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REPORT

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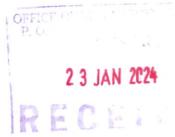
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THE AUDITOR-GENERAL

ON

TOURISM RESEARCH INSTITUTE

FOR THE YEAR ENDED 30 JUNE, 2023







## TOURISM RESEARCH INSTITUTE

#### ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED

 $30^{\mathrm{TH}}$  JUNE 2023

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

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## 1. Acronyms, Abbreviations and Glossary of Terms

## A: Acronyms and Abbreviations

CEO	Chief Executive Officer
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OAG	Office of the Auditor General
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies

## **B**: Glossary of Terms

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

Comparative Year- Means the prior period.

## 2. Key Entity Information and Management

#### (a) Background information

Tourism Research Institute is a corporate body established under section 51 of the Tourism Act No.28 of 2011 and mandated to *undertake and co-ordinate tourism research and analysis in accordance with the provision this Act.* 

## (b) Principal Activities

The principal activity/mission of the entity is to undertake and Co-ordinate research and analysis for the Tourism Sector in Kenya.

#### (c) Key Management

Tourism Research Institute day-to-day management is under the following key organs:

No.	Designation	Name
		1. John Ololtuaa
1.	Board of Directors/	<ol> <li>Macdonald Obudho</li> <li>Beth Ndungu</li> </ol>
2	A Clint - 000	4. Nahashon Mwongera
3.	Ag. Chief Executive Officer  Manager 1	David Gitonga Susan Mbugua
4.	Manager 2	Hesbon Oyendo
5.	Manager 3	Betty Maranga

#### (d) Fiduciary Management

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

No.	Designation	Name
1.	Ag. Chief Executive Officer	David Githui Gitonga
2.	Head of Finance	Susan M. Mbugua
3.	Head of Planning	Hesbon Ochieng Oyendo
4.	Head of Research	Betty Wanjiku Maranga

## (e) Fiduciary Oversight Arrangements

Name of the Committee	e Members		
Finance and Establishment Committee	<ol> <li>Beth Ndungu</li> <li>David G. Gitonga – Ag. CEO</li> </ol>		
Technical and Strategy Committee	<ol> <li>Nahashon Mwongera</li> <li>David G. Gitonga – Ag. CEO</li> </ol>		
Audit and Risk Committee	<ol> <li>Beth Ndungu</li> <li>Macdonald George Obudho</li> <li>Nahashon Mwongera</li> <li>Ibrahim Musangi -Secretary</li> </ol>		

## (f) Entity Headquarters

P.O. Box 42131-00100

Utalii House – 7th Floor

Uhuru Highway

Nairobi, KENYA.

## (g) Entity Contacts

Telephone: (+254) 020 2001084

E-mail: ceo@tri.go.ke

Website: www.tri.go.ke

## (h) Entity Bankers

Kenya Commercial Bank

Kipande House Branch

P.O Box 30012-00100

NAIROBI, KENYA.

## Key Entity Information and Management (continued)

## (i) Independent Auditors

Auditor-General

Office of the Auditor-General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenva.

## (j) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya.

#### 3. The Board of Directors



 Mr. Richard K. Lang'at Master's Degree



John Lekakeny Ololtuaa, Master's Degree



 Macdonald George Obudho, MBS Master's Degree

Born on 23rd October 1966, Richard K. Langat is a graduate of the University of Nairobi with Bachelor of Commerce degree in accounting and a Master of Business Administration degree in Strategic Management from the University of Nairobi. He is a Certified Public Accountant and a member of ICPAK. A finance professional with budgeting, cost control, investment analysis and financial reporting as key competencies, he rose through the ranks at the NSSF over a period of more than 20 years to become the Managing Trustee. He has served in various boards including Britam Holdings (K) Ltd, National Bank of Kenya, East Africa Portland Cement and Consolidated Bank. He is an independent director and the Chairman of the Board His term expired on 20th October, 2022

John Lekakeny Ololtuaa was born in 1967 at Trans-Mara West Sub County in Narok County. He holds a Bachelor of Education (Arts) Degree and a Master's Degree in Education Administration both from Kenyatta University. Ololtuaa is an educationist who rose through the ranks to become the Regional Director of Education in charge of Eastern then Nairobi, Rift Valley and finally Central Region.

Hon. John Ololtuaa is a transformative leader who believes in the ideals of strategic management and high standards of professionalism, transparency, integrity, and accountability. He was appointed Principal Secretary in the State Department for Tourism in the Ministry of Tourism, Wildlife and Heritage in December 2022 where he is in charge of tourism promotion, policy formulation, and Development of the tourism industry in Kenya.

Born on 28th November 1967, Macdonald G. Obudho is a holder of a Master of Science degree in Statistics from Jomo Kenyatta University of Agriculture and Technology and Bachelor of Science degree in Mathematics and Computer Science from the same university. He has risen through the ranks from Economist/Statistician II to the current position of Director General, Kenya National Bureau of Statistics. He has experience in top management spanning over 13 years and has a number of certificates to his name from short and long courses, workshops, conferences and seminars attended both locally and abroad. As a result of exemplary work in design and execution of the 2019 Kenya Population and Housing Census, Mr. Obudho was honoured with a State Award; The Moran of the Order of the Burning Spear (MBS).



4. Mr. Nahashon Mwongera Master's Degree

Born on 6th November 1972, Mr. Mwongera is a holder of a Bachelor of Arts Economics and Mathematics from Egerton University, Masters of Arts from Botswana University and currently a PhD student in Kenyatta University. He is a Research and Development professional with over 12 years' experience both in public and private sectors. He possesses hands on experience in public policy research and analysis; implementing market research methodologies for product and innovative ideas development; training of trainers; preparation of technical and financial proposals; developing strategic plans; results-based project monitoring and evaluation; and writing of technical reports. Mr. Mwongera is currently a Policy Analyst at the Kenya Institute for Public Policy Research and Analysis (KIPPRA) focussing on Tourism, Environment and Natural Resource Management, Macroeconomic and Financial sector analysis. He is an alternate director



5. Beth Ndung Master's Degree

Born on 5th November 1966, Beth Njeri Ndungu holds an MBA in Strategic Management from Kenyatta University and a BA in Economics & Business Studies from Kenyatta University. She works at the National Treasury, Kenya in the Financial and Sectoral Affairs Department. She previously worked in the UN Agencies and Americas UK & IFAD Divisions of the Resource Mobilization Department. She previously also worked as a Competition Analyst in the Competition Authority of Kenya and as a Monopolies officer in the Ministry of Finance, Kenya She has Certificates in International Trade and Development, Project Planning and Implementation, Economic Policy Analysis, Best Practices in Financial Processes and Controls, Results Based Management among others. She is an alternate director



 David Gitonga, Ag. CEO Master's Degree

Born in Nakuru County on 7th June 1972, Gitonga holds a Master's degree in Tourism Management and a Bachelor's degree in Tourism. He has 24 years' experience in the Tourism Public Sector mainly in tourism policy and strategy; product development; sector regulation and research. He was the National Coordinator in the development of National Tourism Blueprint 2030 and was involved in setting up of Tourism Regulatory Authority. He is the Acting. CEO of Tourism Research Institute and the Secretary to the Board.

## 4. Management Team

·.	3. Ms. Betty M. Maranga Tourism Officer	
		Has 14 years' experience in the Public Service. Area of responsibility – Research and Innovation
.£	3. Hesbon Ochieng Oyendo Tourism Officer	Has 14 years' experience in tourism management, tourism strategy, and stakeholder management in the public sector.  Area of responsibility – Data Collection Analysis and Interpretation.
7.	2. Ms. Susan M Mbugua Accountant	Has 30 years' experience in Public Service. A member of Institute of Certified Public Accountant of Kenya (ICPAK). Area of responsibility - Finance.
.I	I. David Gitonga.	Gitonga has 26 years' experience in the Tourism Public Sector mainly in tourism policy and product development as well as sector regulation and research.
	уринаденене	Details

## 5 Chairman's Statement

Tourism Research Institute (TRI) is a State Corporation established under section 51 of the Tourism Act 2011 with the mandate to undertake and co-ordinate tourism research and analysis.

#### KEY HIGHLIGHTS OF THE YEAR

The Institute made progress in rolling out activities of its core mandate as per the Strategic Plan. Major highlights are discussed here below.

#### 1. Tourism Sector Performance Reporting

During the year under review, sector performance reporting was enhanced to ensure performance reports on a quarterly, half-yearly and annual basis. The performance reports provide information including international tourism arrivals, tourism receipts and domestic bed-nights. The reports further highlight on flights landings and the wildlife sector performance as well as future projections of the sector.

#### Research Works

The Institute conducted research to answer the identified needs of the sector with two major research projects undertaken. These are:

#### 1. Tourist Exit survey

The Tourism Research Institute has continually planned and executed tourist exit survey. In the year under review, an exit survey was carried out in the months of April and May 2023. By conducting this survey, tourism authorities, organizations, and businesses will understand tourists' experiences, preferences, and suggestions. The collected data serves as a valuable resource for destination management and helps enhance the overall visitor experience. The study was done at departure lounges and major border exit points.

## Level of preparedness among international travellers from high-income countries to Kenya against travel-related diarrhoea.

Annually, traveler's diarrhea affects tourists in their millions and has huge economic implications to destinations. This can lead to change of travel plans, stay in bed or even hospitalization. Kenya is still grappling with waterborne diseases such as cholera and typhoid leading to deaths. Kenya being a

tourist destination, a survey in conjunction with International Society of Travel Medicine (ISTM and KAVI-ICR (Institute of Clinical Research) was launched.

## Objective

To find out the knowledge, attitudes and practices among international travellers to Kenya and compare this with latest clinical guidelines and latest research findings.

The study was conducted in the months of April and May 2023 at JKIA and in Hospitals in Nairobi.

#### **CHALLENGES FACED**

The Board has endeavoured to always provide strategic leadership and management and continues to employ tremendous efforts in its work. However, the Institute faces some challenges that undermine its performance. One main challenge is significant budget cuts. In the year under review the Institute's budget was reduced by over Kshs.56 million shillings. This hampered performance and planned activities.

John Ololtuaa

Principal Secretary

## 6. Report of the Chief Executive Officer

Tourism Research Institute (TRI) is a State Corporation established under section 51 of the Tourism Act 2011 with the mandate to undertake and co-ordinate tourism research and analysis. The institute was established to ensure that the research, knowledge and data gaps that have always existed in Kenya's tourism sector are adequately addressed. TRI is thus the platform for cohesive, credible and coordinated tourism statistics and research spanning market, product and social research in line with the needs of the sector. In 2022/23, TRI was allocated Kshs.57, 300,000 for recurrent expenditure. There was no allocation for development expenditure.

#### KEY HIGHLIGHTS OF THE YEAR

The Institute made progress in rolling out activities of its core mandate as per the Strategic Plan. Major highlights are discussed below.

## 1. Tourism Sector Performance Reporting

During the year under review, sector performance reporting was enhanced to ensure performance reports on a quarterly, half-yearly and annual basis. The performance reports provide information including international tourist arrivals, tourism receipts and domestic bed-nights. The reports further highlight on flights landings, the visitation to key tourist attraction areas, like national parks and museums and wildlife sector performance. It also gives future projections of the sector.

#### 2. Development of East Africa Community Tourism Barometer

The Institute participated in the development of EAC tourism barometer. The tourism Barometer monitors short-term tourism trends on a regular basis to provide tourism stakeholders with up-to-date analysis on tourism. The information is updated several times a year and includes an analysis of the latest data on tourism destinations (inbound tourism) and source markets (outbound tourism). Having a regional tourism statistical system that facilitates collection, aggregation and reporting of credible and reliable tourism data and statistics, a framework akin to the UNWTO Tourism Barometer is commendable.

#### Research Works

The Institute conducted research works to answer to the identified needs of the sector with two major research projects undertaken. These are:

#### 1. Tourist Exit survey

Tourist exit survey are important studies conducted by destinations to gauge performance and gather information of what the tourists think about the destination. The previous exit survey was conducted before Covid 19 pandemic. The pandemic disrupted the tourism industry and among other effects changed the characteristics of tourists. It was therefore crucial for the Institute to undertake an exit survey this year to gather new insights of these varied travellers.

## Report of the Chief Executive Officer (Continued) Objectives

To bring out the general perception of tourists about the experience of the Kenyan tourist products post Covid. Specific objectives were.

- 1. To determine the demographic characteristics of respondents, including country of residence and nationality, age, gender and education levels;
- 2. To establish the sources of destination information;
- 3. To establish the purposes of visit and tourist trip characteristics, e.g. length of stay, mode of accommodation, activities undertaken, size of the travel party, booking mode, etc.
- 4. To ascertain the actual satisfaction and post—visit perceptions of the tourists about Kenya's tourism products and services;
- 5. To highlight the competitive strengths as well as weaknesses of Kenya's tourism product and establish the potential of repeat visitation;
- 6. To establish visitor expenditures in Kenya in the framework of the Tourism Satellite Account (TSA); and
- 7. To generate recommendations to address the challenges along the product range.
- 3. Level of Preparedness among International Travellers from High-Income Countries to Kenya against Travel-Related Diarrhoea.

It is estimated that about 170 million people travel from resource-rich to resource-poor countries. 43% to 79% of those who visit resource-poor countries acquire an illness related to travel. This can occur during their travels or soon after returning or loose stools within 24 hours of travel. The diarrhea may be self-limiting or resolves after a few days of treatment. This can lead to change of travel plans, stay in bed or even hospitalization. Limited studies in Kenya have investigated the knowledge, attitudes and practices among short-term international travelers towards travel-related diseases and few have focused on traveler's diarrhea.

#### Main Objective

To find out the knowledge, attitudes and practices among international travellers to Kenya and compare this with latest clinical guidelines and latest research findings. Specific objectives:

- a. To inform healthcare workers, country tourism and travel officials on the current trends among travelers to Kenya.
- b. To assist in the designing and implementing of effective prevention strategies, health promotion and education awareness campaigns.

The study was conducted in the months of April and May 2023 at JKIA and in health facilities in Nairobi.

#### **CHALLENGES FACED**

Despite the tremendous efforts to undertake the research and analysis in the tourism sector, the Institute faces a myriad of challenges that undermines delivery on its mandate. One major challenge that the Institute faced during the year under review was a budget cut which was reduced by 50% affecting our programmes and performance significantly. This led to shelving planned research studies and down scaling planned activities. In addition, the Institute is currently operating without a fully constituted board, which also hinders its operations.

## 7 Statement of Tourism Research Institute Performance against Predetermined Objectives for FY 2022/2023

## REVIEW OF TOURISM RESEARCH INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS PERFORMANCE FOR FY 2022/2023

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government Tourism Research Institute's performance against predetermined objectives.

Tourism Research Institute has three strategic pillars and objectives within its Strategic Plan for the FY 2018/2019- 2022/2023. These strategic pillars are as follows:

Pillar 1: Undertake Research

Pillar 2: Tourism Data Management Pillar 3: Disseminate Research Findings

Tourism Research Institute develops its annual work plans based on the above three pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. Tourism Research Institute achieved its performance targets set for the FY 2022/2023 period for its three strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar I: Undertake Research	To conduct tourism sector research needs	2 research topics identified.	-Craft research topics	a) 2 research Topics crafted and approved
	2 research projects undertaken	% level of completion	1.Tourist exit Survey	b) Data collected, analysis and report writing to be finalized.
			2. Level of preparedness among international travellers from high-income countries to Kenya against travel-related diarrhoea.	c) Report writing to be finalized

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 2: Tourism Data Management	To strengthen quality of research	Number of tourism performance reports prepared	Prepare 4no. Quarterly and Ino. annual reports	4 quarterly reports and an annual tourism performance reports prepared
Pillar 3: Disseminate Research Findings	To validate research process and disseminate reports	-Number of the meetings held	-Organize 3 stakeholders 'dissemination forums	Jan to August 2022 tourism performance disseminated  2022 Annual tourism performance report disseminated.

## 8. Corporate Governance Statement

## Board Meetings

During the year under review, the Board held one (1) regular full board meetings and nil (0) special meetings.

## Numbers of Board Meetings Held and Attendance to those meeting by the members During the Year

N 0	Board Member	Classificatio n	Designatio n	Finance and Establishme nt Committee (BFEC): Total No. of meetings 1 (1 scheduled, 0 special)	Technica l and Strategy Committ ee (BTSC): Total No. of meetings 1 (1 schedule d, 0 special)	Audit and Risk Committ ee (BARC): Total No. of meetings 1 (1 scheduled, 0 special)	Main Board Meeting s: Total 1 (1 schedule d, 0 special)
1.	Mr. Richard K. Langat	Independe nt	Board Chairpers on	-	-	-	1/1
2.	John Lekakeny Ololtuaa	Principal Secretary, Ministry of Tourism		0/1	-		0/1
3.	Peter Kinuthia	Alt Principal Secretary. Ministry of Tourism		1/4	1/1	-	0/1
4.	Janet Mbete	Independe nt	Chairpers on BARC	-	0/1	0/1	0/1
5.	Caesar Handa	Independe nt	Chairpers on BTSC	0/1	0/1	lan.	0/1
6.	Kenneth Kiprono	Independe nt	Chairpers on BFEC	0/1	-	0/1	0/1

7.	Zahra Bahlewa Moi	Independe nt	-	0/1	-	0/1
8.	Mac Donald George /	Director General, KNBS	-	-	1/1	1/1
9.	Beth Ndungu	Representi ng Principal Secretary, The National Treasury	1/1	1/1	1/1	1/1
10.	Nahasho n Mwonge ra	Representi ng Executive Director, KIPPRA	1/1		1/1	1/1
11.	Edwin Murimi	Inspectorat e of State Corporatio ns	-	-	-	1/1
12.	George Wambua	Inspectorat e of State Corporatio ns	1/1	1/1	1/1	0/1
13.	David Gitonga	Ag. CEO	1/1	1/1	-	1/1

## SUCCESSION PLAN

The independent Directors are appointed in a staggered manner; hence, the policy on phased transition is addressed.

## **BOARD CHARTER**

The board is yet to develop the charter but plans are underway.

## APPOINTMENT AND REMOVAL OF DIRECTORS.

The board had a fair mix of skills and competencies.

### ROLES AND FUNCTION OF THE BOARD

The Board of the Institute has the following roles as outlined by Mwongozo:

- a) Determine the organisation's mission, vision, purpose and core values
- b) Set and oversee the overall strategy and approve significant policies
- c) Ensure the strategy is aligned with the purpose of the organisation and the legitimate interests and expectations of the stakeholders
- d) Ensure the strategy is aligned to the long-term goals of the organisation on sustainability so as not to compromise the ability of future generations to meet their needs
- e) Approve the organisational structure
- f) Approve the annual budget of the organisation
- g) Monitor the organisations' performance and ensure sustainability
- h) Enhance the corporate image of the organisation
- i) Ensure availability of resources for the achievement of the organisation's objectives
- j) Hire the CEO on such terms and conditions of service as may be approved by the relevant government organ(s) and approve the appointment of senior management
- k) Ensure effective communication with stakeholders

#### INDUCTION AND TRAINING OF THE BOARD

Tourism Research Institute recognizes the governance leap made by the Government of Kenya through the development and issuance of MWONGOZO; The Code of Governance for State Corporations. In this regard, once new board members are appointed, the Institute provides them with information on the operations of TRI. They are also taken through Mwongozo training on management of State Corporations as well as Corporate Governance training.

#### **BOARD AND MEMBER PERFOMANCE**

The board conducts the annual board and individual members' evaluation to monitor and review performance. This is independently supervised by SCAC.

#### **CONFLICT OF INTEREST**

During every meeting of the board, members sign a declaration of conflict of interest. Where a member has conflicting interest, they are excluded from the deliberations of the said agenda.

#### **BOARD REMUNERATION**

The policy on remaneration of the board members is in place as provided for by relevant government regulations and guidelines. Allowances were paid when they fall due.

#### ETHICS AND CONDUCT

Board members received training on ethics and conduct during the induction training. There are no ethical and misconduct issues to declare.

#### **GOVERNANCE AUDIT**

The Zoard has established a Board Audit and Risk Committee in compliance with Mwongozo and government audit laws and regulation

#### 9. Management Discussion and Analysis

## The institute's operational and financial performance

The institute had budgeted to receive Kshs.63, 700,000 during Financial Year 2022/2023. In the course of the year, the budget was revised downwards to Kshs.57,000,000 thus an adjustment of Kshs.6,700,000. However, during the same financial year, only Kshs.56.955,833 was received.

The downward adjustment of the initial budget of Kshs.63,700,000 to Kshs.56,955,833 hampered implementation of the planned activities for the year.

During the same financial year, TRI gave Kshs.500.000 to Tourism Fund to Corporate Social Responsibility. However, the activity did not take place hence the money was refunded in 2022/2023 Financial Year. This increased the grants receivable by the same amount.

Finally, the Institute received restricted funds of Kshs.43.831,296 from Tourism Promotion Fund to cater for a project "Study on impact of climate change on Tourism and Sustainable practices" which was rolled over to the next financial year.

## Receipts and Payments analysis over the years

The institute had continued to exhibit growth in terms of receipts and payments because of increase in activities over the years until the surprise budget cut that happened during the year under review. The chart below shows the growth in both receipts and payments from the time the Institute started operations in the financial year 2017/2018 to FY2022/2023.

Table 1:Trend of Grants over the year



From the above table, the revenue from the financial year 2017/2018 to the financial year 2022/2023 has slumped by 55% from Kshs. 127.700,000 to reach Kshs. 57,455,833.

Due to funding constraints during the year, the Institute was forced to undertake mitigation measures on spending, which resulted to decline of 35% of the planned activities. Previously, the Institute had not been paying rent, but the relocation of the mother Ministry, resulted to commencement of rent payment, a vote head which was not budgeted for.

#### KEY PROJECTS

## TRI Compliance with Statutory Requirements

The Institute has complied with the following statutory requirements

1. Access to Government Procurement Opportunities- the Institute reserves 30% of contracts to Youth, women and persons with disabilities.

The Institute is compliant with Executive Order No. 2 of 2018 on procurement of public goods, works and services by public entities.

#### 2. Major Risks Facing the Institute

#### Operational risk

- The Institute lacks sufficient human resource capacity to execute key functions and responsibilities. This is affecting its performance and implementation of its objectives.
- The institute had remained uncategorized hence making it hard for it to recruit and confirm the existing staff members.

#### Credit risk

During the financial year under review, the Institute did not experience hurdles in the receipt of funds from the national Treasury and hence mitigation of the credit risk.

## Material arrears in statutory/financial obligations

There are no material arrears nor material obligations facing the Institute.

The institute's financial probity and serious governance issues

There is no serious governance issue to declare.

#### 10. Environmental and Sustainability Reporting

TRI exists to transform lives. This is our purpose, the driving force behind everything we do. It's What guides us to deliver our strategy, which is founded on three pillars: putting the Customer/citizen first, delivering relevant goods and services, and improving operational Excellence. Below is a brief highlight of our achievements in each pillar

#### 1. Environment performance

TRI is in the process of developing an environmental policy that will guide the Institute in maintaining a sustainable environment at the work place. The policy will entail economical use of photocopying papers to avoid wastage and use of disposable water bottles. We set and met our target of planting and maintaining tree seedlings at Kajiado and Kapune Hills, which is in line with Presidential directive emphasizing restoration of at least 10% of forest cover by 2030.

#### 2. Employee welfare

In the Strategic Plan, the Institute aims to come up with policies that guide operations. The Institute is in the process of developing the policies that will be guiding the hiring and maintenance of staff, the appraisal of performance, career progression paths and a reward systems. The Institute complies with the Occupational Safety and Health Act of 2007.

#### 3. Market place practices-

Being a public institute, there is the perception that there are many resources to be utilised. The reality is far from that and the resources we have are carefully managed to have the most impact. To this end, we carry out the following exercises to get the best partners for continued provision of goods and services:

#### a) Supplier prequalification

We are guided by the PPOA 2015 and the PPRA guidelines on how to identify suppliers. This open and public process invites all interested parties and has protections built within the process to carve out opportunities for youth, women and people with disabilities.

- b) With our prequalified suppliers, we endeavour to meet our obligations on time so that we may be able to sustain relations for future partnerships.
- c) Our resources limit us from advertising far and wide and we use the local administration, print media, notice boards, social media and our website to market opportunities in the institution
- d) To enhance our presence and be able to demand from our suppliers the best products, we settle our bills on time hence reporting no pending bills that enhanced our relationship with our creditors.

## 4. Community Engagements-

In our community, we work a lot with members of the public. This is essential as our mandate is national and we interact a lot with the community outside. The following arrangements stand out as our efforts in working with the community.

We have partnerships with local entrepreneurs. Kenya Tourism Federation which is the apex body of the tourism sector to deliberate on current issues and exchange views, identify research needs, network and share experiences. We also participate in this by sponsoring some events.

## 11. Report of the Directors

The directors submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the Tourism Research Institute affairs.

## i) Principal activities

The principal activities of the institute are to undertake and co-ordinate research and analysis for the tourism sector in Kenya.

#### ii) Results

The results of the institute for the year ended June 30, 2023, are set out on page 1

#### iii) Directors

The members of the Board of Directors who served during the year are shown on page v to viii. During the year 2022/2023, the table below summarizes the directors' who retired/resigned as well as those appointed during the same financial year.

No	Name of the director	Classification	Date	Remarks
1	Richard K. Langat	Independent	20/10/2022	Retired

#### iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. Tourism Research Institute did not submit any surplus since it is not a regulatory body.

#### v) Auditors

The Auditor-General is responsible for the statutory audit of the Tourism Research Institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Board

Name David G. Gitonga

Secretary to the Board

## 12. Statement of Directors Responsibilities.

Section 81 of the Public Finance Management Act, 2012 requires the Directors to prepare financial statements in respect of the Tourism Research Institute. This gives a true and fair view of the state of affairs of the Tourism Research Institute at the end of the financial year/period and the operating results of the Tourism Research Institute for that year/period. The Directors are also required to ensure that the Tourism Research Institute keeps proper accounting records, which disclose with reasonable accuracy the financial position of the Institute. The Directors are also responsible for safeguarding the assets of the Tourism Research Institute.

The Directors are responsible for the preparation and presentation of the Tourism Research Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Institute;
- (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 Institute:
- (v) Selecting and applying appropriate accounting policies
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Tourism Research Institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Directors are of the opinion that the Tourism Research Institute's financial statements give a true and fair view of the state of the Institute's transactions during the financial year ended June 30, 2023, and of the Institute's financial position as at that date.

The Directors further confirm the completeness of the accounting records maintained for the Institute, which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Tourism Research Institute will not remain a going concern for at least the next twelve months from the date of this statement.

## Approval of the financial statements

The Tourism Research Institute's financial statements have been signed on behalf of the board by:

22.07.2024

Name; John Ololtuaa Principal Secretary 22.01.2024

Name; David Gitonga Ag. Chief Executive Officer

## REPUBLIC OF KENYA

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



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

Enhancing Accountability

## REPORT OF THE AUDITOR-GENERAL ON TOURISM RESEARCH INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2023

#### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of Tourism Research Institute set out on pages 1 to 23 which comprise of the statement of financial position as at 30 June, 2023, statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Tourism Research Institute as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual basis) and comply with the Public Finance Management Act, 2012 and the Tourism Act, 2011.

## **Basis for Opinion**

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

## **Emphasis of Matter**

## **Budgetary Control and Performance**

The statement of comparison of budget and actual amount reflects final receipts budget and actual on comparable basis of Kshs.129,838,026 and Kshs.173,139,440 respectively resulting in a surplus of Kshs.43,301,414 or 33% of the budget. Similarly, the Institute spent Kshs.94,273,918 against budgeted expenditure of Kshs.129,838,026 resulting to under-expenditure of Kshs.35,564,108 or 27% of the budget.

The under-performance affected the planned activities of the Institute and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

#### Other Matter

#### **Unresolved Prior Year Matters**

In the audit report of the previous year, some issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources.

However, Management did not provide any explanation on how the issues were subsequently resolved

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

#### Conclusion

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

#### **Basis for Conclusion**

## Officers in Acting Capacity for Over Six (6) Months

Review of human resource records revealed that the chief executive officer, manager corporate services and manager in charge of tourism research and innovation have been in acting capacity since 2018. This was more than six (6) months contrary to Paragraph 4.5.6 of the Tourism Research Institute Human Resource Policy and Procedures Manual, 2023 which states that an appointment on acting basis is a temporary measure pending the substantive filling of the vacant post by either recruitment or resumption of duty by the substantive holder of the post. The appointment shall normally be limited to a continuous period of six months or until the vacant post is filled whichever is earlier, but may be extended by the Institute if the post remains vacant.

In the circumstances, Management was in breach of law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the review so as to obtain limited assurance as to whether the activities, financial transactions and information reflected in the financial 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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

#### **Basis of Conclusion**

## 1. Lack of Risk Management Policy and a Disaster Recovery Plan

During the year under review, the Institute did not have a Risk Management Policy in place, therefore the Management did not perform formal risk assessments on all key financial risk areas such as revenue, expenditure, fraud etc. Further, the Institute did not have a Disaster Recovery Plan in place. The Institute was therefore in breach of Regulation 165 (1) of Public Finance Management (National Government) Regulations 2015 that requires the accounting officer shall ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, effectiveness of fraud prevention mechanism, risk management and internal controls could not be confirmed.

#### 2. Incomplete Board Composition

The Board of the Institute consists of a chairperson and twelve (12) other members as stipulated in Section 54(1) of the Tourism Act, 2011. Review of Board records provided revealed that the term of the chairperson appointed by the President and six (6) other members appointed by the Minister through a competitive process expired on 15 October, 2022. However, no evidence of replacement was provided at close of audit in February 2024. This was contrary to Section 54 (1)(a) and (h) of the Tourism Act, 2011 which requires a chairperson to be appointed by the President and six (6) other members to be appointed by the Minister through a competitive process.

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

#### 3. Lack of a Board Charter

Review of the Institute's policy documents and human resource records revealed that the board did not have a Board charter. This was contrary to Paragraph 1.11 of the Mwongozo the Code of Governance for State Corporations, 2015

In the circumstances, the Board was in breach of the regulation.

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

#### Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards

(Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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 financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

## Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls 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 controls would not necessarily disclose all matters in

the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls 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, leexercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness
  of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of 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 ability of the Institute to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Institute to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

FCPA Nancy Gathungu, CBS AUDITOR-GENERAL

Nairobi

21 March, 2024

## 4. Statement of Financial Performance for the year ended 30 June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from government Ministry	6	-	113,700,000
Transfers from other governments entities	6	100,801,414	-
Deferred Income recognized	18	-	14.000,000
Total revenue		100,801,414	127,700,000
Expenses			
Use of goods and services	7	85, 39,480	105,379,002
Employee costs	8	1.971,425	2,516,699
Board of directors	9	2,349,742	12,832,073
Depreciation and amortization expense	1Ú	2,225,927	3,489,019
Repairs and maintenance	11	2,169,047	1,333,772
Finance costs	12	18,297	18.046
Total expenses		94,273,918	125,568,611
Surplus for the period/year		6,527,496	2,131,389
Inter-Entity (Launch of new Tourism strategy-KTB)		-	4,840,000
Net surplus for the year		6,527,496	(2,708.611)

The notes set out on pages 7 to 26 form an integral part of these F nancial Statements.

The Financial Statements set out on pages 1 to 26 were signed on behalf of the bound of directors by

Ag. Chief Executive Officer David G. Gitonga

Date 22/1/2024

Head of Finance CPA Susan Mbugua ICPAK M/No. 4685

Date 22-01-2024

Principal Secretary John Ololtuaa

Date 22:01-2024

#### Statement of Financial Position as at 30 June 2023 15.

	Notes	2022-2023 Kshs	2021-2022 Kslis
Assets			
Current Assets			
Cash and cash equivalents	13	76,006,151	72,338,026
Receivables from non-exchange transactions	14	5,348,291	(4,440)
Total Current Assets		81,354,442	72,333,586
Non-Current Assets			
Property, plant and equipment	15	7,907,090	9,870,337
Intangible assets	16	-	-
Total Non- Current Assets		7,907,090	9,870,337
Total Assets		89,261,532	82,203,923
Liabilities			
Current Liabilities			
Trade and other payables	17	2,346,027	14,353,848
Deferred Income	18	-	-
Total Current Liabilities		2,346,027	14,353,848
Net assets		86,915,505	67,850,075
Accumulated surplus		77,113,987	58,048,557
Capital Fund		9,801,518	9,801,518
Total Net Assets		86,915,505	67,850,075
Total Net Assets and Liabilities		89.261,532	82,203,923

The financial statements set out on pages 1 to 26 were signed on behalf of the Board of Directors

ICPAK M/No.14685

John Ololtuaa

Date 22:01:2024

Date. 22.01-2024

# 16. Statement of Changes in Net Assets for the year ended 30 June 2023

		Capital/	
	Accumulated Surplus	Development Grants Fund	Total
As at July 1, 2021	57,647,742	12,910,943	70,558,686
Surplus for the year	(2,708,611)	-	(2,708,611)
Capital/Development grants received during the year	(379.593)	379.593	-
Transfer of depreciation/amortisation from capital fund to retained earnings	3,489,019	(3.489.019)	-
As at June 30, 2022	58,048,557	9,801,518	67,850,075
As at July 1, 2022	58,048,557	9,801,518	67,850,075
Surplus for the year	6,527,496	-	6,527,496
Capital/Development grants received during the year			
Transfer of depreciation/amortisation from capital fund to retained earnings	12,537,934		12,537,934
As at June 30, 2023	77,113,987	9,801,518	86,915,505

# Annual Report and Financial Statements For the year ended June 30, 2023.

# 17. Statement of Cash Flows for the year ended 30 June 2023

	2000	2022-2023	2021-2022
	Notes	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from governments entities	6	95,478,796	113,700,000
Transfers from other governments entities(Tourism Fund		500,000	-
Other receipts		-	18,576,768
Total Receipts		95,978,796	132,276,768
Payments			
Use of goods and services	7	85,539,480	103,194,193
Employee costs	8	1,971,425	2,516,699
Remuneration of directors	9	2,349,742	12,832,073
Repairs and maintenance	11	2,169,047	1,196,230
Finance Costs	12	18,297	18,046
Other payments		-	-
<b>Total Payments</b>		92,047,991	119,757,241
Net cash flows from/(used in) operating activities	1	3,930,805	12,519,527
Cash flows from investing activities			
Purchase of property, plant, equipment	15	(262,680)	(379,593)
Purchase of intangible assets		-	-
Net cash flows from/(used in) investing activities		(262,680)	(379,593)
Cash flows from financing activities		A	
Increase in capital funds		-	-
Net cash flows from /(used in) financing activities		-	-
		2 ((2 12 -	10.100.001
Net increase/(decrease) in cash and cash equivalents		3,668,125	12,139,934
Cash and cash equivalents at 1 JULY		72,338,026	60,198,093
Cash and cash equivalents at 30 JUNE		76,006,151	72,338,026

## 18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2023

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	Kshs	Kshs	Kshs	Kshs	Kshs	
	A	b	C=(a+b)	d	e=(c-d)	F=d/c
Revenue						
Transfers from governments ministries	63,700,000	-6,700,000	57,000,000	100,801,414	-43,801,414	- 177%
Unutilized budget brought forward	72,338,026	0	72,338,026	72,338,026	-	100%
Deferred Income Recognized	-	500,000	500,000	0	500,000	0%
Total income	136,038,026	-6,200,000	129,838,026	173,139,440	-43,301,414	133%
Expenses			.*			.,
Use of goods and services	76,800,000	34,528,253	111,328,253	85,539,480	25,788,773	77%
Employee costs	20,400,000	-13,900,000	6,500,000	1,971,425	4,528,575	30%
Board of directors	12,500,000	-5,010,227	7,489,773	2,349,742	5,140,031	31%
Depreciation and amortization expense	600,000	-600,000	-	2,225,927	-2,225,927	-100%
Repairs and maintenance	3,400,000	1,100,000	4,500,000	2,169,047	2,330,953	48%
Finance cost	-	-	20,000	18,297	1,703	91%
Total expenditure	113,700,000	16,118,026	129,838,026	94,273,918	35,564,108	73%
Surplus/Deficit for the period	22,338,026			78,865,522	, ,	

### **Budget notes**

- 1. Employee costs The Entity was categorized in May 2023 and embarked on human resource instrument to enable employment and pay salaries. It is also awaiting approval to pay arrears for the acting and seconded staff
- 2. Depreciation Being an adjustment book entry, it was not budgeted for since it does not involve movement of cash.
- 3. Use of goods and services The budget cut of the disbursement of the funds from the Ministry which was not anticipated affected the planned activities while release of the month of June 2023 was released in July 2023, delayed the implementation of the planned activities for the reported financial year.

#### - 19. Motes to the Financial Statements

#### 1. General Information

Tourism Research Institute is a corporate body established under section 51 of the Tourism Act No.28 of 2011 and mandated to undertake and co-ordinate tourism research and analysis in accordance with the provision of this Act. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Entity's principal activity is to undertake and co-ordinate research and analysis for the tourism sector in Kenya

## 2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the institute's accounting policies.

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

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

### 3. Ad ontion of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2022. IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

New and amended standards and interpretations in issue but not yet effective in the year ended
 June 2023.

Standard	Effective date and impact:
IPSAS 41:	Applicable: 1st January 2023:
Financial	The objective of IPSAS 41 is to establish principles for the financial reporting of
Instruments	financial assets and liabilities that will present relevant and useful information to
	users of financial statements for their assessment of the amounts, timing and
	uncertainty of an Entity's future cash flows.
	IPSAS 41 provides users of financial statements with more useful information than
	IPSAS 29, by:
	Applying a single classification and measurement model for financial
	assets that considers the characteristics of the asset's cash flows and the
	objective for which the asset is held;
	Applying a single forward-looking expected credit loss model that is
	applicable to all financial instruments subject to impairment testing; and
	Applying an improved hedge accounting model that broadens the hedging
	arrangements in scope of the guidance. The model develops a strong link
	between an entity's risk management strategies and the accounting
	treatment for instruments held as part of the risk management strategy.
	(The Institute is yet to adapt the new standard)
IPSAS 42:	Applicable: 1st January 2023
Social Benefits	The objective of this Standard is to improve the relevance, faithful
	representativeness and comparability of the information that a reporting Entity
	provides in its financial statements about social benefits. The information provided
	should help users of the financial statements and general-purpose financial reports
	assess:
	(a) The nature of such social benefits provided by the Entity.
	(b) The key features of the operation of those social benefit schemes; and
	(c) The impact of such social benefits provided on the Entity's financial
	performance, financial position and cash flows.

Standard	I ffective date and impact:
	(The Institute is yet to adapt the new standard)
Amendments	Applicable: 1st January 2023:
to Other	a) Amendments to IPSAS 5, to update the guidance related to the components
IPSAS	of borrowing costs, which were inadvertently omitted when IPSAS 41 was
resulting from	issued.
IPSAS 41.	b) Amendments to IPSAS 30, regarding illustrative examples on hedging
Financial	and credit risk which were inadvertently omitted when IPSAS 41 was
Instruments	issued.
	Amendments to IPSAS 30, to update the guidance for accounting for
	financial guarantee contracts, which were inadvertently omitted when
	IPSAS 41 was issued.
	d) Amendments to IPSAS 33, to update the guidance on classifying
	financial instruments on initial adoption of accrual basis IPSAS, which
	were inadvertently omitted when IPSAS 41 was issued.
	(The Institute is yet to adapt the new standard)
Other	Applicable 1st January 2023
improvements	<ul> <li>IPSAS 22 Disclosure of Financial Information about the General Government</li> </ul>
to IPSAS	Sector.
	Amandments to refer to the latest System of National Accounts (SNA 2008).
	IPSES 39: Employee Benefite
	Now deletes the term composite social security benefits, as it is no longer defined
	in IPSAS
	<ul> <li>IPSKS 29: Financial instruments: Recognition and Measurement</li> </ul>
	Standards no longer included in the 2021 IPSAS handbook as it is now superseded
	by IPSAS 41, which is applicable from 1st January 2023.
	The Institute's yet to adapt the new standard
IPSAS 43	Applicable 1st January 2025
	The plandard sets out the principles for the recognition, measurement, presentation
	and disclosure of leases. The objective is to ensure that lessees and lessors provide
	relevant information in a manner that faithfully represents those transactions. This
	information gives a basis for users of financial statements to assess the effect that

Standard	Effective date and impact:
	leases have on the financial position, financial performance and cashflows of an
	Entity.
	The new standard requires entities to recognise, measure and present information
	on right of use assets and lease liabilities.
	The Institute is yet to adapt the new standard
IPSAS 44:	Applicable 1st January 2025
Non- Current	The Standard requires,
Assets Held for	Assets that meet the criteria to be classified as held for sale, to be measured at the
Sale and	lower of carrying amount and fair value less costs to sell and the depreciation of
Discontinued	such assets to cease and:
Operations	Assets that meet the criteria to be classified as held for sale, to be presented
	separately in the statement of financial position and the results of discontinued
	operations to be presented separately in the statement of financial performance.
	The Institute is yet to adapt the new standard

# iii. Early adoption of standards

The Institute did not early – adopt any new or amended standards in year 2022/2023.

Notes to the Financial Statements (Continued)

- 4. Summary of Significant Accounting Policies
  - a) Revenue recognition
  - i) Revenue from non-exchange transactions

## Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property). If the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Entity and can be measured reliably. Then Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that have been acquired using such funds.

## b) Budget information

After the National Assembly approved the original budget for FY 2022-2023, subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget.

The Institute's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 17 of these financial statements.

## c) Property, plant and equipment

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

Computers and Accessories	30%
Motor Vehicles	
Office Equipment	12.5%
Furniture & Fittings	12.5%

## d) Intangible assets

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

The useful life of the intangible assets is assessed as either finite or indefinite.

## e) Nature and purpose of reserves

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

## f) Changes in accounting policies and estimates

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

### g) Related parties

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

### h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short-term cash imprests and advances to authorised public officers and/or institutions which were not surror dered or accounted for at the end of the financial year.

## i) Commarative figures

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

### j) Subsequent events

There have been no events subsequent to the financial year-end with a significant impact on the financial statements for the year ended I me 30, 2022.

# 5. Significant Judgments and Sources of Estimation Uncertainty

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

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur IPSAS 1.140.

Notes to the Financial Statements (Continued)

### Useful lives and residual value

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

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

Tourism Research Institute

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For the year ended June 30, 2023.

Notes to the Financial Statements (Continued)

6. a) Transfers from Other Government entities

Description	2021-2023	2626-2621
	KShs	KShs
Unconditional grants		
Operational grant	-	113,700,000
Cines government entities	100,801,414	
Loral government grants	100,801,414	113,700,000

and the right of the running operations of TRI

# b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Lutity sending the grant	Amount recognized to Statement of Financial performance	Amount deferred mader deferred factors	Amount recognised in capital fund.	Total transfers 2922/2023 KSba
Visitor of Tourism	51.647.498	~	262,680	51.647,498
Vibristry of Laurente Les Lucs	5.308.333	-	-	5,308,333
1 . 1 - 11 - 01	-3.831.296			43,831,296
. acat	100,787,127	-	262,680	100,787,127

# 7. Use of Goods and Services

Description	2022-2023	2021-2022
	KShs	KShs
Advertising	385,999	00
Audit fees	250.000	
Cleaning services	2.917.43	
Conferences and delegations	15,206.50	1 ( - 10
Consumables	1.198 77:	1
Data Analysis, Research and Survey	30.337.624	3.
Data Management Platform	6,621,631	3-1 - 15
Fuel and oil	742.00	1.378.200
Government Advertising Agency	The state of the s	
Internet	1.3(1/1.4.	
Licenses and permits	4.57	- 8
Logo design	105,500	0
Membership and Subscription	128,323	0 940
Motor Insurance	540.668	-0-314
Motor vehicle running expenses	1.483.047	550,595
Office supplies	426,400	163.673
Official Entertainment	2,311,410	3.286,444
Other general expenses	270.115	
Postage and delivery	9,450	
Printing and stationery	527.102	-7.5 (+10 72 -7-25 (+10
Rent expenses	8.352.000	
Staff Skills development	97.4-(	27
Telecommunication	30.000	· 97
Travel, accommodation, subsistence and other allowances	12.297.121	19.11265
Sub-Total	85,539,480	91,379,002
COVID-19 Recovery strategy (War Room)	3010071100	14,000,000
Total	85,539,480	105,3 % 002

# 8. Employee Costs

Description	2022-2023	2021-2022
	KShs	KShs
Salaries and wages	367.753	00: 583
Internship allowances	700,000	905 116
Extraneous allowances	156.000	104 000
Other employee related costs	747,670	516,000
Employee costs	1,971,425	2,516,699

Tourism Research Institute

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For the year ended June 30, 2023.

Notes to the Financial Statements (Continued)

# 9. Box of directors Expenses

Description	2022-2023	2021-2022
	KShk	KShs
Chairman/Directors Honoraria	345,100	1,044,000
Satting allowances	568,764	2,896,670
Other allowances	1,435,878	8,891,403
Total	2,349,742	12,832,073

# 10. Depreciation and Amortization Expense

Description	2022-2023	2021-2022
	KSlis	KShs
Property, plant and equipment	2,225,927	2,835,685
mangible assets	-	653,334
Total depreciation and amortization	2,225,927	3,489,019

# 11. Repairs on a Maintenance

Description	2022-2023	2021-2022
	KSlis	KShs
Furniture's and fitting repairs	50,000	779,300
Noton's entele repairs	1,483,047	529,472
Convictors and accessories	636,000	25,000
Total repairs and maintenance	2,169,047	1,333,772

# 12. Finance Costs

Description	2022-2023	2021-2022	
	KShs	KSfis	
Bank service charges	18,297	18,046	
Total finance costs	18,297	18,046	

# 13. Cash and Cash Equivalents

Description	2022-2023	2021-2022
	KShs	KShs
Current Account	32,159,305	72.338,026
Total Cash And Cash Equivalents	32.159.305	72.338,026

# 13 (a) Detailed Analysis of the Cash and Cash Equivalents

		2022-2023	2021-2022
Financial Institution	Account number	KShs	KShs
Current Account			
Kenya Commercial bank - Recurrent	1220888613	32.159.305	72.322,477
Kenya Commercial bank - Development	1220901636	43.846.846	15,550
Grand total		76,006,(51	72.338,026

# 14. Receivables from Non-Exchange Transactions

Description	2022-2023	2021-2022
	KShs	KShs
GOK grant receivable	5.308.333	-
Deposits and prepayments	560	560
Staff Imprests	39.398	(5,000)
Total current receivables	5,348,291	(4,440)

# 15. Property, Plant and Equipment

	Motor vehicles	Furniture and fittings	Computers and Accessories	Office Equipments	Total
Cost	KShs	KShs	KShs	KShs	KShs
At 30th June 2022	11,414,199	1,251,600	5,897,840	4,367,730	32,871,378
Additions	-		262,680		262,680
At 30th June 2023	11,414,199	1,251,600	6,540,113	4,307,739	23,513,651
Depreciation and impairment			262,680		262,680
At 30th June 2022	4,993,712	310,485	3,735,311	1,505,441	10,544,950
Depreciation	1,203,841	102,934	612,650	306.501	2,225,927
At 30th June 2023	7,802,675	531,059	5,110,597	2,162,230	15,606,561
Net book values					
At 30th June 2023	3,611,524	720,541	1,429,516	2,145,509	7,907,090
At 30 <sup>th</sup> June 2022	6,420,487	941,115	2,162,529	2,802,298	12,326,428

# Notes to the Financial Statements (Continued)

## 16. Intangible Assets

Description	2022-2023	2021-2022
	KShs	KShs
Cost		
. it beginning of the year	5,617,808	5,617,808
Maditions	-	-
At end of the year	5,617,808	5,617,808
Amortization and impairment	<b>经验证证据 医多种性的现在分</b>	
At heginning of the year	5,617,808	4,964,474
Amortization	-	653,334
Ar end of tacycar	5,617,808	5,617,808
VBA	-	-

# 17. Trade and Other Payables

Description	2022-2023	2021-2022
	KShs	KShs
Trade pavables	2,346,027	14,353,848
Tora trute an Lother payables	2,346,027	14,353,848

#### Deferred Income

Description	2022-2023	2021-2022	
	KShs	KShs	
National Government (Tourism Fund)	-	-	
Total Beforest Income			

# The deferred income movement is as follows:

Description	National government	National government
	2022-2023	2021-2022
	KSlis	KShs
Balance Brought Forward	-	
	-	-
Transfers to Capital Fund	-	
Transfers To Income Statement	-	
Ban nord area florward	-	-

## 19. Cash Generated from Operations

	2022-2023	2021-2022	
	KShs	KShs	
Surplus for the year before tax	6,527,496	(2.708.611)	
Adjusted for:			
Depreciation	2,225,927	3,489,019	
Stale cheques reversed			
Working Capital adjustments			
Increase in receivables	(5.085.298)	18.579,441	
Increase in deferred income	-	(14.000.000)	
Increase in payables	,	7.159.678	
Net cash flow from operating activities	3,668,125	12,519,527	

(The total of this statement should tie to the cash flow section on net cash flows from used in operations)

## 20. Financial Risk Management

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

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

# i) Credit risk

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

Notes to the Financial Statements (Continued)

Pipancial Risk Management

The carrying amount of financial assets recorded in the financial statements representing the Entity's maximum exposure to credit risk without taking account the value of any collateral chained is made up as follows:

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Receivables from non-exchange transactions	5,348,291	5,348,291	-	-
Bonk balances	76,006,151	76,006,151	-	-
Tocal At 30 June 2022	81,354,442	81,354,442	-	-
Receivables from non-exchange radical tilens	(4.440)	(4,440)	-	-
Bank balances	72,338,026	72,338,026	-	-
Tori	72,333,586	72,333,586	-	-

The continue or under the fully performing category are paying their debts as they continue trading. The confined associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover the proportially irrecoverable amounts. The board of directors sets the Entity's credit policies and objectives and have down parameters within which the various aspects of credit risk management are considered.

#### ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, madium and eng-term furning and liquidity management requirements. The Entity manages liquidity risk that agh continuous monitoring of forecasts and actual cash flows.

Energial below represents each flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Trade payables	2.346,027			2 3 46.027
Total	2,346,027	-	-	2,346,027
At 30 June 2022				
Trade payables	8,219,272	4,749,638	1.384.938	14.353,848
Total	8,219,272	4,749,638	1,384,938	14.353,848

## 21. Related Party Disclosures

# Nature of related party relationships

Entities and other parties related to the *Institute* include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

## Government of Kenya

The Government of Kenya is the principal shareholder of the *Institute*, holding 100% of the *Institute*'s equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

## Other related parties include:

- i) The Parent Ministry
- ii) Key management (Seconded from the Ministry)
- iii) Board of directors

	2022-2023	2021-2022
	KShs	KSlis
Transactions with related parties		
a) Grants from the Government		
Grants from National Government	56.955,833	113.700,000
Grants from other Entities	500,000	-
Total	57,455,833	112, 100,000
b) Key management compensation		
Directors' emoluments	2.004.642	11.875,073
Compensation to the Board Chair	345,100	957,000
Total	2,349,742	12.832,073

Notes to the Financial Statements (Continued)

# 22. Events after the Reporting Period

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

# 23. Unimate And Holding Entity

Tourism. Research Institute is a Semi-Autonomous Government Agency under the Ministry of Tourism. Wildlife and Heritage. Its ultimate parent is the Government of Kenya.

### 2-. Currency

The financial statements are presented in Kenya Shillings (Kshs).

# 20. Appendix

Appendix 1: Implementation Status of Auditor-General's Recommendations
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.1	Over expenditure on board Expenses	The Institute has address the issue	• fully resolved	
1.2	Budgetary control and performance	Since the Institute has now been categorized and is working on the HR instruments, it should be able to resolve this soon.	Not resolved	

Ag. Chief Executive Officer

Date 221 202

Tourism Research Institute

Annual Reports and Financial Statements For the year ended June 30, 2023.

and E. T. Thanklas from Other Generalment Entities

					Where R	Where Recorded/recognized	ognized		
MD V Donor Transferring	received as per bank	Recurrent/D evelopment/	Total Amount	Statement of Financial	Capital	Capital Deferred		Others - must be	Fransfers during the
the funds	statement	Others	- KES	Performance	Fund	Income	Receivables	specific	Vear
Ministry of									
Fourism and	17/10/2022	Recurrent	5,308,333	5,308,333		1	7		1
Wildlife									
Ministry of									
Lourism and	6200/01/21	Recurrent	5,308,333	5,308,333					
Wildlife									
Ministry of									
Tourism and	20/11/2022	Recurrent	5,308,333	5,308,333	1	1	1	1	1
Wildlife									
Ministry of									
Tourism and	08/12/2022	Recurrent	5,308,333	5,308,333		1	1	1	1
Wildlife									
Ministry of									
Tourism and	23/12/2022	Recurrent	5,308,333.30	5,308,333.30		Ī	1	ı	1
Wildlife									
Ministry of									
Tourism and	24/01/2023	Recurrent	5,308,333.30	5,308,333.30	1	ï	1	1	1
Wildlife									

rol the year chuch June 30, 2023.	aca danc on, zo	Sa Ja						
Ministry of Tourism and Wildlife	02/02/2023	Recurrent	5,308,333.30	5,308,333.30	1	,	1	1
Ministry of Tourism and Wildlife	07/03/2023	Recurrent	3,872,501	3,872,501				
Ministry of Tourism and Wildlife	08/05/2023	Recurrent	5,308,333	S. 508.52				
Ministry of Fourism and Wildlife	09/06/2023	Recurrent	5,308,534	5,308,534			,	1
Ministry of Tourism and Wildlife	03/07/2023	Recurrent	5,308,333			5,308,333	1	1
Tourism Promotion Fund Total	27/06/2023	Developmen:	43,831,296	51,647,429,911		5, 488,530		,

Tourism Research Institute

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Appendix III: Inter-Entity Confirmation Letter

Pourism Fund – Head Office Conrism Fund Building, Valley Road P.O. ROX 16987 – 00100 Noirobi-Kema

Inter-	Date   Recurrent (A)   Development (B)   Inter-   Total   June 202.3			Amounts Disbu	Amounts Disbursed by Tourism Research Institute (KShs) as at 30th June 2022	arch Institute (KS 2	hs) as at 30th	Amount Received by Fourism Fund	
31/10/2022 500,000 - 500,000 500,000 500,000 - 500,000 500,000	31/10/2022 500,000 - 500,000 - 500,000 - 500,000 - 500,000 - 500,000 - 500,000	Reference Number	Date Disbursed		Development (B)		Total (D)=(A+B+C)	(KShs) as at 30th June 2023 (E)	Difference (KShs (F)=(D-E
200,000 500,000	200,000	2304ZV8Q	31/10/2022	200,000	1		500,000	500,000	
	I confirm that the amounts shown above are correct as of the date indicated	Total				11	200,000	200,000	

. . . . 2