for effective and efficient processing and payment of pension benefits.

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Institutional Efficiency and Effectiveness

Under this Key Result Area; the National Treasury will implement the following:

- (i) Undertake Value for Money Audits;
- (ii) Installation of Visitors' management system and Integrated Security Management System at the National Treasury;
- (iii) Development of a Disaster Recovery Plan;
- (iv) Enhance the work environment for efficient service delivery;
- (v) Implement succession planning towards enhancing staff capacity to 80% of the authorized establishment by June 2027 and the ratio of technical to support from 65 per cent to 70 per cent by the same period;
- (vi) Finalization of the Government Transport Policy and Scaling up of the government motor vehicle leasing programme; and,
- (vii) Finalization of the development of the e-GP system.

8. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

The National Treasury's mandate is to formulate, implement and monitor prudent economic and financial policies at national and county levels of government. The core values include customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Guided by the above principles, we undertake the following: -

Sustainability Strategy and Profile

To ensure economic sustainability, the National Treasury put in place several measures geared towards protecting the economy. Some of the key focus interventions are to: reduce the cost of living; create jobs; achieve more equitable distribution of income; enhance social security; expand tax base for more revenue for financing development; and increase foreign exchange earnings.

The economic performance for the period under review is against a background of increased uncertainties in the global economic outlook, continuing geopolitical tensions and the pace of monetary policy tightening amidst concerns about financial sector stability in the advanced economies. Nevertheless, commodity prices in the global markets, particularly of oil and food, have been easing due to improved and functioning supply chains.

Kenya's economic growth for 2022 slowed down to 4.8 percent from 7.6 percent in 2021 due to the adverse impact of the multiple shocks that affected the economy. The growth in 2022 was supported by growth in the services sectors while the agricultural sector contracted for the second consecutive year due to the prolonged drought effect which also contributed to a slowdown in growths in the manufacturing as well as that of the wholesale and retail trade sectors.

In 2023, the economy is expected to rebound and expand by 5.5 percent from 4.8 percent in 2022 and maintain that pace over the medium term. This growth will be supported by a broad-based private sector led growth, including continued strong performance of the services sector and recovery in the agriculture sector due to improved weather conditions during the March – May rain season. This growth outlook will further be reinforced by the interventions being implemented by the Government, under the Bottom-Up Economic Transformation Agenda (BETA).

In order to realize the aspirations of the Bottom-Up Economic Transformation Agenda, the National Treasury will: Continue to maintain macroeconomic stability and enhance security to foster a secure and conducive business environment for all Kenyans and their investments; Intensify national infrastructure development and connectivity in roads, rail, port, energy and fibre optic infrastructure to lower the cost of movement of people and goods, lower the cost of doing business thereby enhancing profitability of businesses; Enhance investment in key economic sectors for broad based sustainable economic recovery by promoting: agricultural transformation, growth in manufacturing, environmental conservation and water supply, food security, climate change mitigation and adaptation, tourism recovery, and sustainable land use and management. Food security and climate change will also become a focal point for policy going forward. The National Treasury will expand access to quality social services in health, education and appropriate social safety nets for the vulnerable population; and support the youth, women and persons living with disability through Government-funded empowerment programs that leverage on partnerships with private sector organizations.

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9. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

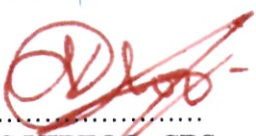
The Accounting Officer in charge of the National Treasury is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the National Treasury for and as at the end of the financial year ended on June 30, 2023. The responsibilities include: (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 National Treasury (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.


The Accounting Officer in charge of the National Treasury accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer in charge of the National Treasury further confirms the completeness of the accounting records maintained for the National Treasury, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the National Treasury confirms that the National Treasury has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the National Treasury's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Financial Statements

The National Treasury financial statements were approved and signed by the Accounting Officer on 11/12/2023 2023.


.....
DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY
THE NATIONAL TREASURY


.....
GEORGE K. GICHURU
Head of Accounting Unit
ICPAK M/NO.9262

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Environmental performance/climate change/mitigation of natural Disaster

The National Treasury has constituted a committee comprising officers from the key Departments of the Ministry to oversee all matters relating to environmental sustainability. The Committee has since developed a ministerial policy on the same in line with the National Policy on environmental management and participated in planting trees thus contributing towards the 10 percent tree cover initiative. Additionally, to ensure a conducive work environment, the National Treasury has contracted a company to manage cleaning and waste disposal services.

Employee welfare

Employee welfare is critical for effective implementation of the programmes and projects of an organization. Noting the importance of human resources, the National Treasury has a department established to handle Human Resources Management and Development. The Ministry has also established a Human Resource Management Advisory Committee and Departmental Training Committees that processes all the promotions, discipline, training, appraisal and general employee matters in line with the Public Service guidelines and procedures. Recruitment of officers is guided by the principles of the public service such as inclusivity among others.

In addition, a committee on occupational safety and health has been established to follow up of the safety conditions in the work place. In order to attract and retain competent officers, the National Treasury conducted capacity building for the staff in various technical subjects and recruited officers at the entry grade to fill skills gaps and enhance human resource capacity.

During the review period, we implemented succession management plan by declaring vacant posts to be filled by the Public Service Commission at the higher levels. This is in preparation for the exists anticipated in the next two years arising from retirement of officers who will have attained the mandatory retirement age. Further, the National Treasury has continued to build the capacity on the online staff appraisal management system in collaboration with the Public Service Commission to ensure seamless implementation of the system.

Operational Practices/Market place practices

The National Treasury is responsible for promoting fair trade practices in the economy. To ensure effective implementation of this function assigned by the Constitution, one of the programmes implemented by the Treasury is ensuring that existing market structures encourage competition and orderly conduct of business in order to support high productivity and competitive markets. This is undertaken mainly by the Competition Authority of Kenya, a State Corporation under the National Treasury.

Further, to ensure fairness in the allocation of procurement contracts, the National Treasury ensures strict adherence to the provisions of the Public Procurement and Assets Disposal Act and its regulations.

Community Engagements

Towards Corporate social responsibility, members of staff from the National Treasury participated in these years Annual Kaptagat Tree planting exercise which was graced by His Excellency the President on 1st July, 2023 in Elgeyo Marakwet. The two-day exercise saw over 30,000 seedlings planted at Kessup Forest Station by the National Treasury staff, Corporates and members of the community.

To mitigate technological hazards, terrorism, fire and natural disasters, the National Treasury engaged a professional security services firm contracted for purposes of enhancing security in the Ministry. The National Treasury continued to improve security within the building and its environs by use of CCTV cameras installed at the Treasury Building and at the entrances and maintained firefighting facilities at the premises in collaboration with the State Department for Public Works.

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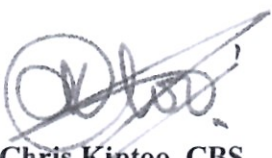
11. Statement of Receipts and Disbursements for The Year Ended 30th June, 2023


Non Tax Revenues	Note	2022-2023	2021-2022
		Kshs	Kshs
Loan Redemption	1	5,830,810,487	5,129,847,351
Interest	2	2,325,198,129	1,613,363,273
Other Income	3	37,834,946,262	40,013,540,073
Total Non Tax Revenue		45,990,954,878	46,756,750,697
Total Revenue collected		45,990,954,878	46,756,750,697
Disbursements to Exchequer	4	45,990,954,878	46,756,750,697
Balance Brought Forward		107,036	107,036
Balance Carried Forward		107,036	107,036

The department receives loan repayments, interest on loans and investment income and then transfers the same (whole amount) to the Exchequer.

These receipts form an integral part of the revenue statements.

The revenue statements were approved on 11/12/23, 2023 and signed by:


Dr. Chris Kiptoo, CBS
Principal Secretary/National Treasury


George K. Gichuru
 ICPAK Member No. 9262
Head of Accounting Unit

REPUBLIC OF KENYA

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Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON GOVERNMENT INVESTMENTS AND PUBLIC ENTERPRISES - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2023 - THE NATIONAL TREASURY

PREAMBLE

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

- A. Report on the Revenue Statements that considers whether the revenue 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 revenue 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the 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 REVENUE STATEMENTS

Qualified Opinion

I have audited the accompanying Government Investments and Public Enterprises - Revenue Statements set out on pages 1 to 31, which comprise of the statement of arrears of revenue and statement of financial assets and liabilities as at 30 June, 2023, the

Report of the Auditor-General on Government Investments and Public Enterprises - Revenue Statements for the year ended 30 June, 2023 - The National Treasury

statement of receipts and disbursements, statement of comparison of budget and actual amounts for the year then ended, a summary of significant accounting policies and other explanatory information and the summary schedule of outstanding loans 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, the revenue performance of the Government Investments and Public Enterprises - Revenue Statements as at 30 June, 2023 in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unconfirmed Outstanding Loan Balances

Note 6 to the revenue statements on outstanding loan balance reflects principal loan balance of Kshs.974,199,319,038 from fifty-seven (57) institutions. However, as reported in the previous year, seven (7) institutions with outstanding balances amounting to Kshs.11,987,980,020 did not confirm their loan balances as at 30 June, 2023 as detailed below:

No.	Institution	Amount Outstanding as at 30 June, 2023 (Kshs.)
1.	Halal Meat Products	27,701,420
2.	Kenya Urban Transport Various Towns	40,706,140
3.	Local Government Loans Authority	7,594,273,720
4.	Mombasa Pipeline Board	22,964,980
5.	Mumias Sugar Company Limited	3,000,000,000
6.	Nairobi City Council	102,333,760
7.	Uchumi Supermarkets Limited	1,200,000,000
Total		11,987,980,020

In the circumstances, the existence, completeness and accuracy of the reported outstanding loans balance of Kshs.974,199,319,038 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of The National Treasury - Government Investments and Public Enterprises Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with ISSAI and in accordance with other ethical requirements applicable to performing audits of revenue 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 revenue statements. There were no key audit matters to report in the year under review.

Other Matter

1. Dormant Loans

As previously reported, the summary schedule of outstanding loans reflects total loans outstanding of Kshs.974,199,319,038. Included in the balance are thirteen (13) loans amounting to Kshs.19,597,984,196 which had no movement during the year and have remained unpaid over a significant period. Further, Management did not provide the aging analysis of the dormant loans tabulated below:

No.	Institution	Amount Outstanding as at 30 June, 2023 (Kshs.)
1	Mumias Outgrowers Company Limited	16,517,400
2	Mombasa Pipeline Board	22,964,980
3	Local Government Loans Authorities	7,594,273,720
4	Nairobi City Council	102,333,760
5	Kenya Urban Transport Various	40,706,140
6	Agro-Chemical and Food Co. Ltd	2,941,884,000
7	Catering Levy Trustee/Utalii College	122,000,000
8	Halal Meat Products	27,701,420
9	Kenya Meat Commission	940,241,100
10	Uchumi Supermarkets	1,200,000,000
11	Mumias Sugar Company	3,000,000,000
12	National Irrigation Board	1,128,486,779
13	National Water Conservation and Pipeline Corporation	2,460,874,897
Total		19,597,984,196

Although Management has indicated that it has continued demanding for outstanding loan amounts through demand letters, it has not disclosed measures put in place to ensure that all loans are being repaid and in case of default, sanctions imposed on the defaulters.

2. Dormant Investments

The summary schedule of investments by the Cabinet Secretary, The National Treasury in various companies reflects total investments of Kshs.112,446,941,373. Included in the balance are seven (7) companies with investments of 7,213,217 shares valued at Kshs.144,263,695 that are either non-performing, struck off the register or dissolved as indicated below:

No.	Institution	Number of Shares	Nominal Value (Kshs.)
1	Kenya Farmers Association	1	20
2	National Agricultural Chemical & fertilizer Ltd	2,084,998	41,699,960
3	Busia Sugar Company	1,485,675	29,713,500
4	Nyari Estate Limited	2,500	50,000
5	Kenya Poultry Limited	4	20
6	Mercat (k) Limited	39	195
7	Ken-Ren Chemicals and Fertilizers Limited	3,640,000	72,800,000
Total		7,213,217	144,263,695

Although the Management has indicated that it will continue to seek audience with the existing companies to establish Government position and seek approvals for dormant investments to be written off, it has not disclosed measures put in place to ensure that the dormant investments report returns.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 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 revenue statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, 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 Management and those Charged with Governance

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

In preparing the revenue statement, Management is responsible for assessing The National Treasury - Government Investments and Public Enterprises' ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate The National Treasury - Government Investments and Public Enterprises or to cease operations.

Management is also responsible for the submission of the revenue 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 revenue statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the revenue statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing The National Treasury - Government Investments and Public Enterprises' 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 overall 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 revenue 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 revenue statements.

In addition to the audit of the revenue 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 revenue 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 revenue statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 revenue 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 revenue statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the 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 National Treasury'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 revenue 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 National Treasury - Government Investments and Public Enterprises to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the revenue statements, including the disclosures and whether the revenue 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 National Treasury - Government Investments and Public Enterprises to express an opinion on the revenue 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 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

15 December, 2023


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11. Statement of Receipts and Disbursements for The Year Ended 30th June, 2023

Non Tax Revenues	Note	2022-2023	2021-2022
		Kshs	Kshs
Loan Redemption	1	5,830,810,487	5,129,847,351
Interest	2	2,325,198,129	1,613,363,273
Other Income	3	37,834,946,262	40,013,540,073
Total Non Tax Revenue		45,990,954,878	46,756,750,697
Total Revenue collected		45,990,954,878	46,756,750,697
Disbursements to Exchequer	4	45,990,954,878	46,756,750,697
Balance Brought Forward		107,036	107,036
Balance Carried Forward		107,036	107,036

The department receives loan repayments, interest on loans and investment income and then transfers the same (whole amount) to the Exchequer.
These receipts form an integral part of the revenue statements.

The revenue statements were approved on 11/12/23, 2023 and signed by:


Dr. Chris Kiptoo, CBS
Principal Secretary/National Treasury


George K. Gichuru
ICPAK Member No. 9262
Head of Accounting Unit

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Annual Revenue Statements for the year ended 30th June 2023

12. Statement of Financial Assets and Liabilities as at 30th June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances		-	-
TOTAL FINANCIAL ASSETS		-	-
TOTAL FINANCIAL ASSETS		-	-
FINANCIAL LIABILITIES			
Payables-Due to Exchequer		-	-
TOTAL FINANCIAL LIABILITIES		-	-

IPSAS template for the Receiver of Revenue requires that a Statement of Assets & Liabilities be prepared and submitted together with other Statements.

GIPE as a receiver of Investments Income, is required to prepare this Statement. However, the Department does not operate its own Bank Account but rather receives and pays the received revenues into the Exchequer Account through National Treasury Deposit Account maintained by the Accounts Department. In addition, the Department does not have Assets (Cash/bank) and Liabilities which are required in the preparation of the Statement of Assets and Liabilities.

The Revenues that the Department receives include; Loan Redemption, Interest Income, Dividends and Directors Fees. These Revenues form GIPE Annual Revenue Statement which is then consolidated in the main National Treasury's Revenue Statement.

In view of the above, the statement is not applicable to GIPE Department for the period under review.

THE NATIONAL TREASURY
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Annual Revenue Statements for the year ended 30th June 2023

13. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2023

Classification of Revenue	Printed Estimates	Adjustments	Revised Estimates	Actual	% Variance
	Kshs	Kshs	Kshs	Kshs	
Loan Redemption	4,250,000,000	-	4,250,000,000	5,830,810,487	-37%
Interest Receipts	2,080,014,227	(589,000,000)	1,491,014,227	2,325,198,129	-56%
Other Profits & Dividends	31,495,840,225	-	31,495,840,225	33,834,946,262	-7%
Dividends From CBK	-	4,000,000,000	4,000,000,000	4,000,000,000	0%
TOTAL	37,825,854,452		41,236,854,452	45,990,954,878	-12%

Budget Notes

1. Loan Redemption

Revised estimates of Kshs. 4,250 million against actual receipts of Kshs. 5,830 million, shows an over collection of Kshs. 1,580 million. This was mainly caused by repayment of KENGEN who had paid Kshs 5,171 million against the budgeted Kshs 3,812 Million. In overall, KENGEN contributed the main component of loan redemption being 88% of the amount of total loan repayment received.

2. Loan Interest

Revised estimates of Kshs. 1,491 million against actual receipts of Kshs. 2,325 million shows an over collection of Kshs. 834 million. The Estimate had been based on previous receipts of 2021/22 FY. Entities that had not been budgeted to repay interest have started servicing the loans; Kenya Airport Authority, Athi Water Works Development Agency, Lake Victoria South Water Works Development Agency.

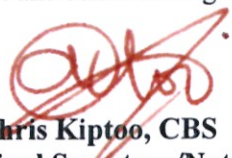
3. Other Income 37,834,946,262

(a) Dividends from Central Bank of Kenya (CBK)

The budgeted dividend from CBK in FY 2022/2023 revised estimates of Kshs 4,000 million against actual receipts of Kshs. 4,000 million shows there was no variance.

(b) Other Profits & Dividends

The budgeted dividend in the revised estimates of Kshs 31,495 million against actual receipts of Kshs. 33,835 million shows an over collection of Kshs. 2,340 million. This is as a result of cash-call exercise undertaken where State Corporations were asked to rationalize their 2022/2023 FY budget and remit savings to Exchequer.


Dr. Chris Kiptoo, CBS
Principal Secretary/National Treasury


George K. Gichuru
ICPAK Member No. 9262
Head of Accounting Unit

THE NATIONAL TREASURY
Government Investment and Public Enterprises (GIPE)
Annual Revenue Statements for the year ended 30th June 2023

14. Statement of Arrears of Revenue as at June 30th, June, 2023

Classification of Revenue	Balance as at 1 st July 2022	Arrears received during the year	Additions in Arrears for the current year to June 2023	Total arrears as at June 30 th , 2023	Measures taken to recover the arrears	Assessment to recoverability of arrears
	Kshs	Kshs	Kshs			
Loan Redemption	53,610,477,130		126,848,377,838	180,458,854,968	In the process of writing off Non-performing loans (Sugar Sector and Historical Loans).	In the process of writing off Non-performing loans (Sugar Sector and Historical Loans).
Interest Receipts	41,875,581,440		45,602,964,320	87,478,545,760	In the process of writing off Non-performing loans (Sugar Sector and Historical Loans).	In the process of writing off Non-performing loans (Sugar Sector and Historical Loans).
Total	95,486,058,570		172,451,342,158	267,937,400,728		

The arrears of revenue with respect to principal loan and accrued interest relates to previous years' revenue due and not paid as at 30th June 2023 amounting to Kshs. **267,937 million**, indicating an increase of **Kshs. 172,451 million** from Kshs 95,486 million reported as at 30th June 2022. Out of this, **Kshs 131,811 million** relates to Kenya Railways Corporation (SGR) Project which is yet to be serviced. Water sector also contributed to the growth with an arrears amounting to **Kshs 34,083 million**. The Sector is facing financial challenges due to the reforms and changes of law governing the sector where water is a devolved function and some of the Water Companies owned by County Governments are not remitting the funds to Water Agencies. Sugar Sector has also not been servicing the loans with arrears amounting to **Kshs 6,185 million**. Some of the arrears have been approved for write off, which will be implemented in 2023/2024 FY. (See Appendix 5 and 6)

An ageing analysis of revenue in arrears has been shown on note to the financial statements (5) of these financial statements.



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THE NATIONAL TREASURY
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15. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of Receipts

The receipts from the various sources are recognized when the cash has actually been received by the National Treasury. Total revenue receipts of **Kshs. 45,990,954,878** were received as at 30th June 2023.

3. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classifications basis, and for the same period as these revenue statements. The revenue budget was approved as required by law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the revenue's actual performance against the comparable budget for the financial year under review has been included in these revenue statements.

4. Revenue in Arrears

This relates to revenue earned and is yet to be received or collected. These arrears are disclosed under the statement of arrears as required under the PFM Act, 2012 which is a memorandum statement.

5. Disbursements to the Exchequer

The total receipt of **Kshs. 45,990,954,878** were received and transferred to the Exchequer during the financial year ended 30th June 2023.

6. Comparative Figures

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

7. Reporting Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

THE NATIONAL TREASURY
Government Investment and Public Enterprises (GIPE)
Annual Revenue Statements for the year ended 30th June 2023

16. Notes to the Financial Statements

1 Loan Redemption

	2022/2023	2021/2022
	Kshs	Kshs
Loan Redemption	5,830,810,487	5,129,847,351
Transfer to Exchequer	(5,830,810,487)	(5,129,847,351)
Balance carried forward	0	0

For the FY 2022/2023 the loan repayment received amount to Kshs 5,831 million from Various entities'. This reflects 14% increase from Kshs 5,130 million received during FY 2021/2022, which is attributed to additional loans from Kengen that matured during the year. In addition, Kenya Airports Authority has also started servicing the loan. The main component received was from KENGEN who paid Kshs 5,171 (88%) of the total loan amount of Loan repayment received. **See Appendix 1**

2. Loan Interest

	2022/2023	2021/2022
	Kshs	Kshs
Interest Received	2,325,198,129	1,613,363,273
Transfer to Exchequer	(2,325,198,129)	(1,613,363,273)
Balance carried forward	0	0

The revenue received from interest for FY 2022/2023 was Kshs 2,325 million which is 44% increase from Kshs 1,613 million received in FY 2021/2022. The increase is attributed to additional interest from Kengen for the Loan that matured during the year. In addition, Kenya Airports Authority has also started servicing the loan. **See Appendix 2**

3. Other Income

	2022/2023	2021/2022
	Kshs	Kshs
Dividend	28,861,915,516	39,097,402,873
Other Income	8,949,127,528	896,187,900
Directors Fees	23,903,218	19,949,300
Total Revenue (Other Profit)	37,834,946,262	40,013,540,073
Transfer to Exchequer	(37,834,946,262)	(40,013,540,073)
Balance carried forward	0	0

Other Income mainly comprise of Dividends from several Entities, director's fees and other revenue. For the FY 2022/2023 Kshs 37,834 million was received being a 10% reduction from Kshs 40,014 million received in 2021/2022 FY. The decrease is due to reduction in dividend received from Central Bank of Kenya and Kenya Pipeline Company (Special Dividend in 2021/22 FY). **See Appendix 3**

THE NATIONAL TREASURY
Government Investment and Public Enterprises (GIPE)
Annual Revenue Statements for the year ended 30th June 2023

4 Disbursements to the Exchequer

	2022/2023	2021/2022
	Kshs	Kshs
Balance b/f at the beginning of the year	0	0
Amount received during the year	45,990,954,878	46,756,750,697
Amounts disbursed to Exchequer during the year	(45,990,954,878)	(46,756,750,697)
Balance c/d at the end of the year	0	0

The total receipts of **Kshs. 45,990,954,878** was received and transferred to the Exchequer during the financial year ended June 30th, 2023

5 Ageing Analysis of Arrears (Principal and Interest)

	Less than 1 year	1 -2 Years	2-3 Years	Over 3 Years	Total
Principal Loan Arrears	63,209,341,999	46,766,624,681	30,371,306,776	40,111,581,511	180,458,854,967
Interest Arrears	23,919,513,210	16,406,679,568	10,388,585,148	36,763,767,836	87,478,545,761
Total	87,128,855,209	63,173,304,249	40,759,891,924	76,875,349,347	267,937,400,728
	33%	24%	15%	29%	

Ageing analysis of arrears of revenue has been done which shows most of the entities have not honored their obligations as required. The obligation or due dates are derived from the Subsidiary Loan Agreements (SLA). Arrears for less than 1 year are the major component (33%) which shows most of the entities are facing financial challenges and chances of repaying are minimal. However, some have been approved for write off, which will be implemented in 2023/2024 FY. See **Appendix 6b**

6 Outstanding Loan Balance

	2022/2023	2021/2022
	Kshs	Kshs
Principal Loan Balance	974,199,319,038	920,690,539,110

The outstanding loan balance as at 30th June 2023 amount to Kshs 974,199 million compared to Kshs 920,690 million recorded as at 30th June 2022. An increase of Kshs 53,508 million during the year. The increase is mainly due to new disbursement to Kenya Airways, Kengen, Kenya Mortgage Refinancing Company, among other entities who have ongoing Loans. Some of the entities reported in 2021/2022 FY have cleared their loan balance and other are servicing the loans. See **Appendix 7**

THE NATIONAL TREASURY AND ECONOMIC PLANNING
DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES
SCHEDULE OF REVENUE RECEIPTS (LOAN REDEMPTION) - FY 2022/2023

SERIAL No.	PV No. RECEIPT	TRANSACTION No. RTGS	TRANSACTION DATE	STATE CORPORATION	OFFICIAL RECEIPT No.	RECEIPT OF PRINCIPAL	RECEIPT OF PRINCIPAL	RECEIPT OF PRINCIPAL
39	71	FT22272GKZLN	29/09/2022	AGRICULTURAL FINANCE CORPORATION	3783755	8,096,163		
79	156	FT2016103JB	16/01/2023	AGRICULTURAL FINANCE CORPORATION	4843820	11,080,810		
				AGRICULTURAL FINANCE CORPORATION	4387605	11,080,810		
				AGRICULTURAL FINANCE CORPORATION	3783778	11,080,810		
				AGRICULTURAL FINANCE CORPORATION	8,096,163			
9	10	FT2219359PYC	12/07/2022	ATHI WATER SERVICES BOARD	2486276	8,000,000		1,317,728
53	102	FT22591KJ5M	16/09/2022	ELDORET WATER & SEWERAGE CO. LTD	4387604	8,000,000	8,000,000	10,000,000
115	227	FT20751RZH2	16/03/2023	ELDORET WATER & SEWERAGE CO. LTD	4843954	11,666,667		
71	134	FT22364653XV	30/12/2022	EQUITY BANK LTD	3783888	2,982,647	23,333,333	23,333,333
4	5	FT2221049W0Z	29/07/2022	FAULU MICRO-FINANCE BANK LTD	2486254	2,982,647	2,982,647	37,130,157
6	7	FT22080NQTWK	27/07/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2486256	2,932,071	19,630,722	39,261,444
28	53	FT22251GNW8F	08/09/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3734761	2,932,071		
38	70	FT22270J5TKR	27/09/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3783756	2,932,071		
60	114	FT22318Y9RNM	14/11/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4387625	2,932,071		
63	124	FT223394NLS5	05/12/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3783880	2,932,071		
70	133	FT22364P97WZ	30/12/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3783887	2,932,071		
102	193	FT23027L53V1	27/01/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843763	2,932,071		
105	208	FT23059D2J14	28/02/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843565	2,932,071		
121	235	FT23085R8CM	29/03/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843974	2,932,071		
146	291	FT2312562SL9	05/05/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843921	2,932,071		
171	327	FT23156DX8TX	05/06/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4834190	2,932,071		
192	376	FT23180D4DXP	29/06/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4966953	2,932,071		
						35,184,856	35,184,856	35,184,856

SERIAL No.	RECEIPT PV No.	TRANSACTION No. RTGS	TRANSACTION DATE	STATE CORPORATION	OFFICIAL RECEIPT No.	RECEIPT OF PRINCIPAL Kshs	RECEIPT OF PRINCIPAL 2021/2022 Kshs	RECEIPT OF PRINCIPAL 2021/2022
24	35	FT222170XX1T	05/08/2022	KENYA AIRPORTS AUTHORITY	3734757	4,600,000		
52	101	FT23325ZCBE	21/11/2022	KENYA AIRPORTS AUTHORITY	4387607	98,652,648		
113	216	FT230684DZIG	09/03/2023	KENYA AIRPORTS AUTHORITY	4843597	4,600,000		
132	262	FT2310407FWX	14/04/2023	KENYA AIRPORTS AUTHORITY	4834031	98,652,648		
						206,505,297		
56	110	FT223319HX8BS	15/11/2022	KENYA CIVIL AVIATION AUTHORITY	4387621	64,916,665		
58	112	FT2233197CQC	15/11/2022	KENYA CIVIL AVIATION AUTHORITY	4387623	26,245,513		
142	282	FT231237CBBG	03/05/2023	KENYA CIVIL AVIATION AUTHORITY	4843903	64,916,665		
144	284	FT231237CQ53	03/05/2023	KENYA CIVIL AVIATION AUTHORITY	4843905	26,245,513		
						182,324,356		182,324,356
15	26	FT22217HRBKT	05/08/2022	KENGEN	2486470	349,825,599		
26	51	FT222554QH9J	12/09/2022	KENGEN	3734758	111,532,540		
41	73	FT22980Q8R1Y	25/10/2022	KENGEN	3783761	1,776,159,346		
47	80	FT222870L84Y	14/10/2022	KENGEN	3783776	97,580,597		
48	81	FT22287PPMD	14/10/2022	KENGEN	3783777	17,015,497		
103	194	FT230450D4RP	14/02/2023	KENGEN	4843782	392,337,583		
111	214	FT23067J3L8	08/03/2023	KENGEN	4843595	118,060,358		
124	247	FT230961J93S	06/04/2023	KENGEN	4843985	1,943,784,086		
125	248	FT230951K1MT	05/04/2023	KENGEN	4843989	119,480,022		
126	249	FT230952BBD	05/04/2023	KENGEN	4843986	20,834,182		
127	250	FT230952BKB8	05/04/2023	KENGEN	4843987	225,213,583		
						5,171,823,393		4,604,337,970
3	4	FT22210232X1	29/07/2022	KENYA WOMEN MICRO-FINANCE BANK LTD	2486253	20,111,194		40,222,389
						20,111,194		13,000,000
						-		5,000,000
						-		
27	52	FT22244J5Y1I	01/09/2022	LAKE VICTORIA NORTH WATER SERVICES BOARD	3734760	25,208,538		
108	211	FT23060D6L8	01/03/2023	LAKE VICTORIA SOUTH WATER SERVICES BOARD	4843588	25,208,538		
						50,417,075		50,417,076
5	6	FT22209QJQH	28/07/2022	RAFIKI MICRO-FINANCE BANK LTD	2486255	9,279,382		18,558,764
8	9	FT22193Q83Q82TZ	12/07/2022	RIFT VALLEY WATER SERVICES BOARD	2486275	9,279,382		50,000,000
						50,000,000		50,000,000
16	27	FT2221049W0Z	29/07/2022	SMEP	2486471	9,879,639		19,759,278
						9,879,639		5,129,847,351

THE NATIONAL TREASURY AND ECONOMIC PLANNING
DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES
SCHEDULE OF REVENUE RECEIPTS (LOAN INTEREST) - FY 2022/2023

Appendix 2

SERIAL No.	RECEIPT PV No.	TRANSACTION No. RTGS	TRANSACTION DATE	STATE CORPORATION	OFFICIAL RECEIPT No.	RECEIPT OF INTEREST Kshs	RECEIPT OF INTEREST 2022/2023 Kshs	RECEIPT OF INTEREST 2021/2022 Kshs
39	71	FT22727GNZLN	29/09/2022	AGRICULTURAL FINANCE CORPORATION	3783755	2,984,647.00	2,984,647	11,080,810
				AGRICULTURAL SETTLEMENT FUND		-	-	777,234
9	10	FT2219359PFC	12/07/2022	ATHI WATER SERVICES BOARD	2486276	8,939,500.00	8,939,500	6,939,500
53	102	FT22591KJSM	16/09/2022	EIDORET WATER & SEWERAGE CO. LTD	4387604	3,500,000.00		
115	227	FT23075TRH2	16/03/2023	EIDORET WATER & SEWERAGE CO. LTD	4843954	3,354,166.70	6,854,166.70	7,437,500
71	134	FT22364G53XY	30/12/2022	EQUITY BANK LTD	3783888	299,894.55	299,895	2,086,712
4	5	FT221049W0Z	29/07/2022	FAUJU MICRO-FINANCE BANK LTD	2486254	490,768.10	490,768	2,453,840
6	7	FT2208N0JWK	27/07/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2486256	907,182.85		
28	53	FT22251GNW8F	08/09/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3734761	898,288.90		
38	70	FT22270JSTR	27/09/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3783756	889,944.95		
60	114	FT22318V9RNN	14/11/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4387625	880,501.00		
63	124	FT223394NLS5	05/12/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3783880	871,607.15		
70	133	FT22364FP7WZ	30/12/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	3783887	862,713.15		
102	193	FT23027L53V1	27/01/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843763	853,819.15		
105	208	FT23059021T4	28/02/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843565	844,925.25		
121	235	FT230885R8CH	29/03/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843974	836,031.25		
146	291	FT231256SKJ9	05/05/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4843921	827,137.30		
171	327	FT23156DX8TX	05/06/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4834190	818,243.35		
192	376	FT2318004DXP	29/06/2023	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	4966953	809,349.45		
24	35	FT22170XX1T	05/08/2022	KENYA AIRPORTS AUTHORITY	3734757	10,299,193.75	10,299,194	11,579,922
52	101	FT22325CZCBF	21/11/2022	KENYA AIRPORTS AUTHORITY	4387607	2,234,477.00		
113	216	FT230684DZLG	09/03/2023	KENYA AIRPORTS AUTHORITY	4843597	39,558,569.35		
132	262	FT2310407FWX	14/04/2023	KENYA AIRPORTS AUTHORITY	4834031	37,092,253.20		
						80,954,943.95	80,954,944	-

SERIAL No.	RECEIPT PY No.	TRANSACTION No. RTGS	TRANSACTION DATE	STATE CORPORATION	OFFICIAL RECEIPT No.	RECEIPT OF INTEREST Kshs	RECEIPT OF INTEREST 2022/2023 Kshs	RECEIPT OF INTEREST 2021/2022 Kshs
57	111	FT223319QIP3W	15/11/2022	KENYA CIVIL AVIATION AUTHORITY	4387622	27,264,999.30		
59	113	FT223319832D3	15/11/2022	KENYA CIVIL AVIATION AUTHORITY	4387624	7,217,516.00		
143	283	FT23123062B5	03/05/2023	KENYA CIVIL AVIATION AUTHORITY	4843905	26,128,957.70		
145	285	FT231236227J	03/05/2023	KENYA CIVIL AVIATION AUTHORITY	4843906	6,561,378.15		
15	26	FT22217HR8KT	05/08/2022	KENGEN	2486470	64,072,259.60	67,172,851.15	74,341,569
26	51	FT222554QH9J	12/09/2022	KENGEN	3734758	50,747,305.65		
40	72	FT22271W3XF	28/09/2022	KENGEN	3783754	111,098,573.70		
41	73	FT22298Q6R1V	25/10/2022	KENGEN	3783761	466,241,828.85		
47	80	FT222870L84V	14/10/2022	KENGEN	3783776	12,441,527.00		
48	81	FT22287FPPVD	14/10/2022	KENGEN	3783777	6,525,868.70		
103	194	FT230450D4RP	14/07/2023	KENGEN	4843782	68,076,509.40		
111	214	FT23067XJ3LB	08/03/2023	KENGEN	4843595	51,651,406.85		
120	234	FT230881P2HG	29/03/2023	KENGEN	4843978	119,909,379.70		
124	247	FT230961J9S5	06/04/2023	KENGEN	4843985	485,946,022.25		
125	248	FT230951K1MT	05/04/2023	KENGEN	4843989	14,337,601.95		
126	249	FT23095PZBRD	05/04/2023	KENGEN	4843986	7,714,898.15		
127	250	FT23095WBKX8	05/04/2023	KENGEN	4843987	662,680,564.60		
3	4	FT22210232XI	29/07/2022	KENYA WOMEN MICRO-FINANCE BANK LTD	2486253	2,121,443,746.40	2,121,443,746	1,430,307,756
						502,779.95	502,780	2,513,899
				LAKE VICTORIA NORTH WATER SERVICES BOARD			-	8,145,650
				LAKE VICTORIA SOUTH WATER SERVICES BOARD			-	17,000,000
27	52	FT222441SY1I	01/09/2022	NYERI WATER & SEWERAGE	3734760	6,302,134.50		
108	211	FT230600Z6LB	01/03/2023	NYERI WATER & SEWERAGE	4843588	5,987,027.50		
5	6	FT222090LQJH	28/07/2022	RAFIKI MICRO-FINANCE BANK LTD	2486255	12,289,162.00	12,289,162	13,549,590
						231,984.60	231,985	1,159,923
8	9	FT22193083Q82TZ	12/07/2022	RIFT VALLEY WATER SERVICES BOARD	2486275	12,487,500.00	12,487,500	22,419,000
16	27	FT2221049W0Z	29/07/2022	SMEP	2486471	246,990.95	246,991	1,570,368
						246,990.95	246,991	1,613,363,273

THE NATIONAL TREASURY AND ECONOMIC PLANNING
DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES
SCHEDULE OF REVENUE RECEIPTS (Other Income) - FY 2022/2023

APPENDIX 3

SERIAL No.	PV No.	TRANSACTION DATE	STATE CORPORATION	DIVIDEND 2022/2023 Kshs	OTHER PROFITS 2022/2023 Kshs	DIRECTORS' FEES 2022/2023 Kshs	DIVIDEND 2021/2022 Kshs	OTHER PROFITS 2021/2022 Kshs	DIRECTORS' FEES 2021/2022 Kshs
50	83	03/10/2022	CAPITAL MARKETS AUTHORITY	0	0	420,000			420,000
72	135	30/12/2022	CAPITAL MARKETS AUTHORITY	0	0	420,000			840,000
95	186	25/01/2022	CAPITAL MARKETS AUTHORITY	0	0	840,000			
150	295	10/05/2023	CAPITAL MARKETS AUTHORITY	0	35,100,000	0			
179	352	08/10/2021	CAPITAL MARKETS AUTHORITY	0	0	420,000			
180	353	03/04/2023	CAPITAL MARKETS AUTHORITY	0	0	420,000			
190	378	26/06/2023	CAPITAL MARKETS AUTHORITY	0	0	420,000			
13	24	25/07/2022	CENTRAL BANK OF KENYA	0	0	150,000			150,000
17	28	24/08/2022	CENTRAL BANK OF KENYA	0	0	150,000			150,000
33	58	20/09/2022	CENTRAL BANK OF KENYA	4,000,000,000	0	0	5,500,000,000		150,000
43	76	24/10/2022	CENTRAL BANK OF KENYA	0	0	150,000			150,000
62	116	24/11/2022	CENTRAL BANK OF KENYA	0	0	150,000			150,000
74	137	21/12/2022	CENTRAL BANK OF KENYA	0	0	150,000			150,000
85	162	24/01/2023	CENTRAL BANK OF KENYA	0	0	150,000			150,000
107	210	24/02/2023	CENTRAL BANK OF KENYA	0	0	150,000			150,000
114	226	24/05/2022	CENTRAL BANK OF KENYA	0	0	150,000			150,000
118	231	23/03/2023	CENTRAL BANK OF KENYA	0	0	150,000			150,000
154	306	18/05/2023	CENTRAL BANK OF KENYA	0	0	150,000			
155	307	24/05/2023	CENTRAL BANK OF KENYA	0	0	150,000			
104	206	23/02/2023	COMMUNICATION AUTHORITY OF KENYA	0	2,000,000,000	0	884,509,500		
			COUNCIL OF LEGAL				11,678,400		
166	322	19/05/2022	DE LA RUE EPZ LTD	0	0	500,000			
167	323	19/07/2022	DE LA RUE EPZ LTD	0	0	500,000			
168	324	05/10/2022	DE LA RUE EPZ LTD	0	0	500,000			500,000
169	325	26/01/2023	DE LA RUE EPZ LTD	0	0	500,000			500,000
170	326	25/04/2023	DE LA RUE EPZ LTD	0	0	500,000	29,950,000		500,000
191	377	26/06/2023	DE LA RUE EPZ LTD	0	0	500,000			500,000
35	48	12/08/2022	DEVELOPMENT BANK OF KENYA	0	0	300,000			300,000
7	8	01/08/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			
11	12	13/07/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			142,500
30	55	30/08/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			190,000
37	69	29/09/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			190,000
42	75	27/10/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			190,000
61	115	28/11/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			190,000
73	136	29/12/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			190,000
84	161	25/01/2023	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000			190,000
110	213	03/03/2023	ENERGY & PETROLEUM REG. AUTHORITY	0	0	142,500			190,000

SERIAL No.	PV No.	TRANSACTION DATE	STATE CORPORATION	DIVIDEND 2022/2023 Kshs	OTHER PROFITS 2022/2023 Kshs	DIRECTORS' FEES 2021/2022 Kshs	DIVIDEND 2021/2022 Kshs	OTHER PROFITS 2021/2022 Kshs	DIRECTORS' FEES 2021/2022 Kshs
122	236	29/03/2023	ENERGY & PETROLEUM REG. AUTHORITY	0	0	142,500	190,000	190,000	190,000
147	292	05/05/2023	ENERGY & PETROLEUM REG. AUTHORITY	0	0	142,500	190,000	190,000	190,000
176	349	06/06/2023	ENERGY & PETROLEUM REG. AUTHORITY	0	0	332,500			
10	11	08/07/2022	HOUSING FINANCE CO.LTD.	2,093,438	2,093,438	0			
80	157	04/01/2023	HOUSING FINANCE CO.LTD.	2,093,438	2,093,438	0			
141	281	03/05/2023	INSURANCE REGULATORY AUTHORITY	0	200,000,000	0			
152	302	18/05/2023	INSURANCE REGULATORY AUTHORITY	0	122,582,137	0			
157	313	31/05/2023	INSURANCE REGULATORY AUTHORITY	0	92,475,166	0			
178	351	08/06/2023	INSURANCE REGULATORY AUTHORITY	0	397,942,697	0			
133	263	14/04/2023	KENYA AIRPORTS AUTHORITY	0	285,000,000	0			32,500
14	25	26/07/2022	KENYA AIRWAYS	0	0	131,625			223,763
36	68	26/09/2022	KENYA AIRWAYS	0	0	131,625			92,138
44	77	26/10/2022	KENYA AIRWAYS	0	0	131,625			184,275
65	126	30/11/2022	KENYA AIRWAYS	0	0	131,625			184,275
75	138	21/12/2022	KENYA AIRWAYS	0	0	131,625			131,625
86	163	24/01/2023	KENYA AIRWAYS	0	0	131,625			92,138
106	209	28/02/2023	KENYA AIRWAYS	0	0	131,625			171,113
123	237	27/03/2023	KENYA AIRWAYS	0	0	131,625			131,625
140	276	27/04/2023	KENYA AIRWAYS	0	0	131,625			131,625
182	354	25/01/2022	KENYA AIRWAYS	0	0	223,763			737,100
185	365	25/05/2023	KENYA AIRWAYS	0	0	131,625			131,625
189	379	27/06/2023	KENYA AIRWAYS	0	0	131,625			131,625
137	273	24/04/2023	KENYA CIVIL AVIATION AUTHORITY	0	300,130,000	0			
78	155	13/01/2023	KENYA COMMERCIAL BANK	635,001,947	0	635,001,947			
156	308	26/05/2023	KENYA COMMERCIAL BANK	635,001,947	0	0	1,270,003,894		
188	368	17/09/2022	KENYA COPYRIGHT BOARD	0	917,228	0			
175	348	01/07/2022	KENYA DEVELOPMENT CORPORATION LTD	10,538,000	0	0			
186	366	20/06/2023	KENYA DEVELOPMENT CORPORATION LTD	1,000,000	0	0			
46	79	08/07/2022	KENYA ELECTRICITY TRANSMISSION CO.	0	0	840,000			2,520,000
158	314	29/10/2021	KENYA HOTEL PROPERTIES LTD	0	0	23,750			
159	315	16/12/2021	KENYA HOTEL PROPERTIES LTD	0	0	23,750			427,500
160	316	04/04/2022	KENYA HOTEL PROPERTIES LTD	0	0	23,750			
161	317	17/06/2022	KENYA HOTEL PROPERTIES LTD	0	0	23,750			
162	318	12/09/2022	KENYA HOTEL PROPERTIES LTD	0	0	23,750			
164	320	09/12/2022	KENYA HOTEL PROPERTIES LTD	0	0	23,750			
165	321	30/03/2023	KENYA HOTEL PROPERTIES LTD	0	0	23,750			
187	367	20/06/2023	KENYA HOTEL PROPERTIES LTD	0	0	23,750			

SERIAL No.	PI No.	TRANSACTION DATE	STATE CORPORATION	DIVIDEND 2022/2023	OTHER PROFITS 2022/2023	DIRECTORS' FEES 2022/2023	DIVIDEND 2021/2022	OTHER PROFITS 2021/2022	DIRECTORS' FEES 2021/2022
136	269	17/04/2023	KENYA INDUSTRIAL PROPERTIES INSTITUTE	0	23,000,000	0			
172	328	06/06/2023	KENYA INDUSTRIAL PROPERTIES INSTITUTE	0	15,000,000	0			
194	385	30/06/2023	KENYA INDUSTRIAL PROPERTIES INSTITUTE		15,000,000				
184	364	15/07/2023	KENYA LITERATURE BUREAU	20,370,436	0	0			
153	305	23/05/2023	KENYA MARITIME AUTHORITY	0	60,000,000	0			
134	232	26/01/2023	KENGEN	0	0	840,000			840,000
173	329	06/06/2023	KENGEN	1,384,627,227	0	0	1,384,627,227		
19	30	08/08/2022	KENYA POWER & LIGHTING CO. LTD	249,440	0	0	249,440		
20	31	05/08/2022	KENYA POWER & LIGHTING CO. LTD	97,964	0	0	97,964		
21	32	05/08/2022	KENYA POWER & LIGHTING CO. LTD	35,000	0	0	35,000		
22	33	05/08/2022	KENYA POWER & LIGHTING CO. LTD	7,226	0	0	7,226		
23	34	05/08/2022	KENYA POWER & LIGHTING CO. LTD	1,990	0	0	1,990		
81	159	20/01/2023	KENYA POWER & LIGHTING CO. LTD	0	0	600,000	249,440		
82	160	20/01/2023	KENYA POWER & LIGHTING CO. LTD	0	0	600,000	97,964		
88	165	16/01/2023	KENYA POWER & LIGHTING CO. LTD	249,440	0	0	35,000		
89	166	16/01/2023	KENYA POWER & LIGHTING CO. LTD	97,964	0	0	7,225		
90	167	16/01/2023	KENYA POWER & LIGHTING CO. LTD	35,000	0	0	1,990		
91	168	16/01/2023	KENYA POWER & LIGHTING CO. LTD	7,226	0	0			
92	169	16/01/2023	KENYA POWER & LIGHTING CO. LTD	1,990	0	0			
97	188	17/11/2021	KENYA POWER & LIGHTING CO. LTD	0	0	600,000			
98	189	17/11/2021	KENYA POWER & LIGHTING CO. LTD	0	0	600,000			
77	154	19/01/2023	KENYA PORTS AUTHORITY	731,072,000	0	0			
129	257	13/04/2023	KENYA PORTS AUTHORITY	745,000,000	0	0			
130	258	13/04/2023	KENYA PORTS AUTHORITY	500,000,000	0	0			
131	261	14/04/2023	KENYA PORTS AUTHORITY	500,000,000	0	0			
151	301	18/05/2023	KENYA PORTS AUTHORITY	277,882,000	0	0			
193	375	29/06/2023	KENYA PORTS AUTHORITY	587,967,000	0	0			
			KENYA PIPELINE CO. LTD				8,000,000,000		
2	3	29/07/2022	KENYA REINSURANCE CORPORATION	168,000,000	0	0	336,000,000		
64	125	06/12/2022	KENYA REINSURANCE CORPORATION	0	0	672,000			
96	187	17/12/2021	KENYA REINSURANCE CORPORATION	0	0	672,000			
18	29	08/08/2022	KENYA REVENUE AUTHORITY	0	0	100,000			100,000
31	56	02/09/2022	KENYA REVENUE AUTHORITY	0	0	100,000			100,000
51	84	04/10/2022	KENYA REVENUE AUTHORITY	0	0	100,000			100,000
68	129	07/11/2022	KENYA REVENUE AUTHORITY	0	0	100,000			100,000
69	130	02/12/2022	KENYA REVENUE AUTHORITY	0	0	100,000			100,000
76	139	23/12/2022	KENYA REVENUE AUTHORITY	0	0	100,000			100,000
101	192	08/02/2023	KENYA REVENUE AUTHORITY	0	0	100,000			100,000
112	215	07/03/2023	KENYA REVENUE AUTHORITY	0	0	100,000			100,000

SERIAL No.	PY No.	TRANSACTION DATE	STATE CORPORATION	DIVIDEND	OTHER PROFITS	DIRECTORS' FEES	DIVIDEND	OTHER PROFITS	DIRECTORS' FEES
				2022/2023	2022/2023	2022/2023	2021/2022	2021/2022	2021/2022
				Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
148	293	04/05/2023	KENYA REVENUE AUTHORITY			100,000			100,000
163	319	12/04/2023	KENYA REVENUE AUTHORITY			100,000			100,000
177	350	07/06/2023	KENYA REVENUE AUTHORITY			100,000			100,000
			KENYA REVENUE AUTHORITY						100,000
12	23	15/07/2022	NAIROBI SECURITIES EXCHANGE PLC	7,875,000	0	0	9,012,500		
55	104	23/11/2022	NATIONAL HOUSING CORPORATION	2,588,314	0	0	15,495,181		
1	1	25/07/2022	NATIONAL SECURITY TELECOM. SERVICES	0	2,200,000,000	0			
117	229	23/03/2023	NATIONAL SECURITY TELECOM. SERVICES	0	3,000,000,000	0			
94	132	09/12/2022	NATIONAL SOCIAL SECURITY FUND	0	0	600,000			600,000
29	54	05/09/2022	PRIVATIZATION COMMISSION	0	0	322,581			
32	57	05/09/2022	PRIVATIZATION COMMISSION	0	0	100,000			
45	78	05/09/2022	PRIVATIZATION COMMISSION	0	0	200,000			
66	127	01/11/2022	PRIVATIZATION COMMISSION	0	0	100,000			
67	128	01/12/2022	PRIVATIZATION COMMISSION	0	0	100,000			
87	164	17/01/2023	PRIVATIZATION COMMISSION	0	0	100,000			
109	212	03/03/2023	PRIVATIZATION COMMISSION			100,000			
116	228	20/02/2023	PRIVATIZATION COMMISSION			100,000			
128	251	06/04/2023	PRIVATIZATION COMMISSION			100,000			
149	294	11/05/2023	PRIVATIZATION COMMISSION			100,000			
183	363	14/06/2023	PRIVATIZATION COMMISSION			100,000			
138	274	24/04/2023	RETIREMENT BENEFITS AUTHORITY	0	150,000,000	0			
35	49	15/09/2022	SAFARICOM PLC	10,516,929,435			12,900,766,773		
83	160	13/01/2023	SAFARICOM PLC			525,000			2,380,500
99	190	11/01/2022	SAFARICOM PLC			525,000			
100	191	31/10/2022	SAFARICOM PLC			525,000			525,000
119	233	30/03/2023	SAFARICOM PLC	8,133,092,096			8,974,446,451		
135	268	27/03/2023	SAFARICOM PLC			175,000			
139	275	25/04/2023	SAFARICOM PLC			175,000			
174	347	07/06/2023	STANBIC HOLDINGS LTD	0	51,980,300	0	37,128,785		
34	47	13/07/2022	TELKOM (K) LTD	0	0	700,000			2,800,000
93	131	09/11/2022	TELKOM (K) LTD	0	0	700,000			
				28,861,915,516	8,949,127,528	23,903,218	39,097,402,873	896,187,900	19,949,300
					37,834,946,262			40,013,540,073	

**THE NATIONAL TREASURY AND ECONOMIC PLANNING
DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES
SCHEDULE OF ARREARS OF REVENUE - LOAN REDEMPTION**

AS AT 30/6/2023

Appendix 4

DESCRIPTION	Balance as at 1st July 2022	Arrears Received During The Year	Addition in the arrears for the year 2023	TOTAL ARREARS FY2022/2023	Remarks
			Kshs	Kshs	
1 East African Sugar Industries (Muhoroni)	43,102,355		61,139,880	104,242,235	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOL.XX/(98) dated 8/08/2023
2 South Myanza Sugar Co.	207,504,015			207,504,015	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOL.XX/(98) dated 8/08/2023
3 Nzoia Sugar Co.	12,964,320		1,800,209,231	1,813,173,551	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOL.XX/(98) dated 8/08/2023
4 Mtwani Outgrowers Mills Ltd	16,787,643		(10,187,643)	6,600,000	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOL.XX/(98) dated 8/08/2023
5 Mumias Outgrowers Ltd	18,003,840			18,003,840	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOL.XX/(98) dated 8/08/2023
6 Mtwani Sugar Co.	74,544,107		19,544,093	94,088,200	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOL.XX/(98) dated 8/08/2023
7 National Water Conservation	2,298,055,073		(228,558,188)	2,069,496,885	The loan is recommend for write-off by the Taskforce and will be implemented in 2023/24FY
8 Mombasa Pipeline Board			22,964,980	22,964,980	The loan is recommend for write-off by the Taskforce and will be implemented in 2023/24FY
9 Athi Water Services Board	5,585,709,262		2,019,192,601	7,604,901,863	The Board is servicing some loans partially, Inter-Ministerial Committee has been constituted to review all water Sector loans.
10 Tanathi Water Services Board	1,227,963,088		(90,925,538)	1,137,037,550	The Board is not servicing loans, Inter-Ministerial Committee has been constituted to review all water Sector loans.

DESCRIPTION	Balance as at 1st July 2022	Arrears Received During The Year	Addition in the arrears for the year 2023	TOTAL-ARREARS	Remarks
				FY2022/2023	
				Kshs	
11 Coast Water Services Board	3,888,328,470		1,128,702,336	5,017,030,806	The Board is not servicing loans, Inter-Ministerial Committee has been constituted to review all water Sector loans.
12 National Irrigation Board	398,614,538		(154,109,069)	244,505,469	The loan is recommend for write-off by the Taskforce and will be implemented in 2023/24FY
13 Lake Victoria North Water Service Board	748,273,115		989,261,712	1,737,534,827	The Board is servicing some loans partially, Inter-Ministerial Committee has been constituted to review all water Sector loans.
14 Lake Victoria South Water Service Board	1,310,757,207		276,592,442	1,587,349,649	The Board is servicing some loans partially, Inter-Ministerial Committee has been constituted to review all water Sector loans.
15 Tana Water Service Board	542,536,173		593,531,160	1,136,067,333	The Board is not servicing loans, Inter-Ministerial Committee has been constituted to review all water Sector loans.
16 Central Rift Valley Water Services Board	585,115,761		(263,072,508)	322,043,253	The Board is servicing some loans partially, Inter-Ministerial Committee has been constituted to review all water Sector loans.
17 Water Resources Management Authority	61,840,647		16,724,419	78,565,066	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
18 Lake Basin Development Authority			352,941,176	352,941,176	The entry is yet to start servicing the loan
19 Loans to Local Government Authorities	293,009,980			293,009,980	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
20 Nairobi City Council	4,550,785,854			4,550,785,854	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
21 Kenya Urban Towns			40,706,140	40,706,140	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
22 Agricultural Settlement Fund and Central Land Board	72,130,857			72,130,857	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
23 Agricultural Finance Corporation			259,845,430	259,845,430	The Corporation is servicing the loans partially

DESCRIPTION	Balance as at 1st July 2022	Arrears Received During The Year	Addition in the arrears	TOTAL ARREARS	Remarks
			Kshs	Kshs	
24	168,750,000		62,500,000	231,250,000	The loan was used in establishment of Karatina University. They university has requested for the conversion of loan into a grant. We are in the process of finalizing the conversion of loan to Grant.
25	2,401,241,486		2,401,241,486	2,401,241,486	The Entity has requested for write-off, and will be considered in 2023/24FY
26	72,915,185			72,915,185	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
27	122,000,000			122,000,000	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
28	27,701,420			27,701,420	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
29	338,000,000			338,000,000	The Commission is in financial difficulties and unable to service the old loans.They submitted a request for write off and the same will be reviewed in 2022/23 FY
30			2,171,598,917	2,171,598,917	Loan transtred from KPLC and the company is yet to service the loan
31			17,915,934,826	17,915,934,826	The Company had requested a moratorium/Extension of payment period
32	1,817,058,587		1,912,575,340	3,729,633,927	The University Hospital (Project) was transtred to KUTRHH, in the process of converting into a Grant
33	26,726,784,147		97,951,266,101	124,678,050,248	The Corporation is yet to start repaying the loan
	53,610,477,129		126,848,377,839	180,458,854,968	

THE NATIONAL TREASURY AND PLANNING
SCHEDULE OF ARREARS OF REVENUE LOAN INTEREST
AS AT 30/6/2023

DESCRIPTION	Balance as at 1st July 2022	Arrears Received During The Year	Addition in the arrears for the year 2023	Total Arrears FY2022/2023	Remarks
			Kshs	Kshs	
1 South Nyanza Sugar Co.	372,512,027		311,973,930	684,485,957	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOLXX/(98) dated 8/08/2023
2 Muhoroni Sugar Co. (In receivership)	26,316,314		287,855,038	314,171,352	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOLXX/(98) dated 8/08/2023
3 Nzoia Sugar Co.	10,989,522		2,634,432,589	2,645,422,111	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOLXX/(98) dated 8/08/2023
4 Miwani Outgrowers Mills Ltd	11,409,917		15,963,583	27,373,500	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOLXX/(98) dated 8/08/2023
5 Mumias Outgrowers Ltd	3,056,485		-	3,056,485	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOLXX/(98) dated 8/08/2023
6 Miwani Sugar Co. (In receivership)	46,303,555		220,718,569	267,022,124	In the process of writing off the amount in arrears as per letter CAB/GEN.3/1/1/ VOLXX/(98) dated 8/08/2023
7 Athi Water Services Board	771,205,848		2,324,779,797	3,095,985,645	The Board is servicing some loans partially, Inter-Ministerial Committee has been constituted to review all water Sector loans.
8 Central Rift Valley Water Services Board	233,216,571		162,110,773	395,327,344	The Board is servicing some loans partially, Inter-Ministerial Committee has been constituted to review all water Sector loans.
9 Coast Water Services Board	752,481,125		916,154,543	1,668,635,668	The Board is not servicing loans, Inter-Ministerial Committee has been constituted to review all water Sector loans.
10 Lake Victoria North Water Service Board	550,956,227		762,258,096	1,313,214,323	The Board is servicing some loans partially, Inter-Ministerial Committee has been constituted to review all water Sector loans.

DESCRIPTION	Balance as at 1st July	Arrears Received During The Year	Addition in the arrears for the year 2023	Total Arrears FY2022/2023	Remarks
	2022				
11 Lake Victoria South Water Service Board	669,407,973		239,630,196	909,038,169	The Board is servicing some loans partially. Inter-Ministerial Committee has been constituted to review all water Sector loans.
12 National Irrigation Board	632,568,092		(291,578,055)	334,990,037	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
13 National Water Conservation	3,186,669,356		(219,743,671)	2,966,925,685	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
14 Tana Water Services Board	446,008,325		749,013,800	1,195,022,125	The Board is not servicing loans, Inter-Ministerial Committee has been constituted to review all water Sector loans.
15 Tana Water Services Board	371,517,333		719,268,113	1,090,785,446	The Board is not servicing loans, Inter-Ministerial Committee has been constituted to review all water Sector loans.
16 Water Resources Management Authority	66,114,462		90,385,695	156,500,157	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
17 Lake Basin Development Authority			545,371,732	545,371,732	The Entity is yet to start servicing the loan.
18 Loans to Local Government Authorities	555,107,640		-	555,107,640	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
19 Nairobi City Council	10,160,506,076		-	10,160,506,076	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
20 Kenya Meat Commission	37,091,046			37,091,046	The Commission is in financial difficulties and unable to service the old loans.They submitted a request for write off and the same will be reviewed in 2022/23 FY
21 Agricultural Settlement Fund and Central Land Board	23,913,813			23,913,813	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
22 KTDC Revolving Fund	52,616,000			52,616,000	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY

DESCRIPTION	Balance as at 1st July 2022	Arrears Received During The Year	Addition in the arrears for the year 2023	Total Arrear FY2022/2023	Remarks
			Kshs	Kshs	
23 Agro-Chemical and Food Co. Ltd	3,196,553,616			3,196,553,616	The Entity has requested for write-off, and will be considered in 2023/24FY
24 Agricultural Finance Corporation			64,829,163	64,829,162	The Corporation is servicing the loans partially
25 Moi University	32,143,292		(5,627,961)	26,515,331	The loan was used in establishment of Karatina University. The university has requested for the conversion of loan into a grant. We are in the process of finalizing the conversion of loan to Grant.
26 Catering Levy Trustee/Utalii College	556,430,637			556,430,637	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY
27 Halal Meat Products	9,071,026,442		(8,999,002,750)	72,023,692	The loan has been recommend for write-off by the Taskforce and will be implemented in 2023/24FY.
28 Kenya Electricity Transmission Co. Ltd.			412,783,970	412,783,970	Loan transferred from MPLC and the company is yet to service the loan
29 Kenya Power and Lighting Co. Limited			5,856,204,078	5,856,204,078	The Company had requested a moratorium/Extension of payment period
30 Kenyatta University	1,074,814,741		2,605,314,022	3,680,128,763	The University Hospital (Project) was transferred to KUTRRH, in the process of converting into a Grant
31 Kenya Airways			2,345,940,000	2,345,940,000	The Company requested for an extension to repay interest
32 Kenya Railways Corporation	8,964,645,006		33,859,929,070	42,824,574,076	The Corporation is yet to start servicing the loan
T O T A L	41,875,581,440		45,602,964,320	87,478,545,760	

SCHEDULE OF AREAS OF REVENUE - LOAN REDEMPTION AGEING ANALYSIS

APPENDIX 6a

	DESCRIPTION	Less than 1 year	1-2 year		2-3 Years		OVER 3 YEARS		TOTAL AREAS	
			Kshs	Kshs	Kshs	Kshs	Kshs	Kshs		
1	East African Sugar Industries (Muhoroni)						104,242,235		104,242,235	
2	South Mwanza Sugar Co.						207,504,015		207,504,015	
3	Mtiza Sugar Co.						1,813,173,550		1,813,173,550	
4	Mtwani Outgrowers Mills Ltd						6,600,000		6,600,000	
5	Mumias Outgrowers Ltd						18,003,840		18,003,840	
6	Mtwani Sugar Co.						94,088,200		94,088,200	
7	National Water Conservation	16,307,417		32,614,835		65,229,668	1,955,344,965		2,069,496,885	
8	Hombasa Pipeline Board						22,964,980		22,964,980	
9	Athi Water Services Board	1,648,754,014		1,332,134,373		858,881,392	3,765,132,084		7,604,901,863	
10	Tanathi Water Services Board	206,734,100		206,734,100		206,734,100	516,835,250		1,137,037,550	
11	Coast Water Services Board	1,358,392,448		745,664,407		592,764,654	2,320,209,297		5,017,030,806	
12	National Irrigation Board	37,616,226		37,616,226		56,424,339	112,848,678		244,505,469	
13	Lake Victoria North Water Service Board	424,126,555		397,657,027		371,187,699	544,563,746		1,737,534,827	
14	Lake Victoria South Water Service Board	240,575,238		240,575,238		240,575,238	865,623,935		1,587,349,649	
15	Tana Water Service Board	128,819,837		128,819,837		128,819,837	749,607,822		1,136,067,333	
16	Central Rift Valley Water Services Board	52,388,123		52,388,123		52,388,123	164,878,884		322,043,233	
17	Water Resources Management Authority	12,086,933		12,086,933		12,086,933	42,304,267		78,565,066	
18	Lake Basin Development Authority	117,647,059		117,647,059		117,647,058			352,941,176	
19	Loans to Local Government Authorities						293,009,980		293,009,980	
20	Nairobi City Council						4,550,785,854		4,550,785,854	
21	Kenya Urban Towns						40,706,140		40,706,140	
22	Agricultural Settlement Fund and Central Land Board						72,130,856		72,130,856	
23	Agricultural Finance Corporation	41,910,552		33,528,443		33,528,443	150,877,992		259,845,430	
24	Moi University						231,250,000		231,250,000	
25	Agro-Chemical and Food Co. Ltd						2,401,241,486		2,401,241,486	
26	Co-operative Bank of Kenya						72,915,185		72,915,185	
27	Catering Levy Trustee/Uraliti College						122,000,000		122,000,000	
28	Halal Meat Products						27,701,420		27,701,420	
29	Kenya Meat Commission	217,159,892		217,159,892		217,159,892	338,000,000		338,000,000	
30	Kenya Electricity Transmission Co. Ltd	4,606,544,600		4,606,544,600		3,892,847,659	4,809,997,967		17,915,934,826	
31	Kenya Power and Lighting Co. Limited	1,243,211,309		828,807,539		828,807,539	828,807,540		3,729,633,927	
32	Kenya University	52,857,067,896		37,716,646,049		22,696,244,202	11,348,112,101		124,678,050,248	
33	Kenya Railways Corporation	63,209,341,999		46,766,624,681		30,371,306,776	40,111,581,511		180,458,854,967	

SCHEDULE OF ARREARS OF REVENUE LOAN INTEREST AGEING ANALYSIS							APPENDIX 6b
DESCRIPTION	Less than 1 Year	1-2 years	2-3 Years	OVER 3 Years	Total Arreas FY 2022/2023		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
1 South Nyanza Sugar Co.					684,485,957	684,485,957	
2 Muhoroni Sugar Co. (In receivership)					314,171,352	314,171,352	
3 Nzoia Sugar Co.					2,645,422,111	2,645,422,111	
4 Mtwani Outgrowers Mills Ltd					27,373,500	27,373,500	
5 Mumias Outgrowers Ltd					3,056,485	3,056,485	
6 Mtwani Sugar Co. (In receivership)					267,022,124	267,022,124	
7 Athi Water Services Board	309,868,691	1,284,084,626			1,102,812,676	3,095,985,645	
8 Central Rift Valley Water Services Board	19,972,972	21,282,675			331,479,319	395,327,344	
9 Coast Water Services Board	897,248,861	210,240,012			456,718,354	1,668,635,668	
10 Lake Victoria North Water Service Board	126,467,594	123,065,514			944,613,342	1,313,214,323	
11 Lake Victoria South Water Service Board	83,092,192	89,951,781			639,182,825	909,038,169	
12 National Irrigation Board	25,085,321	26,119,767			256,630,736	334,990,037	
13 National Water Conservation	13,249,776	28,089,526			2,863,047,437	2,966,925,684	
14 Tanathi Water Services Board	131,792,989	137,995,011			781,037,090	1,195,072,125	
15 Tana Water Services Board	69,295,899	73,160,495			871,303,962	1,090,785,446	
16 Water Resources Management Authority	8,060,474	8,392,864			131,321,564	156,500,157	
17 Lake Basin Development Authority	86,764,706	97,647,058			267,430,556	545,371,732	
18 Loans to Local Government Authorities					555,107,640	555,107,640	
19 Nairobi City Council					10,160,506,076	10,160,506,076	
20 Kenya Meat Commission					37,091,046	37,091,046	
21 Agricultural Settlement Fund and Central Land Board					23,913,813	23,913,813	
22 KTDC Revolving Fund					52,616,000	52,616,000	
23 Agro-Chemical and Food Co. Ltd					3,196,553,616	3,196,553,616	
24 Agricultural Finance Corporation					64,829,163	64,829,163	
25 Moi University					26,515,331	26,515,331	
26 Catering Levy Trustee/Utalii College					556,430,637	556,430,637	
27 Halal Meat Products					72,023,692	72,023,692	
28 Kenya Electricity Transmission Co. Ltd.	20,358,740	25,787,737			335,420,759	412,783,970	
29 Kenya Power and Lighting Co. Limited	3,491,011,204	12,768,920			2,340,877,588	5,856,204,078	
30 Kenyatta University	590,525,371	445,484,052			2,157,194,910	3,680,128,763	
31 Kenya Airways	1,171,433,333	815,173,333			58,333,334	2,345,940,000	
32 Kenya Railways Corporation	16,875,290,086	13,012,436,196			4,539,244,841	42,824,574,077	
T O T A L	23,919,513,210	16,406,679,568	10,388,585,148	36,763,767,836	87,478,545,761		

THE NATIONAL TREASURY AND ECONOMIC PLANNING
DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES

APPENDIX 7

SUMMARY SCHEDULE OF OUTSTANDING LOANS AS AT 30TH JUNE 2023

	TO WHOM LENT	AMOUNT DISBURSED	AMOUNT REPAID/ WRITTEN OFF	AMOUNT OUTSTANDING AT 30TH JUNE 2023	AS AMOUNT OUTSTANDING AS AT 30TH JUNE 2022
		Kshs	Kshs		Kshs
1	Agricultural Finance Corporation	823,095,985	16,192,326	806,903,659	497,998,590
2	Agricultural Settlement Fund and Central Land Board.	126,326,880	51,865,876	74,461,004	74,461,004
3	Agro-chemical & food Company Ltd	2,941,884,000	-	2,941,884,000	2,941,884,000
4	Athi Water Services Board	48,896,374,093	499,217,885	48,397,156,208	47,181,677,050
5	Catering Levy Trustee/Kenya Utalii College	140,000,000	18,000,000	122,000,000	122,000,000
6	Central Rift Valley Water Works Development Agency	4,156,708,625	280,420,162	3,876,288,463	4,845,315,071
7	Coast Water Service Board	19,974,097,194	-	19,974,097,194	15,839,546,804
8	Co-operative Bank of Kenya Ltd	339,251,907	71,844,560	267,407,347	267,407,347
9	East African Sugar Industries Limited, Muhoroni	104,242,235	-	104,242,235	177,123,100
10	Eldoret Municipal Council/ Eldoret Water & Sanitation Co. Ltd	1,058,673,824	802,007,157	256,666,667	280,000,000
11	Equity Bank Ltd	255,643,327	246,695,386	8,947,941	136,672,275
12	Faulu Kenya Deposit Taking Micro-finance Ltd.	235,568,667	235,568,667	-	19,630,721
13	Halal Meat Products	27,701,420	-	27,701,420	27,701,420
14	IDB Capital Limited	531,394,015	-	531,394,015	465,014,222
15	Industrial and Commercial Dev. Corporation	891,848,560	127,962,140	763,886,420	799,071,276
16	Kenya Airports Authority	2,994,921,008	1,491,399,129	1,503,521,879	1,708,012,738
17	Kenya Airways PLC	41,270,000,000	-	41,270,000,000	31,270,000,000
18	Kenya Civil Aviation Authority	2,725,676,018	1,061,299,772	1,664,376,246	1,846,700,602.00
19	Kenya Electricity Generating Co. Ltd.	139,201,456,585	38,860,763,932	100,340,692,653	81,533,589,265
20	Kenya Electricity Transmission Co. Ltd.	2,823,136,860	-	2,823,136,860	2,306,257,099
21	Kenya Meat Commission	940,241,100	-	940,241,100	940,241,100
22	Kenya Mortgage Refinance Company	18,927,306,313	-	18,927,306,313	9,985,055,313
23	Kenya Power and Lighting Co. Limited	83,498,304,727	13,265,807,607	70,151,147,363	56,147,469,037
24	Kenya Railways Corporation	569,329,601,277	-	569,329,601,277	566,119,974,135
25	Kenya Tourist Development Corporation	48,000,000	-	48,000,000	48,000,000
26	Kenya Urban Transport Various Towns	40,706,140	-	40,706,140	40,706,140
27	Kenya Women Finance Trust Deposit Taking Micro-Finance Ltd.	241,334,333	241,334,333	-	20,111,195
28	Kenyatta University	10,774,498,010	-	10,774,498,010	10,857,620,656
29	Kitif Marakani Water & Sewerage Co. Ltd	616,313,792	-	616,313,792	283,998,236
30	Kwale Water & Sewerage Co. Ltd	864,326,403	-	864,326,403	435,438,807
31	Lake Basin Development Authority (LBDA)	2,000,000,000	-	2,000,000,000	2,000,000,000

TO WHOM LENT	AMOUNT DISBURSED Kshs	AMOUNT REPAID/ WRITTEN OFF Kshs	AMOUNT OUTSTANDING AS AT 30TH JUNE 2023	AMOUNT OUTSTANDING AS AT 30TH JUNE 2022 Kshs
32 Lake Victoria North Water Services Board	10,717,280,670	24,484,078	10,692,796,542	11,594,143,705
33 Lake Victoria South Water Services Board	11,902,842,197	5,000,000	11,897,842,197	12,991,985,210
34 Local Government Loans Authority	7,688,192,480	94,518,760	7,594,273,720	7,594,273,720
35 Malindi Water, Sewerage & Sanitation Co. Ltd	646,543,574	-	646,543,574	284,748,410
36 Miwani Outgrowers Mills Limited	6,600,000	-	6,600,000	6,600,000
37 Miwani Sugar Company (1989) Limited	94,088,200	-	94,088,200	94,088,200
38 Moi University	250,000,000	18,750,000	231,250,000	231,250,000
39 Mombasa Pipeline Board	63,400,000	40,435,020	22,964,980	22,964,980
40 Mombasa Water & Sanitation Co. Ltd	736,762,591	-	736,762,591	538,593,751
41 Mumias Outgrowers Company Limited	43,208,440	26,691,040	16,517,400	16,517,400
42 Mumias Sugar Company Limited	3,000,000,000	-	3,000,000,000	3,000,000,000
43 Nairobi City Council	123,109,580	20,775,820	102,333,760	102,333,760
44 National Irrigation Board	1,128,486,779	-	1,128,486,779	2,262,036,544
45 National Water Conservation and Pipeline Corporation	2,460,874,897	-	2,460,874,897	2,460,874,897
46 Northern Water Services Board	3,762,252,680	-	3,762,252,680	5,389,000,000
47 Nyeri Water and Sewerage Company	1,159,592,738	705,839,059	453,753,679	504,170,754
48 Nzoia Sugar Company Limited	1,836,802,811	23,629,260	1,813,173,551	458,510,100
49 Rafiki Deposit Taking Micro-Finance Ltd.	111,352,583	111,352,583	-	9,279,383
50 Rural Electrification Authority	13,578,401,400	-	13,578,401,400	13,426,088,636
51 SMEP Deposit Taking Micro-Finance Ltd.	118,555,666	118,555,666	-	9,879,639
52 South Nyanza Sugar Company Limited	253,317,120	45,813,105	207,504,015	207,504,015
53 Tana Water Services Board	7,068,501,001	-	7,068,501,001	7,543,116,143
54 Tanathii Water Services Board	6,925,674,949	-	6,925,674,949	9,713,565,506
55 Tavevo Water & Sewerage Co. Ltd	749,210,518	-	749,210,518	413,095,911
56 Uchumi Supermarkets Limited	1,200,000,000	-	1,200,000,000	1,200,000,000
57 Water Resource Management Authority	362,607,995	-	362,607,995	1,397,341,243
	1,032,786,892,117	58,506,223,323	974,199,319,038	920,690,539,110

THE NATIONAL TREASURY AND ECONOMIC PLANNING
DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES
ANALYSIS OF OUTSTANDING LOANS AS AT 30TH JUNE 2023

	AMOUNT DISBURSED	AMOUNT REPAID	AMOUNT OUTSTANDING
	Kshs	Kshs	Kshs
Balance b/f - 1st July 2022	973,292,811,931	52,602,272,429	920,690,539,110
Loan Redemptions during the year		5,830,810,487	(5,830,810,487)
Add:			
New Loans:			
1 Agricultural Finance Corporation	320,169,345	-	320,169,345
2 Central Rift Valley Water Works Development Agency	80,789,132	-	80,789,132
3 Kenya Airways PLC	10,000,000,000	-	10,000,000,000
4 Kenya Mortgage Refinance Company	8,942,251,067		8,942,251,067
5 Lake Victoria South Water Works Development Agency	475,763,037	-	475,763,037
6 Tavevo Water & Sewerage Co. Ltd	336,114,607		336,114,607
8 ATHI Water Works Development Agency	4,318,922,021	-	4,318,922,021
9 Coast Water Works Development Agency	48,278,140		48,278,140
10 IDB	66,379,793		66,379,793
11 KENGEN	2,123,737,101		2,123,737,101
12 Kilifi Mariakani Water & Sewerage Co. Limited	332,315,556		332,315,556
13 Kwale Water & Sewage Co. Limited	428,887,596		428,887,596
14 Malindi Water, Sewerage and Sanitation Co. Ltd	361,795,164		361,795,164
15 Mombasa Water & Sanitation Co. Limited	198,168,840		198,168,840
Loan Amount Adjusted:			
1 Central Rift Valley Water Works Development Agency	(769,092,799)		(769,092,799)
2 Equity Bank Ltd	(121,759,039)		(121,759,039)
3 Equity Bank Ltd		2,982,647	(2,982,647)
4 Kenya Airports Authority	2,014,438		2,014,438
5 Kenya Power and Lighting Co. Limited	(13,575,527,188)		(13,575,527,188)
6 Kenya Power and Lighting Co. Limited	26,906,022,429		26,824,672,673
7 Kenya Power and Lighting Co. Limited	754,532,841		754,532,841
8 Kenya Railways Company	3,209,627,142		3,209,627,142

	AMOUNT DISBURSED	AMOUNT REPAID	AMOUNT OUTSTANDING
	Kshs.	Kshs.	Kshs.
9	Lake Victoria North Water Works Development Agency	(6,174,965,267)	(6,174,965,267)
10	Lake Victoria North Water Works Development Agency	4,996,986,439	4,996,986,439
11	Lake Victoria North Water Works Development Agency	276,631,664	276,631,664
12	Lake Victoria South Water Works Development Agency	(1,569,906,050)	(1,569,906,050)
13	Muhoroni Sugar Company Ltd.	(72,880,865)	(72,880,865)
14	Rural Electrification Authority	152,312,764	152,312,764
15	Athi Water Works Development Agency	906,296,471	906,296,471
16	Athi Water Works Development Agency	(4,009,739,332)	(4,009,739,332)
17	Coast Water Works Development Agency	(747,254,143)	(747,254,143)
18	Coast Water Works Development Agency	4,833,526,393	4,833,526,393
19	KENGEN	21,855,189,682	21,855,189,682
20	Kenya University	(83,172,646)	(83,172,646)
21	KETRACO	516,879,761	516,879,761
22	National Irrigation Authority	(1,133,549,764)	(1,133,549,764)
23	Northern Water Works Development Agency	(1,626,747,320)	(1,626,747,320)
24	Nzoia Sugar Company Limited	1,354,663,451	1,354,663,451
25	Tana Water Works Development Agency	(1,969,814,764)	(1,969,814,764)
26	Tana Water Works Development Agency	1,495,199,622	1,495,199,622
27	Tanathi Water Works Development Agency	(3,781,411,724)	(3,781,411,724)
28	Tanathi Water Works Development Agency	993,521,096	993,521,096
29	Water Resources Authority	(1,034,733,248)	(1,034,733,248)
	Loan interest receipts initially taken up as loan redemption now corrected:		
1	Agricultural Finance Corporation -	(11,164,276)	(11,164,276)
2	Agricultural Finance Corporation -	(41,338,593)	41,338,593
3	Agricultural Finance Corporation -	(19,709,084)	
	Athi Water Works Development Agency	8,000,000	8,000,000
4	Central Rift Valley Water Works Development Agency	131,205,437	
5	Central Rift Valley Water Works Development Agency		(230,722,941)
	Balance Outstanding as at 30th June 2023	1,032,786,892,118	974,199,319,039

THE NATIONAL TREASURY AND ECONOMIC PLANNING
SCHEDULE OF INVESTMENTS IN VARIOUS COMPANIES
AS AT 30TH JUNE 2023

Appendix 8

LISTED COMPANIES

	Company Name	Number Of Shares As 30/06/2022	Nominal Value 2022	Number Of Shares As 30/06/2023	Nominal Value 2023	% GOK Share Holding
			Kshs		Kshs	
1	CFC Insurance Holdings Ltd (Liberty Kenya Holding Ltd)	4,602,008	4,602,008	4,602,008	4,602,008	
	CFC Stanbic Bank Ltd	4,342,548	21,712,740	4,342,548	21,712,740	2
	East Africa Portland Cement Company Ltd	22,804,305	114,021,525	22,804,305	114,021,525	25
2	Housing Finance Co. of Kenya	9,265,135	46,325,675	9,265,135	46,325,675	2
3	Kenya Airways Ltd	2,847,844,811	14,239,224,055	2,847,844,811	14,239,224,055	49
4	Kenya Commercial Bank Ltd	635,001,947	635,001,947	635,001,947	635,001,947	20
5	Kenya Electricity Generating Company	4,615,424,088	11,538,560,220	4,615,424,088	11,538,560,220	70
6	Kenya Power & Lighting Co. Ltd - 7% cumulative pref. stock	189,948	3,798,960	189,948	3,798,960	54
7	Kenya Power & Lighting Co. Ltd - 4% cumulative pref. stock	623,601	12,472,020	623,601	12,472,020	35
8	Kenya Power & Lighting Co. Ltd - ordinary shares	946,062,063	2,365,155,158	946,062,063	2,365,155,158	48
9	Kenya Reinsurance Company	1,680,000,000	4,200,000,000	1,680,000,000	4,200,000,000	60
10	Mumias Sugar Company Ltd	306,000,000	612,000,000	306,000,000	612,000,000	20
11	Nairobi Securities Exchange (NSE)	8,750,000	8,750,000	8,750,000	8,750,000	3
12	Safaricom Ltd	14,022,578,580	70,112,892,900	14,022,578,580	70,112,892,900	35
13	Uchumi Supermarkets	53,537,573	267,687,865	53,537,573	267,687,865	15
14	Unga Group Limited	568	2,765	568	2,765	1
	Sub-Total	25,157,027,175	104,182,207,838	25,157,027,175	104,182,207,838	

NOT LISTED COMPANIES

	Company Name	Number Of Shares As 30/06/2022	Nominal Value 2022	Number Of Shares As 30/06/2023	Nominal Value 2023	% GOK S/holding
			Kshs		Kshs	
1	New Kenya Co-operative Creameries Ltd	54,702,886	547,028,860	54,702,886	547,028,860	100
2	Busia Sugar Company	1,485,675	29,713,500	1,485,675	29,713,500	33
3	Consolidated Bank of Kenya	140,000,000	2,800,000,000	140,000,000	2,800,000,000	93
4	De La Rue Kenya EPZ	800	16,000	800	16,000	40
5	East African Industries Ltd	1	20	1	20	
6	Geothermal Development Corporation	20,000	2,000,000	20,000	2,000,000	100
7	IDB Capital Ltd - Class A	26,779,500	535,590,000	26,779,500	535,590,000	85
8	IDB Capital Ltd - Class B	235,500	4,710,000	235,500	4,710,000	85
	Industrial Promotion Council	5	1,000	5	1,000	
9	Ken- Ren Chemicals and Fertilizers Ltd	3,640,000	72,800,000	3,640,000	72,800,000	
10	Kenya Farmers Association	1	20	1	20	
11	Kenya Ferry Services Limited	3,685,040	368,504,000	3,685,040	368,504,000	80
12	Kenya Industrial Estate Ltd	4,013,863	80,277,260	4,013,863	80,277,260	100
13	Kenya Mortgage Financing Company (KMRC)	4,580,001	458,000,100	4,580,001	458,000,100	25
14	Kenya National Assurance Company (2001) Ltd.	50,000	50,000,000	50,000	50,000,000	100
15	Kenya Petroleum Refineries Ltd	36,800,000	736,000,000	36,800,000	736,000,000	100
16	Kenya Pipeline Company Ltd	18,173,299	363,465,980	18,173,299	363,465,980	100
17	Kenya Poultry Ltd	4	20	4	20	
18	Kenya Vehicle Manufacturers Limited	385,000	7,700,000	385,000	7,700,000	35
19	Mercat (K) Ltd	39	195	39	195	
20	Miwani Sugar Co. (1989)	2,058,000	41,160,000	2,058,000	41,160,000	49
21	National Agricultural Chemical & Fertilizers Ltd	2,084,998	41,699,960	2,084,998	41,699,960	
22	National Oil Corporation Of Kenya	26,599,999	531,999,980	26,599,999	531,999,980	100
23	Nyari Estate Ltd	2,500	50,000	2,500	50,000	
24	Nzoia Sugar Company Ltd	26,600,000	532,000,000	26,600,000	532,000,000	98
25	South Nyanza Sugar Company	17,485,984	349,719,680	17,485,984	349,719,680	99
26	TEAMS			1,000	1,000,000	20
27	Telkom Ltd	35,614,848	712,296,960	35,614,848	712,296,960	40
	Sub-Total	404,997,943	8,264,733,535	404,998,943	8,265,733,535	
	Grand Total	25,562,025,118	112,446,941,373	25,562,026,118	112,447,941,373	

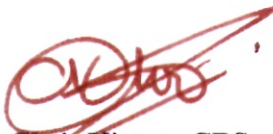
SCHEDULE OF INVESTMENTS BY THE CABINET SECRETARY/ NATIONAL TREASURY IN INTERNATIONAL ORGANIZATIONS

	Company Name	Number Of Shares As 30/06/2022	Nominal Value 2022 in USD	Number Of Shares As 30/06/2023	Nominal Value 2023 in USD
1	African 50	47,704	17,161,143	47,704	17,161,143
2	African Development Bank calleable shares	86,835	868,350,000	86,835	868,350,000
	African Development Bank paid up shares	6,394	63,940,000	6,394	63,940,000
3	African Export - Import Bank	1,333	5,960,000	3,688	36,880,000
4	African Reinsurance Corporation	25,800	2,580,000	25,800	2,580,000
5	African Trade Insurance Agency	292	29,200,000	292	29,200,000
6	East African Development Bank	3,800	51,300,000	3,800	51,300,000
7	International Bank for Reconstruction & Development Washington DC	2,711	327,041,485	2,711	327,041,485
8	International Finance Corporation (IFC)	4,041	4,041,000	4,041	4,041,000
9	Multilateral Investment Guarantee Agency	303	3,279,687	303	3,279,687
10	PTA Bank, Harare (Eastern Southern African Trade & Development.)	1,068	24,208,386	3,588	81,329,196
11	Shelter Afrique (Class A)	15,829	158,290,000	21,061	210,610,000
12	ZEP-RE (PTA Reinsurance Company)	498,687	498,687	498,687	498,687.00

Appendix 9: Progress on Follow Up of Prior Year Auditor-General Recommendations

The following is the summary of issues raised by the Auditor –General and management comments that were provided. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

29	Non Performance loans	Loan write off is being Implemented in Phases. Phase 1- Cabinet has approved write off of Sugar Sector Loans, awaiting response from Parliament. Phase 2, In the process of seeking approvals for write off	Not Resolved fully, (management has sought Approvals from Cabinet & Parliament). Cabinet approval given, waiting Parliament approval.	30 th June 2024
28	Un-reconciled Loan Balances	Variances have been identified and explained. Adjustment made on the records	Solved	


Dr. Chris Kiptoo, CBS
Principal Secretary/National Treasury


George K. Gichuru
 ICPAK Member No. 9262
Head of Accounting Unit

