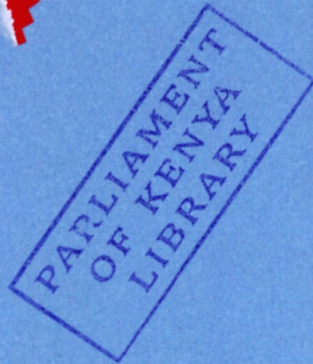


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*



THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT: 05 DEC 2024	DAY: Thursday
TABLED BY: Hon. Kimani Ichung'wa (Leader of the Majority Party)	
OF KAG-TABLE:	Anastacia

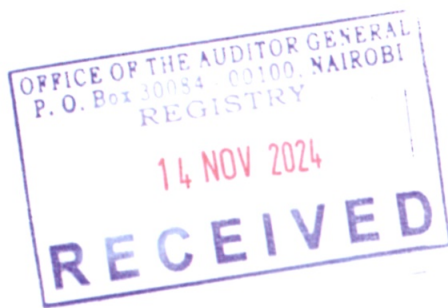
**THE AUDITOR-GENERAL**

**ON**

**PROGRAMME FOR LEGAL EMPOWERMENT  
AND AID DELIVERY (PROJECT CREDIT  
NUMBER KE/FED/2018/397-591)**

**FOR THE YEAR ENDED  
30 JUNE, 2024**

**OFFICE OF THE ATTORNEY GENERAL  
AND DEPARTMENT OF JUSTICE**



**PROJECT NAME: PROGRAMME FOR LEGAL EMPOWERMENT AND AID DELIVERY  
(PLEAD)**

**IMPLEMENTING ENTITY: OFFICE OF THE ATTORNEY GENERAL AND DEPARTMENT OF  
JUSTICE**

**PROJECT GRANT/CREDIT NUMBER: KE/FED/2018/397-591**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2024**

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**PREPARED IN ACCORDANCE WITH THE CASH BASIS OF ACCOUNTING METHOD UNDER  
THE INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)**

*Programme for Legal Empowerment and Aid Delivery (PLEAD)*  
*Reports and Financial Statements*  
*For the financial year ended 30<sup>th</sup> June, 2024*

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**1. ACRONYMS AND GLOSSARY OF TERMS**

ADR	Alternative Dispute Resolution
AJS	Alternative Justice System
CUCs	Court Users Committees
EU	European Union
FY	Financial Year
GoK	Government of Kenya
ICT	Information Communication Technologies
KCS	Kenya Charity Sweepstake House
NALEAP	National Legal Aid and Awareness Programme
NaSCI -AJS	National Steering Committee on Alternative Justice Systems
NLAS	National Legal Aid Services
OAG&DOJ	Office of the Attorney General and Department of Justice
PLEAD	Programme for Legal Empowerment and Aid Delivery
SDA	Special Deposit Account
SDG	Sustainable Development
SMART	specific, measurable, achievable, realistic and timebound Goals

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## 2. PROJECT INFORMATION AND OVERALL PERFORMANCE

### 2.1 Name and registered office

#### **Name**

The project's official name is Programme for Legal Empowerment and Aid Delivery (PLEAD). The registered Office is Kenya Charity Sweepstake House (KCS), 10<sup>th</sup> Floor, Mama Ngina Street, Nairobi.

#### **Objective**

The key objective of the project is, "to enhance the rule of law as an effective means to address insecurity, conflicts and socio-economic grievances in Kenya".

The specific objective of PLEAD is to develop an integrated approach at the central and local levels aimed at equality of all before the law, through improved access to and the expeditious delivery of justice, particularly in high-risk counties.

#### **Address**

The project headquarters are in Kenya Charity Sweepstake (K.C.S) House, 10<sup>th</sup> Floor, Mama Ngina Street, Nairobi City County, Kenya.

The address of its registered office is: 45597-00100 Nairobi.

The project has no branch offices.

#### **Contacts:**

The following are the project contacts

Telephone: (020) 2215627

E-mail: pleadnlas@gmail.com : nlas@ag.go.ke

Website: <https://statelaw.go.ke/departments/national-legal-aid-service/>  
[www.nlas.go.ke](http://www.nlas.go.ke)

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**Project information and overall performance (continued)**

**2.2 Project Information**

<b>Project Start Date:</b>	The project start date is 1 <sup>st</sup> April 2020
<b>Project End Date:</b>	The project implementation period ends 31 <sup>st</sup> July 2024 and closure ends on 31 <sup>st</sup> March 2025.
<b>Project Manager:</b>	The project manager is Mr. Orison Chaponda.
<b>Project Sponsor:</b>	The project sponsor is European Union

**2.3 Project Overview**

Line Ministry/State Department of the project	The project is under the supervision of the Office of the Attorney General and Department of Justice
Finance agreement Number	KE/FED/037-676- funded under project estimate number KE/FED/2018/397-591
Strategic goals of the project	The strategic goal of the project is as follows: <b>Access to legal aid and assistance is enhanced, especially for the poor and vulnerable.</b>
Achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Access to legal aid, particularly in the marginalized and high-risk counties is improved (ii) Effectiveness of legal aid enhanced (iii) Kenyans are aware of their legal rights and how to access them (iv) Operationalization of NLAS under the Legal Aid Act of 2016 supported (v) Efficiency and effectiveness of ADR improved
Other important background information of the project	PLEAD has four interlinked and mutually supportive outcomes implemented through the following modalities: Direct management (procurement of services); Indirect management with International Organisations (Delegation agreements with UNDP and UNODC respectively) and Indirect management with the Republic of Kenya (Programme Estimate)
Current situation that the project was formed to intervene is on access to legal aid.	The project was formed to intervene in the following area: Support to the <b>Department of Justice (DoJ) and the National Legal Aid Service (NLAS)</b> to ensure implementation of the Legal Aid Act of

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	2016 and the regulatory framework on legal aid.
Project duration	The project implementation period ends 31 <sup>st</sup> July 2024 and closure ends on 31 <sup>st</sup> March 2025.

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**PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)**  
**Project Information and Overall Performance (Continued)**

**2.4 Bankers**

The following are the bankers for the current year:

- (i) National Bank of Kenya, Harambee Avenue Branch.

**2.5 Auditors**

The project is audited by Office of the Auditor General.

**2.6 Roles and Responsibilities**

<b>Names</b>	<b>Title designation</b>	<b>Key qualification</b>	<b>Responsibilities</b>	<b>Contact</b>
Mr. Orison Chaponda	Team Leader	Masters Degree, Business Administration, Integrated Results-Based Management	To offer technical advice for the implementation of the project	<a href="mailto:orisonc@yahoo.com">orisonc@yahoo.com</a>
Mr. Samuel Mugambi	Imprest Administrator	Bachelors in Finance.	Project Implementation	<a href="mailto:samuel.mugambi@ag.go.ke">samuel.mugambi@ag.go.ke</a>
Ms. Fresiah Githumbi	Ag, Chief Executive Officer, Imprest Accounting Officer	Bachelors of Law, certified mediator and arbitrator.	Project Implementation and Beneficiary	<a href="mailto:fresiah.githumbi@nlas.go.ke">fresiah.githumbi@nlas.go.ke</a>
Mr. John Kogo	Alternate Imprest Administrator	Bachelors in Business Management option in finance and banking	Project Implementation	<a href="mailto:jkkogo@gmail.com">jkkogo@gmail.com</a>
Mr. George Arrum	Alternate Imprest Accounting Officer	CPA-K	Project Finance Management	<a href="mailto:georgearrum2014@gmail.com">georgearrum2014@gmail.com</a>

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**2.7 Funding summary**

The Project is for duration of five (5) years from 2020 to 2025 with an approved budget of Euro 2,600,000 equivalent to KShs. 289,380,780 as highlighted in the table below:

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**PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)**

Below is the funding summary:

**A. Source of Funds**

Source of funds	Donor Commitment		Amount received to date – (30 June 2024)		Undrawn balance to date	
	EUR	Kshs	EUR	Kshs	EUR	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
<b>(i) Grant</b>						
European Union	2,600,000.00	289,380,780	1,026,482	115,422,960	1,573,518	173,957,820
<b>(ii) Counterpart funds</b>						
Government of Kenya	-	-				
<b>Total</b>	<b>2,600,000.00</b>	<b>289,380,780</b>	<b>1,026,482</b>	<b>115,422,960</b>	<b>1,573,518</b>	<b>173,957,820</b>

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**PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)**

**B. Application of Funds**

Application of funds	Amount received to date – (30 <sup>th</sup> June 2024)		Cumulative amount paid to date – (30 <sup>th</sup> June 2023)		Unutilised balance to date	
	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>
	<i>EUR</i>		<i>EUR</i>		<i>EUR</i>	
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
<b>(i) Grant</b>						
European Union	1,026,482	115,422,960	390,696.30	118,426,899	635,785.70	-3,003,939
<b>(ii) Counterpart funds</b>						
Government of Kenya	-	4,000,000	-	0.00	-	4,000,000
<b>Total</b>	1,026,482	119,422,960	390,696.30	118,426,899	635,785.7	996,061
The over utilization was funded by borrowed by government which is due for refund while motor vehicles for Kshs.81,499,940 was directly id by the Donor						



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**PROJECT INFORMATION AND OVERALL PERFORMANCE (Continued)**

**2.8 Summary of Overall Project Performance:**

i) During the period under review, the PLEAD programme recorded an absorption of Kshs 119,422,960/=which translates to an absorption rate of 55%.

ii) *Physical progress based on outputs, outcomes, and impacts*

The project implemented various activities outlined in the Programme Estimate. The team conducted feasibility studies and identified seven office locations in Marsabit, Isiolo, Wajir, Mandera, Lamu, Tana River, Garissa and Counties. The project supported the equipping of NLAS offices through procurement of furniture, office equipment, ICT equipment, office supplies, set up ICT infrastructure, procurement of twelve (12) motor vehicles, purchased a speed boat and partitioned the Nairobi office. The project supported NLAS to set up operational structures and execute its legal mandate.

Court Users Committees are forums that bring together actors in the justice sector as well as users in the justice system to address problems within the sector by all agencies and stakeholders concerned. The project facilitated the training of members of Court Users Committees in the 12 focal counties. The legal aid trainings are vital in ensuring the provision of high-quality, consistent, and ethical legal aid services. The trainings have contributed to capacity building, promoted collaboration and raised public awareness about legal rights and services.

An ICT consultant was engaged to support the efficient and effective implementation of the activities geared towards advancement of legal aid services. The consultant supported the evaluation of ICT-related tenders as an independent expert and supervised the implementation of ICT related contracts after award. These contracts included supervising the development of the National Legal Aid Service website and mobile application and ICT Policy system. The Consultant also developed an ICT Policy for NLAS. This improved efficiency in service delivery, access to information and expeditious delivery of justice.

The project also supported the development of a website and mobile phone application that will be used to deliver legal aid information as requested by the client. The website and mobile application will be used to link indigent persons with legal aid providers, provide information on legal aid services and provide links to stakeholders in the justice system such as the Judiciary, National Police Service, Kenya Prisons Service among many others. The mobile application has been linked to the website and is available at no cost to the public. Digitization of NLAS Services through the use of the website and mobile phone application will speed up case resolution, enhance access to legal information and reduce backlog of cases. The website is available at [www.nlas.go.ke](http://www.nlas.go.ke) and the NLAS mobile phone application has been published on Google Play Store and is available on <https://play.google.com/store/apps/details?id=ke.com.nlasmobile.android>

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Community members in remote areas of the focal counties rarely have the opportunity to access legal aid services in any form. Mobile legal aid clinics therefore aim to offer free legal aid services to those in remote or harsh areas. NLAS developed Standard Operating procedures to guide the implementation of mobile legal aid clinics. NLAS conducted legal aid clinics in nine (9) counties; Kisumu, Mandera, Marsabit, Garissa, Isiolo, Tana River, Mombasa, Uasin Gishu and Lamu. The mode of delivery of legal aid services that were used during the clinics included: Legal awareness through community sensitization meetings and the media, Alternative Dispute Resolution (ADR) or Alternative Justice System (AJS) in line with the AJS policy, Psychosocial support, Legal advice and assistance, Legal representation and capacity building on legal rights. The clinics have been essential in ensuring equal access to justice and legal services for all members of society, regardless of their geographical location, economic status, or other barriers they may face. By bringing legal assistance directly to communities, NLAS through the clinics has promoted fairness, equity, and the protection of rights for those who may otherwise be left behind.

To enhance access to information, the project supported the production and dissemination of the simplified version of the Legal Aid Act in English, Kiswahili, Braille and Kenyan Sign language. Simplifying the Legal Aid Act into various versions addresses language barrier which has been identified as an impediment to access to justice by the indigent, marginalized and vulnerable members of the community.

NLAS has the mandate to promote and supervise the establishment of legal aid working groups in universities and other institutions. The project has supported NLAS to establish legal aid working groups in Kisumu and Mombasa Counties in order to raise awareness of the necessity and availability of legal aid services. The working groups have established common standards for legal aid activities, modalities and processes. This has enhanced and strengthened partnership amongst legal aid providers in the respective counties. The working groups have also been instrumental in coordinating legal aid providers under the leadership of NLAS, creation of awareness and strengthening the referral system and overall improving access to justice.

NLAS is a successor to The National Legal Aid and Awareness Programme (NALEAP). To ensure stakeholders and beneficiaries recognize NLAS as the primary state supported agency for legal aid, the project supported the rebranding of NLAS through registration of a new logo, development of IEC materials such as notebooks, calendars, pens, diaries, folders banners among others. This enhanced visibility and creation of awareness about NLAS.

Many advocates are not sufficiently motivated to represent indigent persons on a pro bono basis. To address this, the project supported NLAS in developing pro bono and internship schemes designed to incentivize legal aid providers to take on pro bono cases. These incentives include recognition, the provision of certificates, and other forms of acknowledgment. As a result, access to justice through legal representation has been enhanced. Additionally, the project has facilitated the recruitment of 13 interns who will help address NLAS's capacity needs.

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One of the key modes of service delivery employed by NLAS is the use of Alternative Dispute Resolution (ADR) mechanisms, which fall under the broader concept of Alternative Justice Systems (AJS). To ensure effective implementation and buy-in from management, the NLAS Board received training on AJS. Following this, NLAS staff were also trained to educate community members in Lamu and Nakuru about AJS. These training sessions equipped NLAS staff with the skills to implement AJS policies effectively, promote alternative dispute resolution methods, and assist individuals in resolving disputes outside of the court system. As a result of incorporating AJS policies into its service delivery, NLAS has enhanced the efficiency and effectiveness of its ADR processes, further advancing its core mandate of promoting access to justice and social justice.

NLAS has the mandate to establish a national legal aid scheme that is affordable, accessible, sustainable, credible and accountable. One of the core responsibilities of NLAS is to coordinate, monitor and evaluate legal aid service providers and give general directions for the proper implementation of legal aid programmes. To achieve its mandate, it is vital to map legal aid providers in the 12 focal counties to enable NLAS to identify stakeholders in order to enhance planning, coordination, collaboration, networking, information sharing and synergy to avoid duplication of roles. The project engaged a mapping consultant to identify, map and produce a database of legal aid providers in the 12 focal counties. The database has been instrumental to NLAS in monitoring activities of legal aid providers and conducting continuous collection and analysis on information on legal aid services which has improved the efficiency of legal aid.

NLAS, in partnership with the Paralegal Society of Kenya, has significantly advanced legal aid by training paralegals across multiple counties, including Isiolo, Nairobi, Garissa, Marsabit, Nakuru, and Kisumu. This training covered essential skills such as legal procedures, case management, and communication, with a strong emphasis on ethical conduct. As a result, paralegals are now better equipped to assist the indigent, vulnerable and marginalized members of the society, enhancing their ability to advocate for clients and navigate the legal system. This activity has improved the effectiveness of legal aid services.

The core mandate of NLAS is to administer a national legal aid scheme, ensuring affordability, accessibility, sustainability, credibility, and accountability for indigent individuals seeking legal assistance. This encompasses various forms of support, including legal advice, representation, dispute resolution, and advocacy for law reform, all aimed at enhancing access to justice for low-income individuals. The Act envisions legal aid provision by various entities, including advocates under pro bono programs, paralegals, law firms, and accredited government agencies. Additionally, it establishes the legal aid fund to finance expenses such as staff salaries, maintenance, and training, with accredited providers entitled to reimbursement for their duties. The project has actively supported the development of regulations for the legal aid fund by a consultant. NLAS has conducted five (5) stakeholder workshops in Nairobi, Kisumu, Mombasa, Nakuru and Uasin Gishu Counties to collect

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views from the public. These regulations will enhance accountability and transparency by providing clear guidelines on fund utilization, ensuring resources are allocated efficiently for legal aid services.

The project has supported NLAS in developing a draft Strategic Plan for 2023-2028. This plan provides a clear roadmap for enhancing legal aid services over the next five years. To ensure the plan's effectiveness, a consultant was hired to lead its development. Additionally, stakeholder consultation workshops were conducted to gather public input, making sure the plan addresses community needs. With this strategic plan, NLAS aims to improve service delivery, allocate resources more effectively, and strengthen overall legal aid operations.

The project engaged a communications consultant to develop a comprehensive strategy, resulting in key outputs such as a robust communication framework with targeted messaging, media outreach, stakeholder engagement plans, and an increased social media presence. These efforts have led to greater stakeholder participation and community feedback, driving the project forward. The impact is evident in the improved visibility, recognition, and support from both existing and new stakeholders, contributing to the NLAS long term success and sustainability.

*iii) Value-for-money achievements,*

In implementing the above-mentioned activities, the PLEAD Programme undertook a thorough market survey in order to obtain the best prices and quality in from the market. In order to reduce operational costs, PLEAD utilised ICT as a mode of communication and information sharing. The project ensured that payment for good and services was done upon delivery and quality assurance. All goods and services received were in full compliance with the specifications set out by the project.

*iv) Being the fifth year of its implementation, the project recorded and absorption of 55%.*

*v) List the implementation challenges and recommended way forward.*

- a) At its inception, the project faced challenges in the currency to be used to transfer funds from the donor. Although the donor currency is Euro, the Programme estimate was drafted in Kenya Shillings. This challenge was resolved by opening a Kenya shillings account at the Central Bank of Kenya to facilitate the transfer of funds.
- b) The global Covid 19 pandemic affected implementation of majority of the planned activities which involved travelling and trainings in the 12 counties, whereas there were Covid 19 prevention guidelines issued by the Government that restricted movements and gatherings. However, with the lifting of some containment measures, the programme staff are now able to travel and undertake activities within the 12 focal counties.
- c) The variation in accounting period between the PLEAD programme and the Government of Kenya posed a challenge in making budget provisions and releasing the funds to the PLEAD programme. While as the commencement date of the PLEAD programme is 1<sup>st</sup> April, the GoK

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financial years begins on 1<sup>st</sup> July. During negotiation of future contracts, The National Authorizing Officer should ensure projects are aligned to the government financial year to fast track the disbursement of funds.

- d) Institutional bureaucracy has resulted in funds from the EU being disbursed with delays, passing through The National Treasury, the Office of the Attorney General, and the Department of Justice before reaching the project account. This has caused eminent delays in the implementation of the project. The delays have led to underutilization of funds as project activities have not progressed as planned. Furthermore, the delayed project activities have slowed down overall progress thereby causing a backlog of tasks. As a result, the delays have a negative impact on activity implementation, leading to low absorption rates.
- e) Opening offices in the 7 marginalized counties requires a significant financial investment, which NLAS currently lacks. The organization's budget is limited, and existing resources are allocated to ongoing programs and operational expenses. The project has supported NLAS by purchasing office equipment however expanding operations into the 7 counties requires a sufficient number of qualified and transfer of staff which lacks. NLAS Board and staff have formulated the Human Resource Policy documents that is at an advance stage of approval. The policy documents will enable NLAS to delink from OAG&DOJ and have the authority to independently recruit staff and operationalize 7 offices.
- f) The project has faced high turnover of staff thereby hampering the implementation of the project due to lack of technical expertise in management, advisory and coordination. However, the hiring process has now improved with swift replacement of the Team Leaders.
- g) A significant challenge encountered by the project has been the donor's decision not to extend the project. This lack of extension has constrained NLAS ability to continue and expand its activities as initially planned. Consequently, this has affected the scope and timeline of achieving the project's objectives, potentially impacting the overall effectiveness and sustainability of the activities. It is important to actively seek alternative funding sources by identifying and approaching other potential donors or funding organizations that share the project's objectives can help bridge the funding gap.

**2.9 Summary of Project Compliance:**

PLEAD has been compliant with all provisions of the Financing Agreement signed between the Government of Kenya and the European Union in 2017, PLEAD Programme Estimate signed in April 2020, the Practical Guide for Programme Estimates 2015, Practical Guide for Procurement Grants and Contracts 2021, Public Finance Management Act, 2012 and local tax laws.

The programme has put in place appropriate internal control and policy measures by developing Finance and operations manual to guide programme implementation and has involved experts in various field to offer technical advice and undertake due diligence.

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**3. STATEMENT OF PERFORMANCE AGAINST PROJECT'S PREDETERMINED OBJECTIVES**

**Introduction**

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the PLEAD are:

- a) Access to legal aid, particularly in the marginalized and high-risk counties is improved
- b) Effectiveness of legal aid enhanced
- c) Kenyans are aware of their legal rights and how to access them
- d) Operation of NLAS under the Legal Aid Act, 2016 supported
- e) Efficiency and effectiveness of ADR improved

**Progress on attainment of strategic development objectives**

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

Project	Objective	Outcome	Indicator	Performance
Programme for Legal Empowerment and Aid Delivery	Access to legal aid, particularly in marginalized and high risk counties is improved.	Access to legal aid and assistance is enhanced, especially for the poor and vulnerable.	No. of NLAS offices opened/ refurbished/equipped & fully operational	Conducted feasibility studies, identified 7 additional office locations in Marsabit, Isiolo, Wajir, Mandera, Lamu, Tana River, Garissa counties. Procured furniture and office equipment, ICT infrastructure, speed boat, office supplies and partitioned Nairobi office.
			NLAS-App- (developed, piloted, launched & publicized)	Developed a mobile phone application and published on Google Play Store for operation.

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Project	Objective	Outcome	Indicator	Performance
			NLAS Mobile Legal Aid Clinic programme.	Developed standard operating procedures for mobile legal aid clinics. Conducted mobile legal aid clinics.
			Translate the Legal Aid Act into Kiswahili, Kenyan Sign Language and Braille.	Legal Aid Act translated into Kiswahili, Kenyan Sign Language and Braille
			Conduct a mapping exercise of legal aid providers in the 12 focal counties	Legal aid providers in the 12 focal counties identified and mapped. Database of legal aid providers produced.
<b>Programme for Legal Empowerment and Aid Delivery</b>	Effectiveness of legal aid enhanced	Access to legal aid and assistance is enhanced, especially for the poor and vulnerable.	Conduct Training Needs Assessment for NLS Board, staff and legal aid providers.	Training Needs Assessment conducted and report prepared.
			Design overall training programme for NLAS Board, staff and legal aid providers.	This activity has not been undertaken.
			Develop and pilot 3 training modules for legal aid providers.	This activity has not been undertaken.
			Create Training of Trainers manual for NLAS training programme	Training of Trainers Manual created and report prepared.
			Design, pilot and implement an Information, Communications and Technology (ICT) policy and system for NLAS administration.	ICT policy system developed and is being piloted.
			Supported NLAS to participate in legal aid forums.	Supported NLAS to participate in 6 legal aid forums.
			Design and strengthen research capability for NLAS and relevant stakeholders.	This activity has not been undertaken.
			Support provision of	Developed pro bono

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Project	Objective	Outcome	Indicator	Performance
			legal aid through pro bono services and use of interns.	and internship schemes and recruited 13 interns.
			Conduct sessions with Court Users Committees (CUCs).	12 Court Users Committee sessions undertaken and members trained on legal aid. Facilitated thematic sessions on legal aid.
Programme for Legal Empowerment and Aid Delivery	Kenyans are aware of their legal rights and how to access them	Access to legal aid and assistance is enhanced, especially for the poor and vulnerable.	Inaugurate annual Legal Awareness campaigns.	Developed Communications Strategy and legal awareness plans, printed visibility materials and launched awareness campaign.
			NLAS website developed	Designed and developed NLAS website which is operational.
			Establish National Legal Aid Day, April 26.	Established 2 legal aid working groups and conducted county meetings. Inaugurated annual legal aid awareness day on April 26 <sup>th</sup> .
Programme for Legal Empowerment and Aid Delivery	Operation of NLAS under the Legal Aid Act, 2016 supported	Access to legal aid and assistance is enhanced, especially for the poor and vulnerable.	Support activities related to drafting regulatory scheme.	Developed Draft Legal Aid Funds regulations.
			Review and update NLAS National Action Plan for Legal Aid 2017-2022	Developed Draft NLAS Strategic Plan 2023-2028.
			NLAS Rebranded	Designed and registered NLAS new logo and disseminated 2566 IEC materials.
			Support finalization of the formulation of Legal Aid General Regulations, 2019 and Code of conduct for	Legal Aid General Regulations and Code of Conduct gazetted.

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Project	Objective	Outcome	Indicator	Performance
			accredited legal aid providers.	
			Conduct training of paralegals.	Paralegals trained in 5 counties.
			Prepare operational manual for NLAS offices.	Human resource manuals prepared with support from GoK.
			Develop a fundraising strategy for NLAS.	This activity has not been undertaken.
			Design and implement a Planning Monitoring, Evaluation, Review and Learning System	
<b>Programme for Legal Empowerment and Aid Delivery</b>	Efficiency and effectiveness of ADR	Access to legal aid and assistance is enhanced, especially for the poor and vulnerable.	Review and update the training manual for Alternative Dispute Resolution (ADR) and train ADR Practitioners.	1 consultative meeting conducted on Alternative Justice Systems policy framework and guidelines conducted.  2 pilot training session conducted.
			Design and execute the civic awareness campaign on ADR	This activity has not been undertaken.
			Conduct sensitization and mediation training for legal aid providers.	This activity has not been undertaken.

#### 4. ENVIRONMENTAL AND SUSTAINABILITY REPORTING.

The overall objective of PLEAD is to enhance access to justice for the vulnerable, indigent and marginalized. Below is a brief highlight of our activities that drive towards sustainability.

##### 1. Sustainability strategy and profile

In a bid to contribute to universal reform efforts, the PLEAD programme is aligned to Sustainable Development Goals (SDG). Its primary SDG is to "promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels" (SDG 16). Its second SDG is to "achieve gender equality and empower all women and girls" (SDG 5).

In compliance with SDG 16, The Constitution of Kenya, 2010, under Articles 48 and 50 among others obligates the state to enhance access to justice to all. To give effect to the mentioned articles, the Legal

***Programme for Legal Empowerment and Aid Delivery (PLEAD)***  
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Aid Act, 2016 was enacted to establish a National Legal Aid Scheme that is affordable, accessible, sustainable and credible. The Act further provides for the establishment of the Legal Aid Fund which will consolidate funds from the Exchequer, grants, gifts, donations, loans or other endowments given to the Service, and funds that may vest in or accrue to the Service in the course of the exercise of its powers or the performance of its functions under the Act. To implement the Act, NLAS has developed the National Action Plan 2017-2022, draft strategic plan 2021 – 2025 which provide a roadmap on legal aid delivery in Kenya. The above legal frameworks are geared towards giving NLAS the necessary impetus to sustain itself beyond the project.

To enhance sustainability and accessibility of legal aid services to the indigent, vulnerable and marginalized, NLAS has adopted a collaborative approach whereby it will accredit state and non-state actors in the justice sector. The Legal Aid General Regulations, 2022 provide an accreditation framework for legal aid providers.

Since inception of the National Legal Aid and Awareness Programme (now NLAS) The Government of Kenya continues to provide resources to NLAS through recruitment of staff, payment of salaries, provision of office premises. The staff will continue to provide legal aid services beyond the project. To build the capacity of the staff and legal aid providers, PLEAD undertook a training needs assessment, supported the development of a Training of Trainers manual that will inform various training modules to enhance the effectiveness of legal aid delivery.

## **2. Environmental performance**

PLEAD has adopted a paperless policy in its operation and adopted ICT. This has had a great impact in reducing usage of paper.

## **3. Employee welfare**

PLEAD is an equal opportunity employer and has domesticated the Government of Kenya Human Resource Policy and Produce Manual, 2016 to guide staff management. Currently, PLEAD has recruited one male and one female officers.

PLEAD undertook a training needs assessment that will inform the development of an overall training programme to build the capacity and enhance skill development of staff.

## **4. Market place practices-**

At the beginning of the Programme, PLEAD prequalified suppliers of goods and services through an open and transparent process. All the prequalified suppliers were granted an opportunity to place bidders for various supply contracts. Suppliers are paid upon delivery, inspection and acceptance of products or services in compliance with the specifications set out by PLEAD.

## **5. Community Engagements**

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Since its inception, PLEAD programme has not been involved in any Community Social Investment activities. However, the programme aims at enhancing access to legal aid for the indigent members of the community. During the period under review, NLAS through PLEAD project simplified the Legal Aid Act in English which was then translated to Kiswahili, Braille and Kenyan Sign language. This activity aims at overcoming language barrier which has been identified as a challenge to access to justice by the indigent, marginalized and vulnerable members of the community.

The poor, vulnerable and marginalized face many barriers in accessing justice. These barriers include distances to the courts, legal aid centres, high cost of legal representation, lack of access to information. To address these barriers, NLAS conducted 9 mobile legal aid clinics in the focal counties. The clinics were held in the community centres and targeted marginalized and vulnerable populations, such as low-income individuals, rural communities, immigrants, and people with disabilities. By reaching out to these communities, the clinics addressed their specific legal needs and ensure their voices are heard and rights protected. The clinics brought legal services closer to communities, provided information and resources, simplified procedures, and actively engaged with individuals and organizations to ensure that everyone had the opportunity to seek and obtain legal remedies.

## **5. STATEMENT OF PROJECT MANAGEMENT RESPONSIBILITIES**

**The Solicitor General, Office of the Attorney General and Department of Justice (OAG&DOJ)** and the **Project Coordinator** for Programme for Legal Empowerment and Aid Delivery (**PLEAD**) **project** are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year (period) ended on June 30, 2024.

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

**The Solicitor General, Office of the Attorney General and Department of Justice (OAG&DOJ)** and the **Project Coordinator** for Programme for Legal Empowerment and Aid Delivery (PLEAD) **project** accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis

**Programme for Legal Empowerment and Aid Delivery (PLEAD)  
Reports and Financial Statements  
For the financial year ended 30<sup>th</sup> June, 2024**

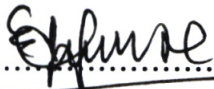
Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

**The Solicitor General, Office of the Attorney General and Department of Justice (OAG&DOJ)** and the *Project Coordinator* for Programme for Legal Empowerment and Aid Delivery (PLEAD) *project* are of the opinion that the Project’s financial statements give a true and fair view of the state of Project’s transactions during the financial year/period ended June 30, 2024, and of the Project’s financial position as at that date. **The Solicitor General, Office of the Attorney General and Department of Justice (OAG&DOJ) and the Project Coordinator** for Programme for Legal Empowerment and Aid Delivery (PLEAD) *project* further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

**The Solicitor General, Office of the Attorney General and Department of Justice (OAG&DOJ)** and the *Project Coordinator* for Programme for Legal Empowerment and Aid Delivery (PLEAD) *project* confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

**Approval of the Project Financial Statements**

The Project financial statements were approved by **The Solicitor General, Office of the Attorney General and Department of Justice (OAG&DOJ)** and the *Project Coordinator* for Programme for Legal Empowerment and Aid Delivery (PLEAD) *project* on 13<sup>th</sup> Nov 2024 and signed by them.

  
.....

**Solicitor General**  
**Name: Shadrack Mose**  
**Solicitor General**

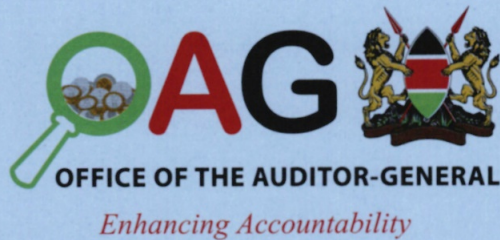
  
.....

**Project Coordinator**  
**Name: Fresiah Githumbi**  
**Project Coordinator**

  
.....

**Project Accountant**  
**Name: Jacqueline Nyakundi**  
**Project Accountant**  
**ICPAK Member No: 17721**

# REPUBLIC OF KENYA



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

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

## **REPORT OF THE AUDITOR-GENERAL ON PROGRAMME FOR LEGAL EMPOWERMENT AND AID DELIVERY (PROJECT CREDIT NUMBER KE/FED/2018/397-591) FOR THE YEAR ENDED 30 JUNE, 2024 - OFFICE OF THE ATTORNEY GENERAL AND DEPARTMENT OF JUSTICE**

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### 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 the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities 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 Programme for Legal Empowerment and Aid Delivery (Project Credit Number KE/FED/2018/397-591) set out on pages 1 to 22, which comprise of the statement of financial assets as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Programme for Legal Empowerment and Aid Delivery as at 30 June, 2024, 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 Financing Agreement No. KE/FED/037-676 dated 26 August, 2017 between the European Commission and the Republic of Kenya.

### Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Programme for Legal Empowerment and Aid Delivery Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit 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 amounts reflects final receipts budget and actual receipts on a comparable basis of Kshs.38,404,468 and Kshs.31,935,750 respectively resulting, to an under-funding of Kshs.6,468,718 or 17% of the receipts budget. However, the Project spent an amount of Kshs.34,626,850 against actual receipts of Kshs.31,935,750 resulting to an over-expenditure of Kshs.2,691,100 or 8% of actual receipts.

The under-funding may have affected the planned activities and may have impacted negatively on the effectiveness of project implementation and 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, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Project Management has not resolved the issues or given any explanation for failing to adhere to the provisions of the Public Sector Accounting Standards Board template.

## **Other Information**

Management is responsible for the other information set out on pages viii to xxi which comprise of Project Information and Overall Performance, Statement of Performance Against Project's Predetermined Objectives, Environmental and Sustainability Reporting, and the Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon. My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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

## **REPORT ON THE LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters 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**

### **1. Failure to Operationalize Offices in Marginalized/Focal Counties**

Review of the feasibility study report revealed that offices were identified in Lamu, Tana River, Wajir, Mandera, Garissa, Marsabit and Isiolo counties during the second year of project implementation as focal or marginalized areas. However, no involvement from the Government or Public Works Department in analyzing the requirements for these new offices and therefore no report was prepared and provided for audit review. Further, the summary of fixed assets register shows that office equipment, furniture and fittings, ICT equipment, other machinery and equipment were purchased at a cost of Kshs.14,498,553 all of which are lying unused at the National Legal Aid Service (NLAS) stores in Nairobi.

Management had indicated that there are inadequacies in capacity, citing lack of personnel and financial resources to address the identified office requirements. However, no records were provided to demonstrate the actions taken to ensure NLAS presence in the seven (7) marginalized counties.

In the circumstances, the Project strategic development objective of enhancing access to legal aid in marginalized and high-risk counties may not be achieved.

### **2. Delayed Project Implementation and Undrawn Loan Balance**

As reported in the previous year, following the signing of the project financing agreement in 2017, the project was scheduled to be implemented over a period of sixty (60) months, with an additional closure period of twenty-four (24) months after the implementation phase. As at 30 June, 2024 the project has been in the operational implementation phase for the full sixty (60) months. The total amount disbursed was EUR 1,026,482 (Kshs.115,422,960) out of the total donor commitment of EUR 2,600,000 (Kshs.289,380,780). The disbursed amount represents 40% of the donor commitment. Further, as at 30 June, 2024, the project had completed 99% of its implementation period, leaving only one month until the end of this phase and the commencement of the closure period.

In the circumstances, the specific objectives, outcomes and performance of the project may not be achieved, which could impact negatively on service delivery to the public.

### **3. Lack of a Communication and Visibility Plan**

Review of the Financing Agreement revealed that the communication and visibility plan had a budget of Euros.200,000 equivalent to Kshs.22,260,000 under component 2.8. The plan was supposed to be implemented in first year of the implementation phase and was supposed to be supported by the technical assistance component of the donor commitment. However, as at 30 June, 2024 or one (1) month before the end of the implementation phase and beginning of the closure period, the technical assistance had

not been provided to help the project develop and gain approval for the communication and visibility plan.

In the circumstances, the public may not benefit from the funds allocated in the Financing Agreement for communication and visibility plan.

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

## REPORT ON THE 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 governance were not effective.

### **Basis for Conclusion**

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

### **Responsibilities of the Management and 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Project's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**14 November, 2024**

*Programme for Legal Empowerment and Aid Delivery (PLEAD)*  
*Reports and Financial Statements*  
*For the financial year ended 30<sup>th</sup> June, 2024*

**7. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2024.**

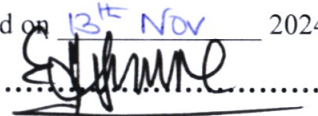
	Note	Receipts and payments controlled by the entity	Payments made by third parties	Total	Receipts and payment controlled by the entity	Payments made by third parties	Total	Cumulative to-date (From inception)
		2023-2024			2022/2023			
		Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
<b>Receipts</b>								
Transfer from Government entities	1	-	-	-	-	-	-	4,000,000
Proceeds from domestic and foreign grants	2	31,935,750	-	31,935,750	-	-	-	115,422,960
<b>Foreign grants</b>			<b>81,499,950</b>	<b>81,499,950</b>				<b>81,499,950</b>
<b>Total receipts</b>		<b>31,935,750</b>	<b>-</b>	<b>113,435,700</b>	<b>-</b>		<b>-</b>	<b>200,922,910</b>
<b>Payments</b>								
<b>Motor vehicle</b>			<b>81,499,950</b>	<b>81,499,950</b>				<b>81,499,950</b>
Compensation to employees	3	7,444,934		7,444,934	6,459,613		6,459,613	22,775,278
Purchase of goods and services	4	27,036,237		27,036,237	26,703,946		26,703,946	73,730,884
Social security benefits	5	145,680		145,680	43,600		43,600	213,060
Acquisition of non-financial assets	6	-		-	7,322,065		7,322,065	21,707,678
<b>Total payments</b>		<b>34,626,850</b>	<b>81,499,950</b>	<b>116,126,800</b>	<b>40,529,224</b>		<b>40,529,224</b>	<b>199,926,849</b>
<b>Surplus/ (deficit)</b>		<b>(2,691,100)</b>	<b>-</b>	<b>(2,691,100)</b>	<b>(40,529,224)</b>		<b>(40,529,224)</b>	<b>996,061</b>

NOTE: The motor vehicles amounting to Kshs. 81,499,950 were purchased by the Donor directly.

*Programme for Legal Empowerment and Aid Delivery (PLEAD)  
Reports and Financial Statements  
For the financial year ended 30<sup>th</sup> June, 2024*

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The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements. The financial statements were approved on 13<sup>th</sup> Nov 2024 and signed by:

  
.....

**Name: Shadrack Mose**  
**Solicitor General**

  
.....

**Name: Fresiah Githumbi**  
**Project Coordinator**

  
.....


**Name: Jacqueline Nyakundi**  
**Project Accountant**  
**ICPAK Member No: 17721**

**Programme for Legal Empowerment and Aid Delivery (PLEAD)**  
**Reports and Financial Statements**  
**For the financial year ended 30<sup>th</sup> June, 2024**

**8. STATEMENT OF FINANCIAL ASSETS AS AT 30<sup>TH</sup> JUNE, 2024.**

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and Cash equivalents</b>			
Bank Balances	7A	993,350	3,662,189
Cash Balances	7B	2,711	24,972
<b>Total Cash and Cash equivalents</b>		<b>996,061</b>	<b>3,687,161</b>
Imprests and Advances	8		-
<b>Total Financial Assets</b>		<b>996,061</b>	<b>3,687,161</b>
<b>Financial Liabilities</b>			
Deposits and Retention monies	9		-
<b>Net Assets</b>		<b>996,061</b>	<b>3,687,161</b>
<b>Represented By</b>			
Fund Balance B/fwd.	10	3,687,161	<b>43,421,846</b>
Prior Year adjustments	11		794,539
Surplus/(Deficit) for the Year		(2,691,100)	(40,529,224)
<b>Net Financial Position</b>		<b>996,061</b>	<b>3,687,161</b>


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13<sup>th</sup> NOV 2024 and signed by:

  
 \_\_\_\_\_

Name: Shadrack Mose  
 Solicitor General

  
 \_\_\_\_\_

Name: Fresiah Githumbi  
 Project Coordinator

  
 \_\_\_\_\_


Name: Jacqueline Nyakundi  
 Project Accountant  
 ICPAK Member No: 17721

**Programme for Legal Empowerment and Aid Delivery (PLEAD)**  
**Reports and Financial Statements**  
**For the financial year ended 30<sup>th</sup> June, 2024**


**9. STATEMENT OF CASHFLOW FOR THE YEAR 30<sup>TH</sup> JUNE, 2024.**

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Cash flow from operating activities</b>			
<b>Receipts</b>			
Transfer from government entities	1	-	-
Proceeds from domestic and foreign grants	2	31,935,750	-
<b>Total receipts</b>		<b>31,935,750</b>	-
<b>Payments</b>			
Compensation to employees	3	(7,444,934)	6,459,613
Purchase of goods and services	4	(27,036,237)	26,703,946
Social security benefits	5	(145,680)	43,600
<b>Total Payments</b>		<b>(34,626,850)</b>	<b>(33,207,159)</b>
<b>Adjustments during the year</b>			
Prior year adjustments	11	-	794,539
<b>Net cash flow from operating activities</b>		<b>(2,691,100)</b>	<b>(33,207,159)</b>
<b>Cash flow from investing activities</b>			
Acquisition of non-financial assets	6		(7,322,065)
<b>Net cash flows from investing activities</b>			<b>(7,322,065)</b>
<b>Cash flow from financing activities</b>			
<b>Net cash flow from financing activities</b>			-
<b>Net increase in cash and cash equivalents</b>		<b>(2,691,100)</b>	<b>(40,529,224)</b>
<b>Cash and cash equivalent at beginning of the year</b>	7A & 7B	<b>3,687,161</b>	<b>43,421,846</b>
<b>Cash and cash equivalent at end of the year</b>	7A & 7B	<b>996,061</b>	<b>3,687,161</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13<sup>th</sup> NOV 2024 and signed by:

  
 Name: Shadrack Mose  
 Solicitor General

  
 Name: Fresiah Githumbi  
 Project Coordinator

  
 Name: Jacqueline Nyakundi  
 Project Accountant

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**ICPAK Member No:17721**


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**10. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2023.**

Receipts/Payments 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 %
<b>Receipts</b>						
Proceeds from domestic and foreign grants	38,404,468	-	38,404,468	31,935,750	6,468,718	83%
			-	-	-	
<b>Total Receipts</b>	<b>38,404,468</b>	<b>-</b>	<b>38,404,468</b>	<b>31,935,750</b>	<b>6,468,718</b>	<b>83%</b>
<b>Payments</b>						
Compensation to employees	9,900,000	-	9,900,000	7,444,934	2,455,066	75%
Purchase of goods and services	28,454,468	-	28,454,468	27,036,237	1,418,231	95%
Social security benefits	50,000	-	50,000	145,680	-95,680	291%
<b>Total Payments</b>	<b>38,404,468</b>		<b>38,404,468</b>	<b>34,626,850</b>	<b>10,323,150</b>	<b>90%</b>
<b>Surplus or Deficit</b>	-	-	-	<b>(2,691,100)</b>		

Note: The percentage change in the utilization is as a result of (i) Social Security benefits – there was increase of statutory deduction by the government while the amount remained the same. (ii) Compensation to Employees – One staff was not hired Driver.

  
 Name: Shadrack Mose  
 Solicitor General

  
 Name: Fresiah Githumbi  
 Project Coordinator

  
 Name: Jacqueline Nyakundi  
 Project Accountant  
 ICPAK Member No:17721

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## **11. SIGNIFICANT ACCOUNTING POLICIES**

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

### **10.1 Basis of Preparation**

### **10.2 Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the 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.

### **10.3 Reporting entity**

The financial statements are for the PLEAD Project under the Office of the Attorney General and Department of Justice. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 .

#### **10.3.1 Reporting currency**

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

### **10.4 Significant Accounting Policies**

#### **a) Recognition of receipts**

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

##### **i) Transfers from the Exchequer**

Transfer from Exchequer is 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 receiving entity.

##### **ii) External Assistance**

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External assistance is received through grants and loans from multilateral and bilateral development partners.

**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) Donations and grants**

Grants and donations 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 recipient entity or by the beneficiary. In case of grant/donation 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.

**c) Proceeds from borrowing**

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the Project or any other debt the Project may take on will be treated on cash basis and recognized as a receipt during the year they were received.

**d) Undrawn external assistance**

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for the Project currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. An analysis of the Project's undrawn external assistance is shown in the funding summary.

**e) Recognition of payments**

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

**i) Compensation to employees**

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

**Significant Accounting Policies (Continued)**

**ii) Purchase of goods and services**

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Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. If not paid for during the period where goods/services are consumed, they 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 incurred and paid for.

**iv) Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the consolidated financial statements.

**v) Acquisition of non-financial 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 receipt and as a payment.

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

**f) In-kind donations**

In-kind contributions are donations that are made to the Project 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 Project 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.

**g) Cash and cash equivalents**

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

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advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**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 part deposits.

**h) Accounts receivable**

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 is 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 AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**i) 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 Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. **Annex 4** of this financial statement is a register of the contingent liabilities in the year.

**Significant Accounting Policies (Continued)**

Section 89 (2) (i) of the PFM Act requires the National Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities

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as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

**j) Contingent Assets**

The Entity does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**k) 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 recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Project at the end of the year. 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.

**l) Budget**

The budget is developed on a comparable accounting basis (cash basis), the same accounts classification basis (except for accounts receivable - outstanding imprest and clearance accounts and accounts payable - deposits, which are accounted for on an accrual basis), and for the same period as the financial statements. The Project's budget was approved as required by Law and National Treasury Regulations, as well as by the participating development partners, as detailed in the Government of Kenya Budget Printed Estimates for the year. The Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognized as inter-entity transfers and are eliminated upon consolidation.

A high-level assessment of the Project's actual performance against the comparable budget for the financial year/period under review has been included in an annex to these financial statements.

**Significant Accounting Policies (Continued)**

**m) Third party payments**

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Included in the receipts and payments, are payments made on its behalf by 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' column in the statement of receipts and payments.

**n) Exchange rate differences**

The accounting records are maintained in the functional currency of the primary economic environment in which the Project operates, Kenya Shillings. Transactions in foreign currencies during the year/period are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of receipts and payments.

**o) Comparative figures**

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

**p) Subsequent events**

There have been no events subsequent to the financial year/period end with a significant impact on the financial statements for the year ended June 30, 2024.

**q) Errors**

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. Restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

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**12. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM GOVERNMENT ENTITIES**

These represent counterpart funding and other receipts from government as follows:

Description	KShs	KShs	Cumulative to-date (from inception)
	2023-2024	2022-2023	
<i>Counterpart funding through Ministry SLO&amp;DOJ</i>			
Counterpart funds Quarter 4	-	-	4,000,000
<b>Total</b>	<b>=-</b>	<b>=-</b>	<b><u>4,000,000</u></b>

**2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

During the 12 months to 30<sup>th</sup> June 2024, we received grants from donors as detailed in the table:

Name of Donor	Date received	Amount received in donor currency	Grants received in cash	Grants received as direct payment <sup>t*</sup>	Grants received in kind	Total amount in Kshs	
						2023-2024	2022-2023
						Kshs	Kshs
Grants Received from Multilateral Donors (International Organizations)	11/1/2024	285,141	31,935,750	-	<b>81,499,950</b>	113,435,700	-
<b>Total</b>		<b>285,141</b>	<b>31,935,750</b>	<b>-</b>	<b>81,499,950</b>	113,435,700	-

During the 12 months to 30<sup>th</sup> June 2024, the project received grants from donors amounting to ksh31,935,750. Ksh. 81,499,950 represents direct purchase of motor vehicle by the donor.

There were no grants received in the previous financial year.

The direct payment grants represent payments for goods and services done directly by the donor on behalf of the project. Projects should ensure that the adequate documents and support document is requested from the donors to support this grant.

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3. COMPENSATION OF EMPLOYEES**

	2023 -2024			2022-2023	Cumulative to- date
	Payments made by the Entity in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs	Kshs	Kshs	Kshs	
Basic wages of temporary employees	5,555,323	-	5,555,323	6,398,413	20,737,767
Compulsory national health insurance schemes	59,500	-	59,500	61,200	207,400
Social benefit schemes outside government	109,650	-	109,650		109,650
Other personnel payments	1,720,461	-	1,720,461		1,720,461
<b>Total</b>	<b><u>7,444,934</u></b>	<b><u>-</u></b>	<b><u>7,444,934</u></b>	<b><u>6,459,613</u></b>	<b><u>22,775,278</u></b>

**4. PURCHASE OF GOODS AND SERVICES**

	2023-2024			2022-2023	Cumulative to- date
	Payments made in Cash	Payments made by third parties	Total payments	Total payments	
	Kshs	Kshs	Kshs	Kshs	
Utilities, supplies and services	-	-	-	308,100	308,100
Communication, supplies and services	681,660	-	681,660	852,241	1,663,080
Domestic travel and subsistence	16,201,212	-	16,201,212	20,292,134	49,107,102
Foreign travel and subsistence	-	-	-	-	219,880
Printing, advertising, and information supplies	3,213,232	-	3,213,232	806,090	8,665,812
Hospitality supplies and services	6,624,423	-	6,624,423	3,805,200	11,764,463
Insurance costs		-		169,065	262,506
Other operating payments	315,710	-	315,710	471,116	1,739,941
<b>Total</b>	<b><u>27,036,237</u></b>	<b><u>-</u></b>	<b><u>27,036,237</u></b>	<b><u>26,703,946</u></b>	<b><u>73,730,884</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**5. SOCIAL SECURITY BENEFITS**

	2023-2024			2022-2023	Cumulative to-date
	Payments made by the Entity in Cash	Payments made by third parties	Total Payments	Total Payments	
	Kshs	Kshs	Kshs	Kshs	
Government pension and retirement benefits	145,680	-	145,680	43,600	213,060
<b>Total</b>	<b><u>145,680</u></b>	<b><u>=</u></b>	<b><u>145,680</u></b>	<b><u>43,600</u></b>	<b><u>213,060</u></b>

**6. ACQUISITION OF NON-FINANCIAL ASSETS**

	Payments made in Cash	Payments made by third parties	Total payments	Total payments	Cumulative to-date
	2023-2024			2022/2023	Kshs
	Kshs.	Kshs.	Kshs	Kshs	
Refurbishment of buildings	-		-		3,803,497
Purchase of vehicles & other transport equipment	-	81,499,950	81,499,950		84,746,578
Purchase of office furniture & general equipment	-	-	-	120,000	4,260,948
Purchase of specialized plant, equipment and machinery	-	-	-	7,185,065	10,357,605
Acquisition of other intangible assets	-	-	-	17,000	39,000
<b>Total</b>	<b>-</b>	<b>81,499,950</b>	<b>81,499,950</b>	<b><u>7,322,065</u></b>	<b><u>103,207,628</u></b>

Note: The motor vehicles amounting to **Kshs. 81,499,950** were purchased by the Donor directly .

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**7. CASH AND CASH EQUIVALENTS**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank accounts (Note 7A)	993,350	3,662,189
Cash in hand (Note 7B)	2,711	24,972
<b>Total</b>	<b><u>996,061</u></b>	<b><u>3,687,161</u></b>

The project has one project account spread within the project implementation area and one local currency designated account managed by the National Treasury as listed below:

**7.A Bank Accounts**

**Project Bank Accounts**

7A: Project Bank Accounts		
Details	2023-2024	2022-2023
	Kshs	Kshs
<b><u>Foreign Currency Accounts</u></b>		
Central Bank of Kenya [A/c No:10000484136]	-	-
<b>Total Foreign Currency balances</b>	<u>-</u>	<u>-</u>
<b><u>Local Currency Accounts</u></b>		
National Bank of Kenya [A/c No: 01071210963000]	996,061	3,662,189
<b>Total local currency balances</b>	<b><u>996,061</u></b>	<b><u>3,662,189</u></b>
<b>Total bank account balances</b>	<b><u>996,061</u></b>	<b><u>3,662,189</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**Special Deposit Accounts**

The balances in the Project’s Special Deposit Account(s) as at 30<sup>th</sup> June 2024 are not included in the Statement of Financial Assets since they are below the line items and are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule which shows the flow of funds that were voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

**Special Deposit Accounts Movement Schedule**

<b>Special Deposit Accounts Movement Schedule</b>		
<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>(i) A/C Name [A/c No.....]</b>		
Opening balance	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	-	-
<b>Closing balance (as per SDA bank account reconciliation attached)</b>	<b>-</b>	<b>-</b>
<b>(ii) A/c Name [A/c No.....]</b>		
Opening balance (as per the SDA reconciliation)	-	-
Total amount deposited in the account	-	-
Total amount withdrawn (as per Statement of Receipts & Payments)	-	-
<b>Closing balance (as per SDA bank account reconciliation attached)</b>	<b>-</b>	<b>-</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

	2023/24	2022/23
	KShs	KShs
Petty Cash	2,711	24,972
<b>Total cash balances</b>	<b><u>2,711</u></b>	<b><u>24,972</u></b>

**7. B Cash in Hand**

*Petty cash Balance.*

**8. IMPRESTS AND ADVANCES**

*There was no outstanding imprests and advances during the year.*

**9. DEPOSIT AND RETENTION MONIES**

*There was no deposit or retention during the year.*

**10. FUND BALANCE BROUGHT FORWARD**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank accounts	3,662,189	43,396,846
Cash in hand	24,972	25,000
<b>Total</b>	<b>3,687,161</b>	<b>43,421,846</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11. PRIOR YEAR ADJUSTMENTS**

Description	2023-2024	2022-2023	Adjustment
	Kshs	Kshs	Kshs
Bank Accounts		794,539	794,539
Cash in hand		-	-
<b>Total</b>		<b>794,539</b>	<b>794,539</b>

Prior year Adjustment is in relation to errors in the previous period reporting bank balances and expenditure items. The adjustments and effects on the financial reports are highlighted in the restatement note below.

**13. OTHER IMPORTANT DISCLOSURES**

**1. PENDING ACCOUNTS PAYABLE**

*There was pending accounts payable of Ksh. 4,000,000 as at 30 June 2024.*

**2. PENDING STAFF PAYABLES**

*There was pending staff payable of Ksh. 5,688,400 as at 30 June 2024.*

**3. OTHER PENDING PAYABLES**

*There were no other pending payables*

**4. EXTERNAL ASSISTANCE**

Description	FY 2023/2024	FY 2022/2023
	Kshs	
External assistance received as grants	31,935,750	0
In kind assistance	81,499,450	
<b>Total</b>	<b>113,435,700</b>	<b>0</b>

*a). External assistance relating loans and grants*

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
External assistance received as grants	31,935,750	0
In kind assistance	81,499,450	
<b>Total</b>	<b>113,435,700</b>	<b>0</b>

*There was no prior year adjustment*

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**b) Undrawn external assistance**

	Purpose for which the undrawn external assistance may be used	FY 2023/2024	FY 2022/2023
Description		Kshs	Kshs
Undrawn external assistance - grants		173,957,820	205,893,570
<b>Total</b>		<b>173,957,820</b>	<b>205,893,570</b>

There was an undrawn external assistance of Ksh..173,957,820

**c) classes of providers of external assistance**

	FY 2023/2024	FY 2022/2023
Description	Kshs	Kshs
International assistance organization	113,435,700	0
<b>Total</b>	<b>113,435,700</b>	<b>0</b>

**d. non-monetary external assistance**

There was non-monetary external assistance of consultancy provided by the donor as at 30<sup>th</sup> June 2024 whose value was not disclosed.

**e Purpose and use of external assistance**

Payments Made by Third Parties	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Compensation to Employees	7,444,934	6,459,613
Purchase of goods and services	27,036,237	26,703,946
Social Security Benefits	145,680	43,600
Acquisition of non-Financial Assets	81,499,950	7,322,065
<b>TOTAL</b>	<b>116,126,801</b>	<b>40, 529,224</b>

**f. External Assistance paid by Third Parties on behalf of the Entity by Source**

There was external assistance paid by third parties on behalf of the entity by source. The purchase of motor vehicles amounting to Kshs. 81,499,950 by the Donor.

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**14. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS**

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

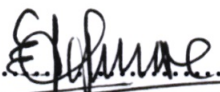
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved/Not Resolved)	Timeframe: (Put a date when expect the issue resolved)
1784	Failure to prepare and submit monthly bank reconciliations.	Monthly bank reconciliations to be prepared and submitted.	Resolved by preparing bank reconciliations.	
1785	Failure to maintain a Project asset register.	Project to maintain the asset register to include all the assets of the project.	Resolved by maintaining an asset register.	
1780	Unsupported cash and cash equivalents balance.	Cash and cash equivalents to be supported by bank reconciliation statements, Bank confirmation certificate.	Resolved by providing bank reconciliation statements & bank confirmation certificate.	
1859.	Undisclosed In-Kind Grants and Direct Payments	The grants were paid directly by the donor with no known value.	The project has come to an end	
1860	Irregular Counter-Part Funding of the Project	The amount was received from the ministry to alleviate the financial crisis during the year before receiving the grant .	The amount will be payable at the end of the project.	
1861	As reported previously, the financial statement had presentation and disclosure offinancial statements anomalies, including cash and cash equivalents balance	To issue the necessary documentations	The issue has since been resolved by submitting the relevant support documents.	
1862	Failure to Submit Bank Reconciliations Statements	Monthly bank reconciliations to be prepared and submitted	Resolved by preparing bank reconciliations.	
1863	Poor Asset Management	By the time of auditing the equipments had not been delivered to the respective regional offices but plans were	the equipments have been delivered to the respective	


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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved/Not Resolved)	Timeframe: (Put a date when expect the issue resolved)
		still underway.	regional offices .	
1864	Lack of Internal Audit Review	The auditor has since been informed of the need for audit.	The internal auditors have communicated their intension to carry out the audit in this quarter.	
1865	Delayed Project Implementation	The project faced numerous challenges that were beyond the implementing agent.	Request for extension was not granted.	

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

.....  
  
**Name: Shadrack Mose**  
**Solicitor General**

.....  
  
**Name: Samuel Mugambi**  
**Imprest Administrator**

15. ANNEXES

ANNEX 1 - VARIANCE EXPLANATIONS - COMPARATIVE BUDGET AND ACTUAL AMOUNTS

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization	Comments on Variance (below 90% and over 100%)
	a	b	c=a-b	d=b/a %	
<b>Receipts</b>					
Transfer from Government entities	-	-	-	-	
Proceeds from domestic and foreign grants	38,404,468	31,935,750	6,468,718	83%	The variance is as a result of less amount received as per the original budget.
Proceeds from borrowings	-	-	-	-	
Miscellaneous receipts	-	-	-	-	
<b>Total Receipts</b>	<b>38,404,468</b>	<b>31,935,750</b>	<b>6,468,718</b>	<b>83%</b>	
<b>Payments</b>					
Compensation to employees	9,900,000	7,444,934	2,455,066	75%	PMFU did not recruit a driver during the period.
Purchase of goods and services	28,454,468	27,036,237	1,418,231	95%	
Social security benefits	50,000	145,680	(95,680)	291%	Increase in the statutory deductions i.e NSSF by the Government.
<b>Total payments</b>	<b>38,404,468</b>	<b>34,626,850</b>	<b>3,777,618</b>	<b>90%</b>	

*During the year the project received motor vehicles valued at approximately Kshs. 81,499,950*

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**ANNEX 2: RECONCILIATION OF INTER-ENTITY TRANSFERS**

PROJECT NAME:		Programme for Legal Empowerment and Aid Delivery (PLEAD)		
<b>Break down of Transfers from the State Law Office</b>				
<b>a.</b>	<b>Government Counterpart Funding</b>			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	National Bank of Kenya		-	
			-	
		<b>Total</b>	-	
<b>b.</b>	<b>Direct Payments</b>			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	National Bank of Kenya	28 <sup>th</sup> January, 2024	31,935,750	FY 2023/24
		<b>Total</b>	<b>31,935,750</b>	
<b>c.</b>	<b>Others</b>			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			-	
		<b>Total</b>	-	
		<b>TOTAL(a+b+c)</b>	<b>31,935,750</b>	FY 2023/24

The above amounts have been communicated to and reconciled with the parent Ministry/ state department

**Project Coordinator**

**Name: Fresiah Githumbi**

Sign  -----

**Head of Accounting Unit**

**Name: Irene Mbogo**  
**ICPAK No.6867**

Sign  -----

*Programme for Legal Empowerment and Aid Delivery (PLEAD)*  
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*For the financial year ended 30<sup>th</sup> June, 2024*

**Annex 3 – Summary of Fixed Assets Register**

Asset class	Opening Cost (KShs) 2022/2023	Donations in form of assets (KShs) 2023/2024	Purchases/ Additions in the Year (KShs) 2023/2024	Disposals in the Year (KShs) 2023/2024	Transfers in/(out) Kshs 2023/2024	Closing Cost (KShs) 2023/2024
	(a)	(b)	(c)	(d)	(d)	(e)= (a)+ (b)+c)-(d)+ (-d)
Buildings and structures	3,803,497	-	-	-	-	3,803,497
Transport equipment	3,246,628	81,499,950	-	-	-	84,746,578
Office equipment, furniture and fittings	4,140,948	-	-	-	-	4,140,948
ICT Equipment,	7,185,065	-	-	-	-	7,185,065
Other Machinery and Equipment	3,172,540	-	-	-	-	3,172,540
Intangible assets	39,000	-	-	-	-	39,000
<b>Total</b>	<b>21,587,678</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,087,628</b>

**NOTE:** The motor vehicles amounting to Kshs. 81,499,950 were purchased by the Donor directly.

**Annex 4 – Contingent Liabilities Register**

	<b>Nature of contingent liability</b>	<b>Payable to</b>	<b>Estimated Amount Kshs</b>	<b>Expected date of payment</b>	<b>Remarks</b>
1	Staff Gratuity	PMFU Staff members	5,688,400	August 2024	To be paid at the end of the Programme
2					
3					
4					
5					