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REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 16 MAR 2023	DAY. Thursday
TABLED BY:	Deputy Majority Party Leader
CLERK AT THE TABLE:	Joyle Lemore He

THE AUDITOR-GENERAL

ON

**THE COMMISSION ON
ADMINISTRATIVE JUSTICE**

**FOR THE YEAR ENDED
30 JUNE, 2022**

THE COMMISSION ON ADMINISTRATIVE JUSTICE
(OFFICE OF THE OMBUDSMAN)



Hata Mnyonge ana Haki

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2022

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

The Commission on Administrative Justice
Annual Report and Financial Statements for the year ended June 30, 2022

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1. Key Entity Information and Management

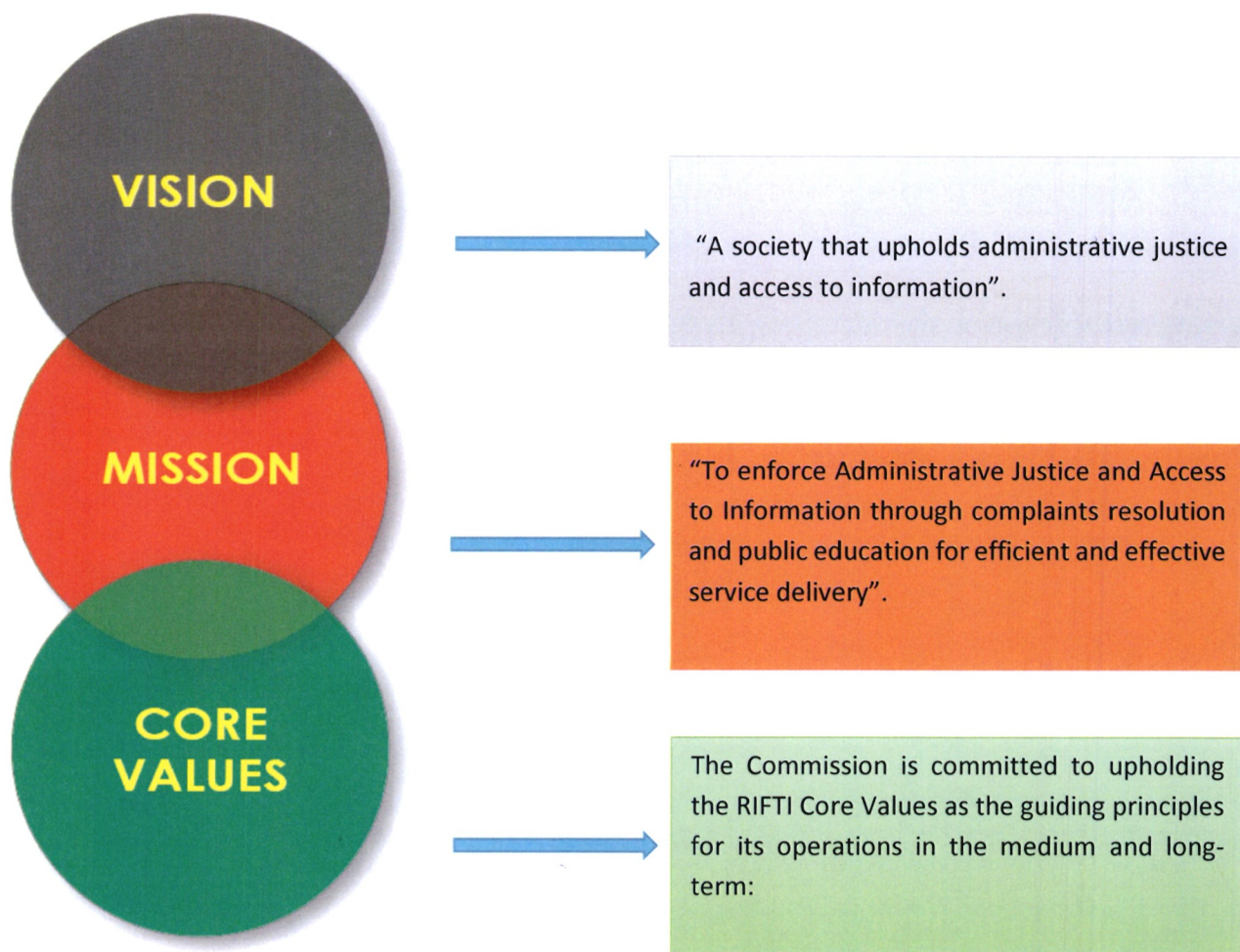
(a) Background information

The Commission on Administrative Justice (Office of the Ombudsman) is a Constitutional Commission established under Article 59(4) of the Constitution of Kenya and the Commission on Administrative Justice Act, 2011 which provides for its modus operandi, functions and powers. It has powers and privileges as stipulated under Chapter Fifteen of the Constitution.

Mandate

The mandate of the Commission is anchored on the Constitution of Kenya, the constituting Act, Access to Information Act, 2016 and the Fair Administrative Action Act. Under the establishing Act, the Commission's mandate entails addressing maladministration in the public sector. In this regard, the Commission is empowered to investigate complaints on delay, abuse of power, improper, unlawful or oppressive conduct, administrative injustice, unfair treatment, and manifest injustice or discourtesy. The second mandate is to oversee and enforce implementation of Access to Information Act, 2016, in order to safeguard and promote the right to information which is enshrined under Article 35 of the Constitution.

In executing its mandate, the Commission is guided by principles and ideals, that are articulated through its Vision, Mission and Core values, as indicated below: -



R - Responsiveness

The Commission commits itself to align its programmes to the expectations of all stakeholders and react in a timely manner to attain the highest standards in service delivery.

I - Independence

The Commission will not entertain any external interference and exercise courage in the conduct of its business in full conformity to the Act.

F - Fairness

The Commission will be impartial in its operations by treating the public and other stakeholders without any form of discrimination whatsoever.

T - Transparency

The Commission will be honest and open in the execution of its programmes and operations as an integral pillar of good corporate governance.

I - Integrity

The Commission will uphold strong moral principles in the execution of its mandate and conduct itself in a manner that meets the set ethical standards to develop and nurture an enabling culture.

Key Strategic Objectives

In the period under review, the Commission focused on four Key Result Areas (KRAs) namely: -

1. Resolution of Public Complaints;
2. Oversight and enforcement of the right to Information;
3. Public Education, Awareness and Visibility; and
4. Institutional Strengthening and Capacity Building.

Strategic Programmes

The Commission endeavoured to utilize the allocated resources prudently, by ensuring value for money, while implementing planned activities towards the realization of the following programmes:

1. Resolution of Public Complaints and determination of Access to Information Applications
2. Outreach and awareness creation on matters administrative justice and access to information;
3. Decentralization of Ombudsman services
4. Strengthening public institution's capacity to handle complaints
5. Promotion of Good Governance and the rule of Law,
6. Operationalization of Access to Information Act,2016
7. Strengthening Commission's internal capacity

Key Strategic Priorities

The Commission's key strategic priorities for the period under review were:

1. Promotion of responsiveness in the public service;
2. Strengthening of public sector capacity to handle complaints
3. Public education and awareness creation on matters of administrative justice and access to information
4. Constitutionalism and Good Governance in the conduct of state/public affairs.
5. Strengthening the capacity of the Commission on Administrative Justice to deliver its mandate.

The Commission members

The Commission which is the apex organ is comprised of three Commissioners, who are charged with the responsibility of policy direction and oversight. In the period under review, the members were as follows: -

	NAME	DESIGNATION
	Hon. Florence Kajuju, MBS	Chairperson
	Mr. Washington O. Sati, MBS	Vice Chairperson
	Mrs. Lucy Ndung'u, EBS	Access to Information Commissioner

Senior Management staff

The Commission is supported by a secretariat which is headed by the Commission Secretary who is the Chief Executive Officer. In the year under review, the senior management was comprised of:-

NO.	NAME	DESIGNATION
1.	Ms. Mercy Wambua, OGW	Commission Secretary/CEO
2.	Mr. Daniel Karomo	Director, Corporate Services
3.	Ms. Florence Mumbi	Director, Complaints Investigations & Legal Services
4.	Mr. Geoffrey Obonyo	Director, Strategy Research & Compliance
5.	Ms. Viola Ocholla	Director, Access to Information
6.	Mr. Osman Mohamed	Director, Public Education Advocacy & Communications
7.	Dr. Mary Kimari	Assistant Director, Advisory unit

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8.	Ms. Christine Omollo	Assistant Director, Human Resource & Administration
9.	Mr. Sammy Cheboi	Assistant Director, Public Education Advocacy & Communications
10.	Mr. Amos Musundi	Assistant Director, Internal Audit & Risk
11.	Mr. Benard Nyariki	Assistant Director, Finance & Accounts
12.	Ms. Damaris Mburu	Assistant Director, Supply Chain Management
13.	Ms. Flora Ngoze	Assistant Director, ICT

(b) Key Management

The Management team which is responsible for the management of day-to-day operations of the Commission, comprises of the Commission Secretary who is the Chief Executive Officer and five Directors each in charge of a directorate as indicated below;



Ms. Mercy K. Wambua, OGW

Commission Secretary/ Chief Executive Officer



Mr. Daniel M. Karomo

Director, Corporate Services



Mr. Osman Mohamed

Director, Public Education, Advocacy & Corporate Communications.



Mr. Geoffrey Obonyo

Director, Strategy, Research
& Compliance



Ms. Viola Ochola

Director, Access to Information



Ms. Florence Mumbi Kiawa

Director, Complaints,
Investigations, Legal &
Services.

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1	Accounting Officer	Ms. Mercy Wambua, OGW
2	Director, Corporate Services	Mr. Daniel M. Karomo
3	Assistant Director, Finance and Accounts	Mr. Benard Nyariki
4	Assistant Director, Human Resources	Ms. Christine Omollo

(d) Fiduciary Oversight Arrangements

The Commission has put in place various Committees through which it oversees the Secretariat. Apart from the Audit Committee which is chaired by a member who is not an employee of the Commission, the Committees are chaired by the Commissioners. These Committees include: -

1. Finance, Administration and Human Resource committee
2. Complaints, Investigations and Access to Information committee
3. Programmes and Strategy committee
4. Audit and Risk committee

The Secretariat has four Committees, that play an advisory and oversight role with regards to operations of the of the Secretariat. These Committees are: -

1. Senior Management Committee
2. Public Finance Management Committee
3. Human Resource Management and Advisory Committee
4. Occupational Health and Safety Committee

Membership to the Committees is drawn from the five departments of the Commission hence, the various skills and competencies enrich decision-making. The appointment is made by the Commission Secretary/CEO writing, as the Accounting and Authorised Officer of the Commission. The appointment letters spell out the terms of reference and individual obligations are clearly stipulated. In order to prepare members for the roles bestowed upon them, customised induction trainings are provided to newly appointed member.

Audit Committee Activities

The Commission is cognizant of the provisions under Section 73(5) of the Public Finance Management Act, 2012 which requires every national government public entity to establish an audit committee, whose composition and functions shall be as prescribed by the regulations. In this regard, the Commission has an Audit Committee in place. The Committee is charged with the responsibility to advise on risk management and ensure that the Commission upholds appropriate financial management, accounting and reporting standards.

The Committee monitors the effectiveness of the internal control systems and regularly receives reports from the internal and external auditors.

The membership of the Audit Committee for the period under review is as follows:

- | | |
|-----------------------------------|---------------|
| 1. David Mwangi Gichimu | - Chairperson |
| 2. Sarah Barasa | - Member |
| 3. John O Matagaro | - Member |
| 4. Commissioner Lucy Ndung'u, EBS | - Member |
| 5. Amos Musundi | - Secretary |

Senior Management Committee

The Committee is chaired by the Commission Secretary/CEO, and it comprises the five Head of Departments and seven heads of Divisions and Units. It makes recommendations on major decisions that have impact on the office operations. The role and functions of the Management Committee include:

1. Planning – establishing and reviewing strategic and annual operational plans for the Commission.
2. Decision making – Deliberating on key policy and administrative issues and makes decisions and/recommendations to the Commission as applicable.
3. Management – Overseeing the harmonious implementation of the annual work plans, staff supervision and compliance with the Commission's performance management system.

4. Legal – ensuring that Commission complies with the legal framework while discharging its mandate.
5. Financial – ensuring prudent management of financial resources and statutory reporting standards are adhered to.

In execution of its functions, the Management Committee may appoint sub-committees on a-need-basis.

Human Resource Management Advisory Committee Activities

The Human Resources Management Advisory Committee advises the Commission Secretary/CEO on human resource matters that touch on skills development, performance management, staff motivation and disciplinary matters among others. Membership to this Committee comprises of five directors who head the five departments. of the Commission, and the Human Resource Management and Administration Manager, who is the Secretary. The members are: -

- | | |
|-------------------------|---------------|
| 1. Mr.Daniel Karomo | - Chairperson |
| 2. Mr.Osman Mohamed | - Vice-person |
| 3. Ms. Florence Mumbi | - Member |
| 4. Ms. Viola Achola | - Member |
| 5. Mr. Geoffrey Obonyo | - Member |
| 6. Mr. Christine Omollo | - Secretary |

Parliamentary Committee activities

The Commission reports to Parliament through various house committees, Key among them Justice & Legal Affairs Committee and Public Accounts Committee.

(e) Commission Headquarters

The Head-Office of the Commission is domiciled at the West End Towers, 2nd floor along Waiyaki way in Westlands, Nairobi City County.

Commission contacts

P.O. Box 20414-00200 Nairobi, Kenya
Telephone - +254 –20-2270000/0800221349 (Toll free)
Email: info@ombudsman.go.ke (for general enquiries)

(f) Commission Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000 City Square 00200
NAIROBI, KENYA
2. Cooperative Bank of Kenya
Westlands Branch
P.O Box 66589-00800
NAIROBI, KENYA

(g) Independent Auditors

Auditor - General
Office of The Auditor General
Anniversary Towers, University Way
P.O. Box 30084 GPO 00100
NAIROBI, KENYA

(h) Principal Legal Adviser

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

2. Statement by the Commission Chairperson

The Commission on Administrative Justice (Office of the Ombudsman) is pleased to present its annual report for the Financial Year 2021/2022. The report documents the achievements and challenges alike in the period under review. This report coincides with the mid-term review of the Commission's Strategic Plan, and I am pleased to note that the achievements were encouraging despite the challenges experienced, as we implemented the work plan for the period under review.

The Commission implemented strategies articulated in its Strategic Plan for 2019-2023, that are geared towards addressing public complaints effectively, enhancing awareness creation, promoting open governance and quality service delivery of public services. These included training of Ministries, Departments, Agencies and the County Governments (MDACs), on effective complaints handling and obligations of duty bearers to facilitate access to information. In order to overcome the challenges associated with financial constraints, the Commission embraced innovation and creativity, where it leveraged on technology and provided virtual trainings for MDACs.

In order to operationalize the Access to Information Act, the Commission in collaboration with the State Department for ICT, Office of the Attorney General and other stakeholders finalized the draft Access to Information (General) Regulations in the 2021/2022 Financial Year. This will go a long way in operationalization and implementation Access to Information Act effectively.

I take this opportunity to express our gratitude for the support from the Government, development partners and stakeholders, that made it possible for the Commission to realize the key milestones in the reporting period. I affirm the Commission's commitment to promoting administrative justice and the right to information in Kenya.



HON. FLORENCE KAJUJU, MBS
CHAIRPERSON OF THE COMMISSION

3. Statement by the Commission Secretary / Accounting Officer

The financial year 2021/2022 Annual Report and Financial statements have been prepared in line with Section 81 (2) (f) of the Public Finance Management Act, 2012 which requires the Accounting Officer to submit a report to the Office of the Auditor General, not later than three months after the end of each financial year. The report provides an account of the Commission's financial performance during the fiscal year 2021/2022.

In the year under review, the Commission was allocated Kenya Shillings 624,821,608 (Six hundred twenty four million Eight hundred twenty one thousand six hundred and eight) under one Programme namely *Promotion of Administrative Justice*. The programme has three sub-programmes namely, General Administration and support services, Administrative Justice Services and Access to information services. The Commission expended Kenya shillings 592,670,212 (Five hundred ninety two million six hundred and seventy thousand two hundred and twelve) which enabled it realize notable of milestones despite the challenges encountered during the reporting period.

The Commission endeavoured to strengthen its internal controls, through the development and reviewing of various policy and procedures manuals and continued to ensure that allocated funds were utilised prudently, in compliance with the Public Finance Management Act, 2012 and the attendant 2015 regulations. Further, the Commission ensured value for money, when procuring goods and services, in line with the Public Procurement and Disposal of Assets Act and the Regulations.

I take this opportunity to reiterate my commitment as the Accounting Officer, to ensure that the resources allocated to the Commission are managed prudently, towards the fulfilment of its mandate.



MERCY K. WAMBUA, OGW

COMMISSION SECRETARY / CEO

4. Statement of Performance against Predetermined Objectives for FY2021/22

Introduction

In preparation of the financial statements of each National Government entity at the end of each financial year, the Accounting Officer is required to include a statement of the national government entity's performance against predetermined objectives, in line with Section 81 (2) (f) of the Public Finance Management Act, 2012.

In this regards, the key strategic objectives of the Commission on Administrative justice 2019-2023 plan are to:

Strengthen public service systems, processes, procedures and practices.

Strengthen complaints handling capacity in the public sector.

1. Promote disclosure of information within public and private sector.
2. Strengthen the framework on access to information.
3. Enhance awareness and understanding of the Commission's mandate
4. Strengthen the capacity of the Commission to effectively deliver on its mandate.
5. To mobilize adequate resources.

Progress on the attainment of Strategic Objectives through Performance Contracting

For purposes of implementing and cascading the above development objectives, the Commission formulated objective that were specific, measurable, achievable, realistic and time-bound (SMART). This enabled the achievement of the desired outcomes. Relevant indicators were identified, to facilitate progress monitoring and measure performance.

The table below provides the performance towards attainment of the stated objectives:

Commission's Programme	Objective	Outcome	Indicator	Performance
Promotion of Administrative Justice	To address maladministration and promote the right to access to information.	Effective public service delivery and accountability.	% of public complaints resolved and access to information applications processed	In FY 2021/22 we resolved 60% public complaints and processed 97% of applications on access to information.

5. Environmental and Sustainability Reporting

Commission on Administrative Justice (CAJ) is accountable to its stakeholders, with regard to execution of its mandate of addressing maladministration in the public sector, and enforcing the implementation of the Access to Information Act, 2016. We acknowledge our responsibility to the environment and to the local communities in which we operate.

a) Sustainability strategy and profile

The Commission embraces responsibility for corporate actions and encourages a positive impact on the environment and the stakeholders, including but not limited to our citizens, employees, partners and existing communities. The Commission actively encourages all stakeholders to recognise those responsibilities and conduct their businesses in a responsible manner, towards the society.

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

The Commission affirms that, the nature of its operations have minimal impact on the environment. However, we acknowledge that there are inevitable environmental impacts associated with our daily operations, in general. The Commission endeavours to minimize any adverse effects and has put measures in place to occupational safety and health as well as environmental standards. To this end the Commission commits to adhere to the internationally established **3 Rs**: Reduce, Re-use and Recycle.

Employee welfare.

Our success as a Commission is largely dependent on our human capital (people). We recruit, retain, reward and develop the best talent. We recognise the need to inculcate among our employees the culture of being sensitive to matters of safety, security, society and the environment. This ensures that employees act with integrity and responsibility with the people they deal with and the environment they interact with.

We train employees to value each other, provide necessary support systems for people with different needs and have a system in place that encourages acceptance of cultural diversity. Further, we have embraced, gender parity, and have given employment opportunities to people with

disability the minority groups. In this regard, the Commission has won the Dial award in two consecutive years.

c) Employee welfare

The Commission recruits its employees through an open and competitive process, and is guided by the principles of fairness. The Commission is sensitive to the gender ratio, ethnicity and the need to accommodate persons with disability. In order to continuously hone their skills, the Commission has continued to allocate resources for skills development through training and continuous professional development. Further, the Commission has put in place a staff performance management system, with a clear appraisal and reward system. In order to provide a conducive work environment for its employees, the Commission developed and implemented a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA). A comprehensive human resource management and procedures manual guides the Commission on management of its human resource.

d) Operational practices

The Commission maintains an effective supply chain management and good working relations with its suppliers. To this end, the Commission upholds ethical practices and professional business practices. Suppliers are sensitised to know their rights and obligations, to ensure that they also maintain acceptable business practices and highest standards that meet the expectations of the Commission and our stakeholders. The Commission has a robust vetting criteria, which includes back-ground checks on previous execution of contracts with other clients and compliance with the law.

6. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government 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 the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the Commission on Administrative Justice is responsible for the preparation and presentation of the Commission's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer for the Commission on Administrative 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 Commission on Administrative Justice financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer in charge of the Commission on Administrative further confirms the completeness of the accounting records maintained for the Commission, 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.

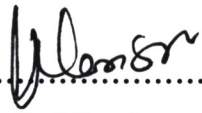
***The Commission on Administrative Justice
Annual Report and Financial Statements for the year ended June 30, 2022***

The Accounting Officer for the Commission on Administrative Justice confirms that the entity 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 entity'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.

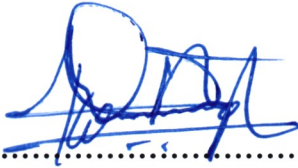
Approval of the financial statements

The Commission's financial statements were approved and signed by the Accounting Officer on

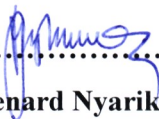
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Mercy K. Wambua, OGW
Commission Secretary/CEO


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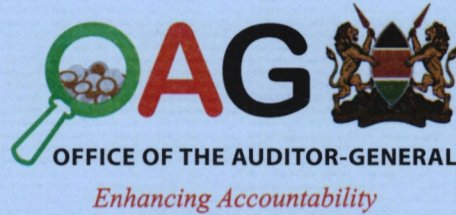
Daniel M. Karomo
Director, Corporate Services


.....

Benard Nyariki
**Assistant Director – Finance
& Accounts**
ICPAK M/No. 9143

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON THE COMMISSION ON ADMINISTRATIVE JUSTICE FOR THE YEAR ENDED 30 JUNE, 2022

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 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 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 under 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 The Commission on Administrative Justice set out on pages 1 to 21, which comprise the statement of assets

and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows, statement of comparison of budget and actual amounts and summary statements of appropriation – recurrent 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 The Commission on Administrative Justice as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Commission of Administrative Justice Act, 2011.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of The Commission on Administrative Justice 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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

Pending Bills

Annex 1 to the financial statements indicates that the Commission had pending bills totalling Kshs.5,533,492 as at 30 June, 2022, which were not settled in 2021/2022 but were instead carried forward to the 2022/2023 financial year.

Failure to settle bills during the year to which they relate, adversely affects the budgetary provisions of the subsequent year to which they are charged.

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 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, 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 processes and systems of internal controls, risk management and 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 (Cash Basis) and for maintaining effective internal control 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.

In preparing the financial statements, Management is responsible for assessing the Commission's 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 Commission or to cease operations.

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

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

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

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

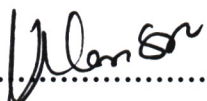
Nairobi

01 February, 2023


9. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED JUNE 30, 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Exchequer Releases	1	610,634,094	464,880,613
Other Receipts		-	-
Total Receipts		610,634,094	464,880,613
Payments			
Compensation Of Employees	2	331,845,293	299,473,383
Use Of Goods and Services	3	177,376,329	111,362,392
Transfers to the staff Mortgage and car loan fund	4	32,000,000	32,000,000
Social Security Benefits	5	11,970,014	11,241,010
Acquisition of Assets	6	39,478,576	4,159,205
Total Payments		592,670,212	458,235,990
Surplus/Deficit		17,963,882	6,644,623

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/09/ 2022 and signed by:


.....

Mercy K. Wambua, OGW
Commission Secretary/CEO


.....

Daniel M. Karomo
Director, Corporate Services


.....

Benard Nyariki
Assistant Director – Finance & Accounts
ICPAK M/No. 9143

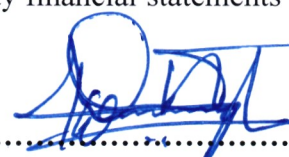
10. STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial assets			
Cash and cash equivalents			
Bank balances	7A	19,127,911	7,798,552
Cash balances	7B	423,335	183,657
Total cash and cash equivalent		19,551,246	7,982,209
Imprests and advances	8	-	-
Total financial assets		-	-
Financial liabilities			
Third party deposits and retention	9	(1,403,707)	(1,195,745)
Net financial assets		18,147,539	6,786,464
Represented by			
Fund balance b/fwd.	10	6,786,464	3,358,743
Prior year adjustment	11	(6,602,807)	(3,216,902)
Surplus for the year		17,963,882	6,644,623
Net financial position		18,147,539	6,786,464

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 31/09/2022 and signed by:

.....


Mercy K. Wambua, OGW
Commission Secretary/CEO

.....


Daniel M. Karomo
Director, Corporate Services


.....


Benard Nyariki
Assistant Director – Finance & Accounts
ICPAK M/No. 9143

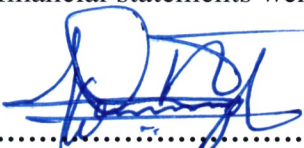
11. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2022

Description	Notes	2021-2022	2020 -2021
		Kshs	Kshs
Receipts for Operating Income			
Exchequer releases	1	610,634,094	464,880,613
Other receipts		-	-
Payments For Operating Expenses			
Compensation of employees	2	331,845,293	299,473,383
Use of goods and services	3	177,376,329	111,362,392
Social security benefits	5	11,970,014	11,241,010
Adjusted For:			
Adjustments during the year			
Decrease/(Increase) in accounts receivable		-	23,445
Increase/(Decrease) in deposits and retention		207,962	(99,760,425)
Prior year adjustments	11	(6,602,807)	(3,216,902)
Net Cash Flow from Operating Activities		83,047,613	(60,150,055)
Cash flow From Investing Activities			
Transfers to staff Mortgage and car loan fund	4	(32,000,000)	(32,000,000)
Acquisition of assets	6	(39,478,576)	(4,159,205)
Net Cash Flows from Investing Activities		(71,478,576)	(36,159,205)
Net increase in cash and cash equivalents		11,569,037	(96,309,260)
Cash & Cash Equivalent at Start of The Year		7,982,209	104,291,469
Cash & Cash Equivalent at End of The Year		19,551,246	7,982,209

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/09/2022 and signed by:

.....


Mercy K. Wambua, OGW
Commission Secretary/CEO

.....


Daniel M. Karomo
Director, Corporate Services

.....




Benard Nyariki
Assistant Director – Finance & Accounts
ICPAK M/No. 9143

*The Commission on Administrative Justice
Annual Report and Financial Statements for the year ended June 30, 2022*

12. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
Exchequer releases	614,821,608	10,000,000	624,821,608	610,634,094	14,187,514	98%
Other receipts	-	-	-	-	-	-
Total Receipts	614,821,608	10,000,000	624,821,608	610,634,094	14,187,514	98%
Payments						
Compensation of employees	364,100,000	(30,000,000)	334,100,000	331,845,293	2,254,707	99%
Use of goods and services	166,409,999	39,000,000	205,409,999	177,376,329	28,033,670	86%
Transfers to the staff Mortgage and car loan fund	32,000,000	-	32,000,000	32,000,000	-	100%
Social security benefits	12,000,000	-	12,000,000	11,970,014	29,986	99%
Acquisition of assets	40,311,609	1,000,000	41,311,609	39,478,576	1,833,033	96%
Total Payments	614,821,608	10,000,000	624,821,608	592,670,212	32,151,396	95%
Surplus/ Deficit				17,963,882		

Note: Underutilization of 14% in use of goods and services was due to late approval of supplementary II budget by The National Treasury.

The Commission's financial statements were approved on  2022 and signed by 

Mercy K. Wambua, OGW

Daniel M. Karomo

Benard Nyariki

Commission Secretary/CEO

Director, Corporate Services

Assistant Director – Finance & Accounts

ICPAK M/No. 9143

*The Commission on Administrative Justice
Annual Report and Financial Statements for the year ended June 30, 2022*

11 (a) Summary Statement of Appropriation: Recurrent for FY2021/22

Receipt/Expense Item	Original Budget A	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Receipts						
Exchequer releases	614,821,608	10,000,000	624,821,608	610,634,094	14,187,514	98%
Other receipts	-	-	-	-	-	-
Total Receipts	614,821,608	10,000,000	624,821,608	610,634,094	14,187,514	98%
Payments						
Compensation of employees	364,100,000	(30,000,000)	334,100,000	331,845,293	2,254,707	99%
Use of goods and services	166,409,999	39,000,000	205,409,999	177,376,329	28,033,670	86%
Transfers to the staff Mortgage and car loan fund	32,000,000	-	32,000,000	32,000,000	-	100%
Social security benefits	12,000,000	-	12,000,000	11,970,014	29,986	99%
Acquisition of assets	40,311,609	1,000,000	41,311,609	39,478,576	1,833,033	96%
Total Payments	614,821,608	10,000,000	624,821,608	592,670,212	32,151,396	95%
Surplus/ Deficit				17,963,882		

The Commission's financial statements were approved on 30/06/22 2022 and signed by:

.....
Mercy K. Wambua, OGW

Commission Secretary/CEO

.....
Daniel M. Karomo

Director, Corporate Services

.....
Benard Nyariki

Assistant Director – Finance & Accounts

ICPAK M/No. 9143

The Commission on Administrative Justice
Annual Report and Financial Statements for the year ended June 30, 2022

11 (b) Budget Execution by Programmes and Sub-Programmes for FY2021/22

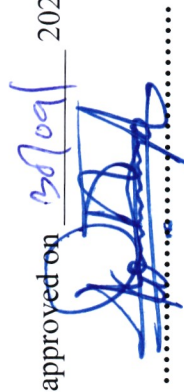
Programme/Sub-programme	Original Budget 2021/22FY Kshs	Adjustments 2021/22FY Kshs	Final Budget 2021/22FY Kshs	Actual on comparable basis 2021/22FY Kshs	Budget utilization difference 2021/22FY Kshs
Programme: <i>Promotion of Administrative Justice</i>					
General Administration and support services	469,377,610	5,000,000	474,377,610	449,561,075	24,816,535
Administrative Justice services	125,229,454	-	125,229,454	122,376,525	2,852,929
Access to information services	20,214,544	5,000,000	25,214,544	20,732,612	4,481,932
Total	614,821,608	10,000,000	624,821,608	592,670,212	32,151,396

This statement is a disclosure statement indicating the utilisation in the same format at the Commission's budgets which are programme based.

The Commission's financial statements were approved on 30/09/2022 and signed by:



Mercy K. Wambua, OGW
 Commission Secretary/CEO



Daniel M. Karomo
 Director, Corporate Services



Benard Nyariki
 Assistant Director – Finance & Accounts
 ICPAK M/No. 9143

13. NOTES TO THE FINANCIAL STATEMENTS

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. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

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. Reporting Entity

The financial statements are for the Commission on Administrative Justice and encompass the reporting entity as specified under Section 81 of the PFM Act 2012. The Commission did not have any development projects during the reporting period.

3. 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

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the Commission on Administrative Justice for all the years presented.

a) Recognition of Receipts

The Commission recognises all receipts from the various sources when the event occurs, and the related cash has been received by the Commission.

(i) Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the Commission.

(ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the Commission. In case of grants/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2022, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Significant Accounting Policies (Continued)

(iii) Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Commission recognises all payments when the event occurs, and the related cash has been paid out by the Commission.

i) Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

ii) Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

iii) Interest on Borrowing

Borrowing costs that include interest are recognized as payment in the period in which they are paid for.

iv) Principal on borrowing

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

v) Acquisition of Fixed Assets

The payment on acquisition of property, plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal

consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as a receipt and as a payment.

A fixed asset register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as an annexure 2 to the financial statements.

vi) In-kind contributions

In-kind contributions are donations that are made to the Commission in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Commission includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

vii) Third Party Payments

Included in the receipts and payments, are payments made on its behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings.

c) Cash and Cash Equivalents

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

A bank account register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as an annexure 3 to the financial statements.

Restriction on Cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2022, this amounted to Kshs 1,403,707 compared to Kshs 1,195,745 in prior period as indicated on note 9. There were no other restrictions on cash during the year.

d) Imprests and advances

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or Authority to Incur Expenditure (AIE) holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

e) Third party deposits and retention

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies.

Other liabilities including pending bills are disclosed in the financial statements.

f) Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of

cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

g) Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2021 for the period 1st July 2021 to 30th June 2022 as required by Law and there were two supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

h) Comparative Figures

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

i) Subsequent Events

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

j) Prior Period Adjustment

During the year, errors that have been corrected are disclosed under note 10 explaining the nature and amounts.

k) Related Party Transactions

Related party means parties are related if one party has the ability to:

- a) Control the other party or

- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

l) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, The Commission does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. The Commission did not have any contingent liabilities during the reporting period.

Notes to the Financial Statements

1 -Exchequer releases

Description	2021-2022	2020-2021
	Kshs	Kshs
Total Exchequer releases for quarter 1	143,452,346	84,526,693
Total Exchequer releases for quarter 2	102,697,637	155,812,214
Total Exchequer releases for quarter 3	175,473,533	114,888,525
Total Exchequer releases for quarter 4	189,010,578	109,653,181
Total	610,634,094	464,880,613

During the reporting period, the Commission ought to have received Exchequer Issues of Ksh. 624,821,608, as per the budgetary allocation. however the Commission received Ksh. 610,634,094 only falling short by Ksh. 14,187,514 during the financial year.

2 -Compensation to Employees

Description	2021-2022	2020-2021
	Kshs.	Kshs.
Basic salaries of permanent employees	227,989,415	202,392,101
Basic wages of temporary employees	10,031,457	8,337,971
Personal allowances paid as part of salary	53,370,499	55,684,687
Employer contributions to compulsory national social security schemes	40,453,922	33,058,624
Total	331,845,293	299,473,383

Notes to the Financial Statements (Continued)

3- Use of Goods and Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	1,461,106	1,662,970
Communication, supplies and services	7,907,662	9,371,656
Domestic travel and subsistence	32,845,727	11,706,755
Foreign travel and subsistence	18,875,322	167,021
Printing, advertising and information supplies & services	2,549,950	1,427,904
Rentals of produced assets	48,341,941	45,186,707
Training expenses	3,720,376	971,465
Hospitality supplies and services	13,090,777	6,520,893
Insurance costs	21,865,286	19,831,014
Specialized materials and services	820,461	763,434
Office and general supplies and services	7,402,484	2,230,338
Fuel Oil and Lubricants	5,336,360	1,388,000
Other operating expenses	5,790,041	5,135,627
Routine maintenance – vehicles and other transport equipment	5,562,025	3,192,750
Routine maintenance – other assets	1,806,811	1,805,858
Total	177,376,329	111,362,392

4- Other Transfers

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to Funds		
CAJ Staff Mortgage and Car loan fund	32,000,000	32,000,000
Total	32,000,000	32,000,000

Transfers to the fund relate to the scheme for staff mortgage and car loans. The funds for this purpose are deposited with Cooperative Bank of Kenya, Westland branch who are the fund managers for the Commission's staff Mortgage and Car loan scheme.

Notes to the Financial Statements (Continued)

5- Social Security Benefits

	2021-2022	2020-2021
	Kshs	Kshs
Government pension and retirement benefits	11,970,014	11,241,010
Total	11,970,014	11,241,010

Social security benefits relate to provisions for contractual staff gratuity. The gratuity provision is contributed to BRITAM Company limited who is the Commission's pension fund manager.

6- Acquisition of Assets

Non -Financial Assets	2021-2022	2020-2021
	Kshs	Kshs
Refurbishment of Buildings	4,950,281	3,455,633
Purchase of Vehicles and other Transport Equipment	30,000,000	-
Purchase of Office Furniture and General Equipment	4,528,295	703,572
Total	39,478,576	4,159,205

Cash and Bank Accounts

7A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit etc.	Exchange rate (if in foreign currency)	2021-2022	2020-2021
				Kshs	Kshs
Central Bank of Kenya, Account No. 1000181524	KES	Recurrent	N/A	17,724,204	6,602,807
Central Bank of Kenya, Account No. 1000182377	KES	Deposit	N/A	1,403,707	1,195,745
Total				19,127,911	7,798,552

7B: Cash on hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Cash in hand – Held in domestic currency	423,335	183,657
Cash in hand – Held in foreign currency	-	-
Total	423,335	183,657

Detailed Cash is as follows:

Description	2021-2022	2020-2021
	Kshs	Kshs
Location 1 – Head office, West End Towers	423,335	183,657
Total	423,335	183,657

8- Imprests and Advances

<i>Description</i>	2021-2022	2020-2021
	Kshs	Kshs
Government Imprests	-	-
Salary advances	-	-
Total	-	-

9-Third party deposits and retention

Description	2021-2022	2020-2021
	Kshs	Kshs
Retention	-	-
Deposits	1,403,707	1,195,745
Total	1,403,707	1,195,745

10- Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Accounts	7,798,552	103,723,074
Cash in hand	183,657	568,396
Accounts Receivables	-	23,445
Accounts Payables	(1,195,745)	(100,956,172)
Total	6,786,464	3,358,743

These are the fund balances that were brought forward from the 2020/2021 financial year. The recurrent account bank balances were however taken back by exchequer as shown in note 11 below.

11- Prior Year Adjustments

	Balance b/f FY 2020/2021 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Bank Account Balances	7,798,552	(6,602,807)	1,195,745
Cash In Hand	183,657	-	183,657
Accounts Payables	(1,195,745)	-	(1,195,745)
Receivables	-	-	-
Others (<i>Specify</i>)	-	-	-
	6,786,464	(6,602,807)	183,657

The prior year adjustment relates to recurrent bank account balances that were swept back to exchequer at the beginning of the financial year amounting to Ksh. 6,602,807. This adjustment affects the statement of Assets and Liabilities as it results to reduction of fund balances brought forward.

12- (Increase)/ Decrease in Advances and Imprests

Description	2021-2022	2020-2021
	Kshs	Kshs
Receivables As At 1 st July (A)	-	-
Receivables As At 30 th June (B)	-	-
(Increase)/ Decrease in Receivables (C=(B-A))	-	-

13- Increase/ (Decrease) in Retention and Third-Party Deposits

Description	2021-2022	2020-2021
	Kshs	Kshs
Payables As At 1 st July	1,195,745	100,956,172
Payables As At 30 th June	1,403,707	1,195,745
Increase/ (Decrease) In Payables	207,962	(99,760,427)

14- Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the Commission.

- i) Key management personnel that include the Cabinet Secretaries and Accounting Officers
- ii) Other Ministries Departments and Agencies and Development Projects;
- iii) County Governments; and
- iv) State Corporations and Semi-Autonomous Government Agencies

Other Important Disclosures

15.1: Pending Accounts Payable (See Annex 1)

	Balance b/f FY 2020/2021	Additions for the period	Paid during the year	Balance c/f FY 2021/2022
Description	Kshs	Kshs	Kshs	Kshs
Construction of Buildings	-	-	-	-
Construction of Civil Works	-	-	-	-
Supply of Goods	-	297,200	-	297,200
Supply of Services	2,545,903	5,236,292	2,545,903	5,236,292
Total	2,545,903	5,533,492	2,545,903	5,533,492

14. PROGRESS ON FOLLOW UP OF PRIOR YEARS AUDITOR-GENERAL'S RECOMMENDATIONS

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

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)

Note:

The Commission got an unqualified (clean) audit opinion and therefore no major audit observations for the prior year.



Mercy K. Wambua, OGW
Commission Secretary/CEO



Daniel M. Karomo
Director, Corporate Services

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17. Annexes

Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
	A	B	c	d=a-c		
Supply of goods						
1. Fast Choice Ltd	280,000		-	280,000	-	
2. Leaky Ventures	17,200		-	17,200	-	
Sub-Total	297,200		-	297,200	-	
Supply of services						
3. Postal corporation of Kenya	2,180,000		1,061,740	2,859,351	1,079,965	Running service contract
4. Oxspear Consultants Ltd	789,450		473,650	315,800	-	
5. Fly Beyond Africa	1,139,005		678,000	461,005	-	
6. Premier Safaris	48,840		44,140	4,700	-	
7. Worldmate Travel & Tours Company	111,000		-	111,000	-	
8. The monarch Insurance	1,122,196		430,000	692,196	-	
9. Kenyatta International Convention Centre	792,240		-	792,240	-	
Sub-Total				5,236,292	-	
Grand Total				5,533,492		

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Annex 2 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) 2021/22
Buildings and structures	3,047,591	4,950,281	-	-	7,997,872
Transport equipment	60,938,934	30,000,000	-	-	90,938,934
Office furniture and general equipment	39,694,433	4,528,295	-	-	44,222,728
Machinery and Equipment	6,518,633	-	-	-	6,518,633
Total	110,199,591	39,478,576	-	-	149,678,167

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Annex 3 – List of SCs, Sagas and Public Funds Under the Commission

Ref	SC, SAGA or Public Fund's name	Principal activity of entity	Accounting Officer	Amount transferred during the year	Inter- entity reconciliations done? (yes/no)
1	CAJ Mortgage and Car loan fund	Staff Mortgage and Car loaning	Commission Secretary/CEO	32,000,000	Yes

Annex 4- Reports Generated from IFMIS

- i. GOK IFMIS Comparison Trial Balance
- ii. FO30 (Bank reconciliations) for all bank accounts
- iii. GOK IFMIS Receipts and Payments Statement
- iv. GOK IFMIS Statement of Financial Position
- v. GOK IFMIS Statement of Cash Flows
- vi. GOK IFMIS Notes to the Financial Statements
- vii. GOK IFMIS Statement of Budget Execution
- viii. GOK IFMIS Statement of Deposits
- ix. GOK IFMIS Budget Execution by Programme and Economic Classification
- x. GOK IFMIS Budget Execution by Heads and Programmes
- xi. GOK IFMIS Budget Execution by Programmes and Sub-programmes