

REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

**OF**




**THE AUDITOR-GENERAL**

**ON**

**KENYA FOREST SERVICE**

**FOR THE YEAR ENDED**

**30 JUNE, 2024**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>		
DATE: <b>08 APR 2025</b>		DAY: <b>Yes</b>
TABLED BY:	<b>Deputy Leader of the majority Party</b>	
CLERK-AT-THE-TABLE:	<b>P. Njuga</b>	<b>PW</b>



OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

24 DEC 2024

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# ANNUAL REPORT & FINANCIAL STATEMENTS

for the financial year ended

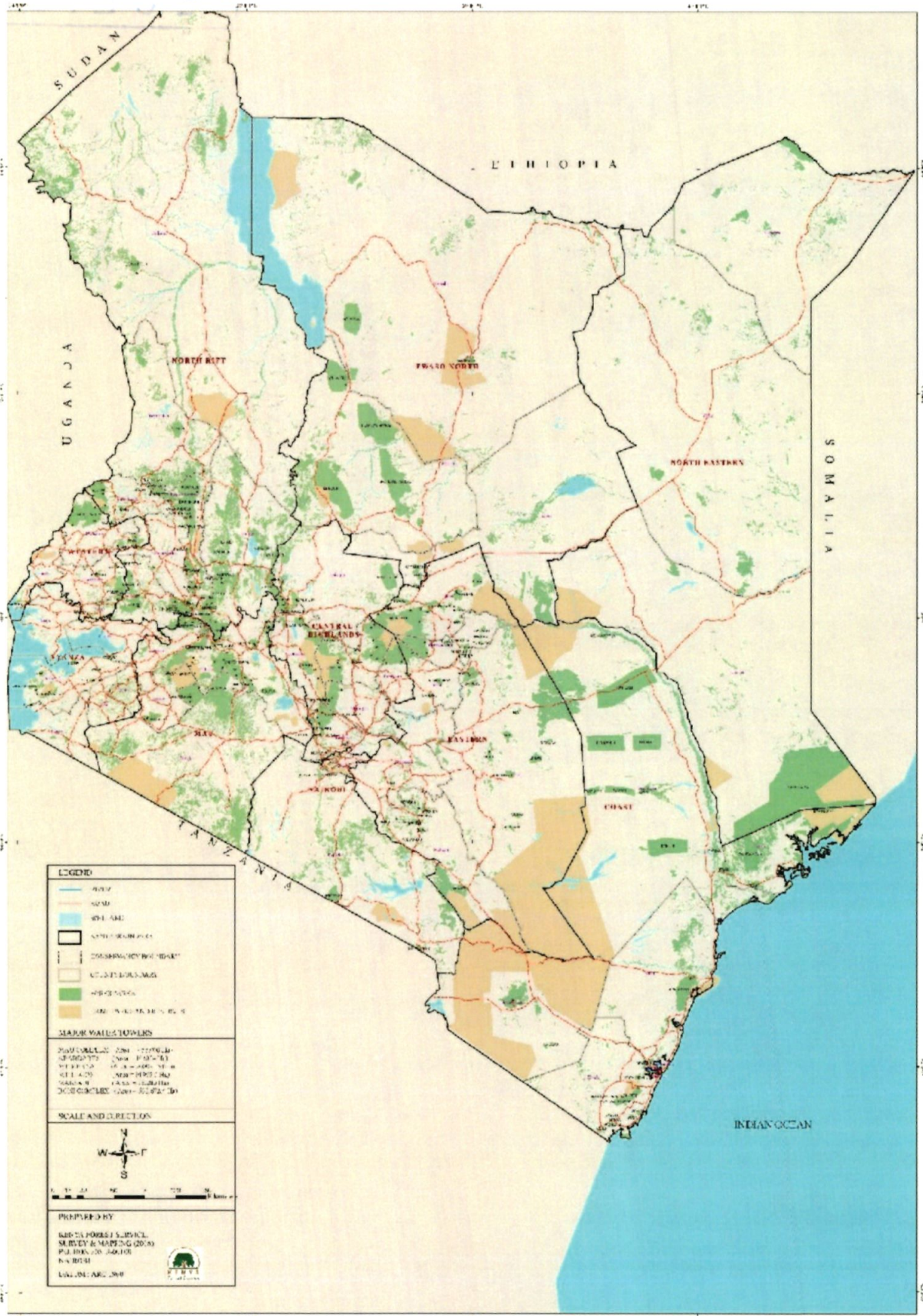
**JUNE 30, 2024**

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



*Trees for better lives*

# FOREST ADMINISTRATIVE BOUNDARIES



**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

**Table of Contents**

	<b>Page</b>
1. ACRONYMS AND DEFINITION OF KEY TERMS .....	iv
2. KEY SERVICE INFORMATION AND MANAGEMENT .....	v
3. THE BOARD OF DIRECTORS .....	xi
4. KEY MANAGEMENT TEAM .....	xv
5. CHAIRMAN'S STATEMENT .....	xxii
6. REPORT OF THE CHIEF CONSERVATOR OF FORESTS .....	xxiv
7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR THE FY 2023/2024 .....	xxvi
8. CORPORATE GOVERNANCE STATEMENT .....	xxx
9. MANAGEMENT DISCUSSION AND ANALYSIS .....	xxxv
10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING .....	xliv
11. REPORT OF THE DIRECTORS .....	l
12. STATEMENT OF DIRECTORS' RESPONSIBILITIES .....	li
13. REPORT OF THE AUDITOR GENERAL ON THE KENYA FOREST SERVICE .....	liii
14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024 .....	1
15. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024 .....	2
16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024 .....	3
17. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2024 .....	4
18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024 .....	5
19. NOTES TO THE FINANCIAL STATEMENTS .....	6
20. APPENDICES .....	47

## 1. ACRONYMS AND DEFINITION OF KEY TERMS

### Acronyms

ADB	African Development Bank
AIA	Appropriations in Aid
ASALS	Arid and Semi-Arid Lands
BETA	Bottom-up Economic Transformation Agenda
CCF	Chief Conservator of Forests
CFA	Community Forest Association
CEO	Chief Executive Officer
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CSR	Corporate Social Responsibility
FAO	Food and Agriculture Organization
FCMA	Forest Conservation and Management Act, 2016
GOK	Government of Kenya
GZDSP	Green Zones Development Support Project
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KFC	Kenya Forestry College
KFS	Kenya Forest Service
MDAs	Ministries, Departments, Agencies
OAG	Office of the Auditor General
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations

### Definition of Key Terms

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

**Comparative Year-** Means the prior period

## 2. KEY SERVICE INFORMATION AND MANAGEMENT

### Background Information

Kenya Forest Service is a State Corporation in the Ministry of Environment, Climate Change and Forestry established in 2007 through the Forests Act, 2005 (repealed) as the successor of the Forest Department and derives her mandate from the Forest Conservation and Management Act (FCMA) 2016. The Act which was operationalized on March 31, 2017, gave the Service's mandate as "to conserve, protect and manage forest resources for environmental integrity and socioeconomic development of the country and for connected purposes"

The Service is categorised as a schedule 4 national government entity with a national spread stratified into ten (10) forest conservancy areas that are ecologically demarcated, with county forest conservation offices in all the 47 counties. These offices are critical in the co-ordination of forest conservation, management and surveillance.

### Principal Activities

The Functions of the Service as provided in the act are; -

- i. Conserve, protect and manage all public forests in accordance with the provisions of the Act;
- ii. Prepare and implement management plans for all public forests and, where requested, assist in preparation of management plans for community forests or private forests in consultation with the relevant owners;
- iii. Receive and consider applications for licenses or permits in relation to forest resources or management of forests or any other relevant matter in accordance with the Act;
- iv. Establish and implement benefit sharing arrangements in accordance with the provisions of the Act;
- v. Assist county governments to build capacity in forestry and forest management in the counties;
- vi. In consultation with relevant stakeholders, develop programmes for tourism and for recreational and ceremonial use of public forests;
- vii. Promote forestry education and training;
- viii. Register and maintain a register of all forest management plans prepared for public forests;
- ix. Collaborate with relevant persons and institutions in identifying research needs and applying research findings in relation to forests and forestry;
- x. Manage water catchment areas in relation to soil and water conservation, carbon sequestration and other environmental services in collaboration with relevant stakeholders;
- xi. Prepare a Forest Status Report for the Cabinet Secretary once in every two years; and a Resource Assessment Report for the Cabinet Secretary once in every five years;
- xii. Consider and recommend to the Cabinet Secretary the establishment of public forests on un-alienated public land or any other public land;
- xiii. Consider and recommend to the Cabinet Secretary the determination and alteration of boundaries of public forests;
- xiv. Establish forest conservancy areas for purposes of conservation and management;
- xv. Approve the provision of credit facilities and technical training for community-based forest industries, and the provision of incentives to persons for the sustainable utilization of wood and non-wood forest products;
- xvi. Implement and enforce rules and regulations governing importation, exportation and trade in forest produce.
- xvii. Develop, maintain and regularly update a geographic information system database of all forests in Kenya.

Vision, Mission and Strategic Goal

Vision

“To be an internationally recognized organization of excellence in knowledge based sustainable forest resources development, conservation and management”.

Mission

“Conservation, management, development and sustainable utilisation of forests and allied resources for current and future generations”.

Strategic Goal

Sustainably manage all forests and build resilient forest ecosystems.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

**Core Values**

The following core values form the foundation of how we conduct ourselves when carrying out our duties: -

- **Teamwork:** The Service will embrace mutual support and respect, active participation, and collective responsibility, open communication, information sharing and mentoring.
- **Results Oriented.** The Service will pursue timely attainment of targeted results at all levels.
- **Integrity:** The Service and staff shall ascribe to high standards of personal ethics, integrity, transparency together with individual and corporate and accountability in the conduct of business.
- **Scientific principles and professionalism:** Decision making, and practice will be based on current scientific knowledge and best practice.
- **Creativity and Innovation:** The Service will encourage and reward creativity and innovativeness in work performance among staff.

**Key Management**

Kenya Forest Service day-to-day management is under the following key organs:

- Board of Directors;
- Chief Conservator of Forests (CCF); and
- Senior Management Team

**Fiduciary Management**

The senior management team led by the Chief Conservator of Forest is entrusted to manage the Service total assets to execute the long-term strategies efficiently and target better outcome through a more effective governance structure. The key management personnel who held office during the financial year ended 30 June 2024 and who had direct fiduciary responsibility were:

No.	Name	Designation
1.	Alex Lemarkoko	- Chief Conservator of Forests (CCF)
2.	Peter K. Waweru*	- Senior Deputy CCF - Directorate of Forest Conservation and Management
3.	Charity Munyasya	- Senior Deputy CCF - Directorate of Strategy, Partnerships & Resource Mobilization
4.	Lucy Kiboi	- Senior Manager, Corporate Services
5.	Mohammed Momammed	- Commandant
6.	Stephen Mugi	- Head, Internal Audit
7.	Elizabeth Wambugu	- Principal, Kenya Forestry College (KFC)
8.	Zipporah Toroitich	- Deputy CCF, Conservancy Co-ordination
9.	Dr. Clement Ngoriareng	- Deputy CCF, Dryland & Private Forest Development Coordination
10.	Beatrice Mbula	- Deputy CCF, Natural Forest Conservation
11.	Andrew Soi	- Deputy CCF, Plantation & Enterprises
12.	Dr. Benjamin Kinyili	- Deputy CCF, Forest Information Management
13.	Noor Mohammed	- Ag. Deputy CCF, Partnerships and Resource Mobilisation
14.	Anastasia Muasya	- Manager, Finance & Accounting
15.	Juliana Ochieng	- Manager, Human Resource

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

No.	Name	Designation
16.	Esther Keige	- Manager, Legal Services
17.	Isaac Wekesa	- Head, Administration & Infrastructure Development
18.	Anne Muthamia	- Head, Corporate Communications
19.	Victor Kobia	- Head, Supply Chain Management
20.	Stephen Cheboi	- Head, Manager ICT
21.	Patrick Tialal	- Principal Human Resource Officer
22.	Laura Yego	- Principal Legal Officer

*\*Mr. Peter Waweru retired from the Service in January 2024*

**Fiduciary Oversight Arrangements**

The current Board was appointed in March 2023. The Board of Directors has four Committees with specific delegated authorities. These are the

- Audit and Risk Compliance Committee,
- Human Resource and Administration Committee,
- Finance and Resource Mobilization Committee, and
- Technical, Planning, Development and Kenya Forestry College Committee.

**i) Audit and Risk Compliance Committee**

The Audit and Risk Compliance Committee evaluates and recommends policies on the Service's internal controls and financial propriety as well as risk management, review matters connected with audits and the provision of assurance regarding internal controls.

NO.	NAME	POSITION
1.	Dr. Doris Mutta	Chairperson
2.	FA. CPA. Isabella Kogei	Member
3.	Mr. Evans Mutari, MBS	Member
4.	Mr. Abdallah Komesha	Member

**ii) Human Resource and Administration Committee**

The main function of the Human Resource and Administration Committee is policy compliance and ensure effective management of human resources and administrative functions.

NO.	NAME	POSITION
1.	Mr. Ahmed Mohamed	Chairperson
2.	Mr. Kunal Chowdhari	Member
3.	Ms. Jane Simita	Member
4.	Mr. Abdallah Komesha	Member
5.	Mr. Evans Mutari, MBS	Member
6.	Mr. Alexander Lemarkoko	Member

**iii) Finance and Resource Mobilization Committee**

The Finance and Resource Mobilization Committee evaluates and recommends policies to ensure the financial stability, corporate wellbeing and effective management of the Service's assets as well as recommend financial plans, actively monitor fiscal performance and advise on appropriate standards for assessing business risk.

NO.	NAME	POSITION
1.	Mr. Kunal Chowdhari	Chairperson
2.	FA. CPA. Isabella Kogei	Member
3.	Dr. George Muthike	Member
4.	Mr. Evans Mutari, MBS	Member
5.	Mr. Alexander Lemarkoko	Member

**iv) Technical, Planning, Development & KFC Committee**

The Technical, Planning, Development & KFC Committee is responsible for ensuring; policy compliance, operational and legal compliance, advising the Board on proposed subsidiary legislation, effective management of forests, effective organisational structures for forest conservancy areas as well as approvals of technical policies, strategies and systems. It also handles matters related to the Kenya Forestry College (KFC), Londiani.

NO.	NAME	POSITION
1.	Dr. George Muthike	Chairperson
2.	Dr. Doris Mutta	Member
3.	Mr. Ahmed Mohamed	Member
4.	Ms. Jane Simita	Member
5.	Mr. Alexander Lemarkoko	Member

**Headquarters**

Kenya Forest Service  
P.O. Box 30513 - 00100,  
Karura Forest, off Kiambu Road,  
Nairobi - Kenya.


**Contacts**

Telephone: (254) 020 2014663 / 020 2589055

E-mail: [info@kenyaforestservice.org](mailto:info@kenyaforestservice.org), [director@kenyaforestservice.org](mailto:director@kenyaforestservice.org)

Website: [www.kenyaforestservice.org](http://www.kenyaforestservice.org)

 @KeForestService

 Kenya Forest Service

 Kenya Forest Service

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

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**Bankers**

Kenya Commercial Bank  
P.O. Box 14959  
Tel: +254-20-3747576  
Fax: +254-20-3747576  
E-mail: info@kcb.co.ke  
Website: www.kcb.co.ke

NCBA Bank  
P.O. Box 44599-00100, GPO,  
Tel: + 254-20-2884444  
Fax: + 254-20-2888505  
E-mail:  
customercare@ncbagroup.com  
Website: www.ncbagroup.com

Co-operative Bank of Kenya  
P.O. Box 48231-00100,  
Tel: +254-20-3276000  
Fax: +254-20-219821  
E-mail:  
customerservice@co-pbank.co.ke  
Website: www.co-opbank.co.ke

Equity Bank  
P.O. Box 75102-00200-Nairobi  
Tel: +254-20-2262000  
Fax: +254-20-2737276  
E-mail: info@equitybank.co.ke  
Website: www.equitybank.co.ke

National Bank of Kenya  
P.O. Box 72866-00200 Nairobi  
Tel: 020-2828000  
Fax: 020-311444/222304  
E-Mail:  
corporateaffairs@nationalbank.co.ke

**Independent Auditor**

Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**Principal Legal Adviser**

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

### 3. THE BOARD OF DIRECTORS



**Mr. Titus Korir - Chairman**

*Born 1949*

Mr. Korir holds a Honorary Doctorate Degree in Humanities and a Bachelor of Arts degree. He is a corporate Affairs, Management and Governance expert.



**Mr. Kunal Chowdhari - Vice Chairperson - Representative of the Forest Industry (Independent)**

*Born 1983*

Mr. Chowdhari holds a Bachelor of Science (IT) degree. He is the Chairman of the Finance Committee of the board. His area of expertise is Business Development.



**Mr. Evans Mutari, MBS - Alternate to Principal Secretary, Environment and Forestry**

*Born 1967*

Mr. Mutari holds a Masters in Business Management. His area of expertise is Business Management.



**Mr. Ahmed Mohamed - Representative of the Council of Governors (Independent)**

*Born 1969*

Mr. Mohamed holds a Masters degree in International Relations. He is the chairman of the Human Resource and Administration Committee. His area of expertise is Policy and Governance.



**Mr. Abdallah Komesha - Alternate to Inspector General of National Police Service**

*Born 1966*

Mr. Komesha holds a Bachelor of Arts degree. He specialises in Criminal Investigations.



**Dr. Doris N. Mutta - Representative of the Forestry Society of Kenya (Independent)**

*Born 1964*

Dr. Mutta is a Programme Officer by profession. She holds a Ph.D in Forestry and Environmental Studies. She is the Chairperson of the Audit Risk and Compliance Committee.



**Dr. George Muthike - Alternate to the Director KEFRI**

*Born 1964*

Dr. George Muthike holds a BSc. in Wood Science and Technology, MPhil. in Wood Science and Technology (Timber Engineering), both from Moi University, Kenya, and a PhD. in Biomechanical and Environmental Engineering (Timber Processing) from Jomo Kenyatta University of Agriculture and Technology, Kenya. He also holds a Diploma in Transformational Leadership from Pan African University, Kenya. Dr. Muthike currently serves as the Deputy Director, Forest Products Development (FPD) in KEFRI. He has Optimized one Technology (Framed Chain Sawing) for On-farm timber sawing. He chairs the Technical Committee on Timber Standards and a member of Bamboo, and Wood Composites Technical Committees of the Kenya Bureau of Standards. He is a full member of Forest Society of Kenya.

**FA, CPA. Isabella Kogei - Alternate to PS, National Treasury**

*Born 1983*



FA, CPA Isabella Kogei is a Deputy Director in Charge of Parliamentary Business at the National Treasury. She holds a Bachelor of Commerce (Accounting) and Master of Science (Finance) Degrees from Kenyatta University; she is currently pursuing a Doctor of Philosophy (Finance) Degree from the same University. Professionally, CPA Isabella Kogei is a member of the Institute of Certified Public Accountants of Kenya (ICPAK), Institute of Certified Investments and Financial Analysts (ICIFA) and the Institute of Internal Auditors (IIA). FA, CPA Isabella has vast experience of 15 years in finance and accounting in both public and private sectors. She has performed roles in finance and administration and contributed to organizational resource planning, financial reporting and management at strategic level having been recognized by ICPAK with an Award of Commendation for her exemplary Service in Public Finance and Accountancy.



**Jane Simita - Representative of Community Forest Associations (Independent)**

*Born 1967*

Ms. Simita is an expert in leadership and community mobilisation.



**Alexander Lemarkoko, EBS, 'ndc'(K) - Chief Conservator of Forests**

*Born 1967*

Mr. Lemarkoko took over as Chief Conservator of Forests in July 2023. Mr. Lemarkoko has over thirty-two (32) years' experience in forest management and protection. He holds a Master of Arts degree in International Studies. He is a graduate of the National Defence College and a Full Member of the Forestry Society of Kenya.



**Ms. Laura Yego - Principal Legal Officer**

*Born 1981*

Ms Yego is the Principal Legal Officer. She holds a Bachelor of Laws Degree (LLB) (Hons) and is currently pursuing a master's degree in Environmental Law from the University of Nairobi. She is also a Certified Secretary (CS - K). She is an Advocate of the High Court of over 17 years' experience, a Commissioner for Oaths and a Notary Public. She is a member of the Institute of Certified Secretaries, the Law Society of Kenya and the East Africa Law Society in good standing.

#### 4. KEY MANAGEMENT TEAM



#### **Alexander Lemarkoko, EBS, 'ndc'(K) - Chief Conservator of Forests**

Mr. Lemarkoko took over as the Chief Conservator of Forests in July 2023. Mr. Lemarkoko has over thirty-two (32) years' experience in forest management and protection. He holds a Master of Arts degree in International Studies. He is a graduate of the National Defence College and a Full Member of the Forestry Society of Kenya.



#### **Peter Waweru - Head, Directorate of Forest Conservation and Management**

Mr. Peter Waweru was in charge of the Directorate of Forest Conservation and Management. He holds a master's degree in International Studies-Science, a post graduate diploma in education as well as two bachelor's degrees in forestry & nature conservation, with over thirty-seven (37) years' experience. He has also undergone basic paramilitary training at the National Youth Service and officer's course at the Administration Police Training College. He is a member of the Forestry Society of Kenya.

He retired from the Service in January 2024



#### **Charity Munyasya - Principal Senior Deputy CCF (Directorate of Strategy, Partnerships & Resource Mobilization)**

Ms. Munyasya is in charge of the Directorate of Strategy, Partnerships & Resource Mobilization. Ms. Munyasya has over thirty-two (32) years' experience in the forestry sector. She holds a Master of Arts degree in International Studies. She is a full member of the Forestry Society of Kenya.



### **CPA Lucy Kiboi - Senior Manager, Corporate Services**

CPA Kiboi is in charge of Corporate Services. She holds a master's degree in Business Administration and a Bachelor's of Science Degree and is a Certified Public Accountant (K). She has over thirty-three (33) years' experience. She has also undergone basic paramilitary training at the National Youth Service and the SLDP course at Kenya School of Government. She is a member of Institute of Certified Public Accountants (ICPAK) & Kenya Institute of Management (KIM).



### **Mohammed Adan Mohammed 'ndc' (K) - Commandant**

Mr Mohammed is the Senior Deputy Chief Conservator of Forests -Directorate of Forest Protection and Security. (Commandant). He holds Bachelor of science in Natural Resource Management from Egerton University, Master's of Arts-Project Management and Community development (Egerton), Master of Arts in international studies (UON) is undertaking a Doctor of Philosophy in Climate Change and Adaptation at the University of Nairobi.



### **CPA Stephen Mugi - Head, Internal Audit**

CPA Mugi is in charge of Internal Audit and has over sixteen (16) years' experience in Auditing in the public sector. He holds a Master of Science Degree in Finance, a Bachelor's Degree in Accounting and is a member of Institute of the Internal Auditors (IIA) - Kenyan Chapter and Institute of Certified Public Accountants of Kenya (ICPAK).



**Dr. Elizabeth Wambugu - Principal Kenya Forestry College (KFC)**

Dr. Wambugu is the Principal of the Kenya Forestry College. She holds a Ph.D in Natural resource Managements, a Master of Science in Forest Science, Bachelor of Science in Forest Science (Honours), Bachelor of Science in Forestry, Diploma in Designing sustainable forest landscape: Ecosystem Services for Future. She is a member of Forestry Society of Kenya (FSK) and the National Vice Secretary and a member of the National Executive Committee of the Kenya Professional Association of Women in Environment and Agriculture (KEPAWAE).

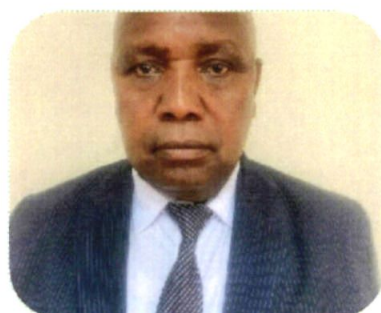
She has 35 years of experience in the forestry sector.



**Dr. Clement Ngoriareng - Deputy CCF, Dryland & Private Forest Development Coordination**

Dr. Ngoriareng is in charge of Dryland & Private Forest Development Coordination. He holds a PhD in Environmental applied Biological Sciences from University of Eldoret, a Master of Philosophy Degree in Environmental Planning and Management from Moi University and a Bachelor of Science (BSc) degree in Forestry and Wildlife Management from Moi University.

He has over 27 years of experience in the environment and forest sectors. He was a research scientist with international centre of research in insect physiology and ecology (ICIPE) where he conducted research in wild silk worm in the Arid areas of North Rift Region.



**Andrew Soi - Deputy CCF, Plantation and Enterprise**

Mr. Soi holds a MA international relation from the University of Nairobi and MA project planning and management in natural resources from JOOUST University. He also holds BSC Forestry Management from Moi University and is a graduate of NDC Kenya. He holds other certificates in GIS, Forestry, community forest participation and Bamboo propagation among others. He has over 36 years of experience.



### **Beatrice Mbula -Deputy CCF, Natural Forests Conservation**

Ms. Mbula is in charge of Natural Forest Conservation. She holds a Bsc. Degree in Forestry (Moi University) and a Master of Philosophy in Environmental Studies (Environmental Planning and Management) - Moi University. She has certificate in Strategic Leadership Development and Senior Management from Kenya School of Government. She has also undergone a basic paramilitary training at the National Youth Service and senior officers' paramilitary course at the Administration Police Senior Staff College - Emali. She is a full member of the Forestry Society of Kenya.



### **CPA Anastasia Muasya - Manager - Finance & Accounting**

CPA Muasya is in charge of Finance & Accounting. She holds a master's degree in Business Administration - Finance option, is a Certified Public Accountant (K), as well as a Bachelor's Degree in Commerce with over thirty-seven (37) years' experience, Other Skills include development courses undertaken such as Strategic Leadership Development Programme and Senior Management Courses. She is a member of the Institute of Certified Public Accountants (ICPAK).



### **Juliana Ochieng - Manager Human Resource**

Mrs. Ochieng is charge of Human Resource until 12<sup>th</sup> April 2024. She holds a master's degree in Business Administration, a Bachelor's Degree in Human Resource Management and an advanced Diploma in Human Resource Planning and Development. Other Skills development courses undertaken include Strategic Leadership Development Programme and Senior Management Course. She is a member of the Institute of Human Resource Management (IHRM). She has over thirty (30) years' experience in human resource management



### **Patrick Tialal - Principal Human Resource Officer**

Mr. Tialal has been in charge of Human Resource Management from 13<sup>th</sup> April 2024. He is a holder of a Master's degree in Business Administration, a Degree in Human Resource Management, and a post-graduate Diploma in Human Resource Management with over 20 years' experience. He has also undertaken a Senior Management Course at Kenya School of Government as well as Transformational Leadership course. He is a full member of the Institute of Human Resource management (IHRM).



### **Zipporah Toroitich - Deputy Chief Conservator of Forests, Conservancy Co-ordination**

Mrs. Toroitich is in charge of Conservancy Co-ordination. She holds a Master of Philosophy in Forestry (Forest Economics & Management), a Bachelor of Science Degree in Forestry from Moi University, a Diploma in Environmental Services in Forest Management from Helsinki University, and a Certificate in Strategic Environmental Assessment (SEA). Mrs. Toroitich has over thirty-two (32) years' experience in the forestry sector. She is a full member of the Forest Society of Kenya.



### **Esther Keige - Head - Legal Services**

Ms. Keige is the Head, Legal Services. She holds a Master's degree in Environmental Law, a Bachelor's Degree in Law (LLB), and a Post Graduate Diploma in Law.

She is an Advocate of the High Court of Kenya, a commissioner of oaths and a Certified Secretary. She is a member of the Law Society of Kenya (LSK) and the Institute of Certified Public Secretaries of Kenya (ICPSK), with over twenty-seven (27) years' experience as an advocate.



**Anne Muthamia - Head - Corporate Communications**

Ms. Muthamia is in charge of Corporate Communications Department with over 21 years' work experience. She holds an M.A. International Studies from the University of Nairobi and is a graduate of the National Defence College, Kenya. She also holds an M.A. Communication Studies from the University of Nairobi and B.A. Communication from Daystar University. She is a member of the Public Relations Society of Kenya (PRSK) and the Association of Media Women in Kenya (AMWIK).



**Victor Kobia - Head - Supply Chain Management**

Mr. Kobia oversees Supply Chain Management. He has over twenty-one (21) years' experience in Supply Chain Management in the public sector. He holds a Master's Degree in Procurement and Logistics and is a Full Member of Kenya Institute of Supplies Management (KISM).



**Stephen Cheboi - Head - ICT**

Mr. Cheboi is the Head of Information and Communication Technology (ICT) Department. He has previously worked both in the private and public sectors. He has over 26 years' experience in ICT. He holds a Bsc. in Maths & Computer Science (Hons.) and a Master of Science in Information Systems and is a member of the Computer Society of Kenya.



**Isaac Wekesa - Head - Administration & Infrastructure**

Mr. Wekesa is in charge of Administration and Infrastructure. He has 20 years of experience in the Administration and Management field. He holds a Master's Degree in Public Administration from the University of Nairobi, a Degree in Education from Kenyatta University, Higher Diploma in Human Resource Management and a Diploma in Public Administration. He has taken Senior Management and Strategic Leadership and Development Course from Kenya School of Government. He is a Certified Secretary and an active member of the Institute of Certified Secretaries of Kenya.



**Dr. Benjamin Kinyili, PhD., 'ndc'(K) - Ag. Manager: Forest Survey & Information Management.**

Dr. Kinyili holds a PhD and Master's Degree in Environmental Science, and a Bachelor of Science with honors, from Kenyatta University. He also holds Master's Degree of Arts in Diplomacy and International Studies from University of Nairobi (UoN) and is a graduate of NDC Kenya. He holds other Diplomas and Certificates in Forestry, Strategic Security Studies, Community & Participatory Forest Management Planning, Senior Management & Strategic Leadership Development Courses from KSG, among others. He has over 35 years of experience in forest sector.



**Ms. Laura Yego - Principal Legal Officer**

Ms Yego is the Principal Legal Officer. She holds a Bachelor of Laws Degree (LLB) (Hons) and is currently pursuing a master's degree in Environmental Law from the University of Nairobi. She is also a Certified Secretary (CS - K). She is an Advocate of the High Court of over 17 years' experience, a Commissioner for Oaths and a Notary Public. She is a member of the Institute of Certified Secretaries, the Law Society of Kenya and the East Africa Law Society in good standing.

## 5. CHAIRMAN'S STATEMENT



*Titus Korir - Chairman, KFS Board of Directors*

On behalf of the Board of directors, I am pleased to present Kenya Forest Service Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024.

In the fiscal reporting period 2023-2024, the Service had a total budget on Government funding of Kshs.7.1 billion on both recurrent and GOK development but received Kshs.6.7 billion from the exchequer and collected Kshs.1.86 billion, out of which expenditure of Kshs.491.7 million was utilized for capital

expenditure. Funding from development partners had a budget of Kshs.1.9 billion but released Kshs.1.65 billion to the Service.

The Service has taken appropriate measures and focused its policies towards complying with the requirements of the Constitution of Kenya, Vision 2030, Bottom -Up Economic Transformation Agenda (BETA), and the Presidential Directive to achieve 30% tree cover by 2032. Towards this, the Service is implementing the 30% tree cover strategy whereby the Service targets to grow 300 million trees annually for the next ten years. This will contribute to the national target of 1.5 billion trees grown annually by various Government agencies and private entities.

The Service is also implementing various policies, legislations and strategies to achieve its mandate. These include the Forest Conservation and Management Act (FCMA 2016); and the National Forest Programme (2016-2030). The KFS Strategic Plan 2022-2027 was launched in May 2024. The Service remains compliant to various multilateral and bilateral agreements and protocols. The financial resources were therefore utilized in implementing the approved strategies and projects to contribute towards the Services' mandate.

During the period under review, and with support from Government and Development Partners, the Service rehabilitated a total of 7,367 Ha of degraded natural forest areas mainly within the five water towers through enrichment planting. A total area of 8,613 Ha was planted through National tree planting campaigns with stakeholders. The Service facilitated the production of over 81 Million seedlings in KFS nurseries and working with stakeholders. The national tree growing targets were greatly boosted through two national tree growing public holidays that mobilized all citizens and corporate entities to participate in tree growing led by His Excellency the President, Hon. William Ruto. The Service also deployed 2,664 Forest Rangers who finalized paramilitary training and were posted to various forest stations. In addition, the Service concluded recruitment of 467 Forester cadre staff and 102 Cadets and they commenced paramilitary training. The new staff will greatly boost forest protection and conservation. Promotions of over 1,200 existing staff was also done which greatly boosts staff morale and performance.

Despite the various milestones detailed above, the Service faced some challenges that include inadequate funding (funds disbursed against the budget), inadequate staffing levels due to natural attrition, climate change leading to unreliable weather patterns that hampers planning of forest activities such as planting of trees and low survival rate of tree seedlings. Litigations and slow uptake in disposal of mature and over -mature plantation forests has also impacted revenue projections.

Nevertheless, my Board and I are determined to steer the Service towards excellence in delivery of its mandate for the benefit of all Kenyans, and I look forward to many fruitful engagements with various partners and stakeholders.



**MR TITUS K KORIR,**  
**Chairman, Kenya Forest Service**

## 6. REPORT OF THE CHIEF CONSERVATOR OF FORESTS



*Alexander Lemarkoko, EBS 'ndc' (K) - Chief Conservator of Forests*

Kenya Forest Service has accomplished another successful year and I am pleased to present this Financial Report to all partners and stakeholders. The Service mandate is guided by the Strategic Planning cycles that allow for prioritization and delivery of strategic objectives. Within the reporting period, the Service completed implementation of the Strategic Plan 2017 - 2022 and has finalized formulation of 2022-2027 Strategic Plan, awaiting official

launch. In addition, the Service implemented the relevant Presidential Directives and aligned its activities towards attainment of the Bottoms -Up Economic Transformation Agenda (BETA). Spearheaded by His Excellency the President Hon William Ruto, the Service is implementing the Strategy achievement of 30 percent tree cover by 2032.

During the 2023/2024 financial year, the combined financial absorption of the Service was Kshs. 10 billion out of an allocation of Kshs. 10.5 billion translating into 95% absorption rate.

The Service raised a total of Kshs. 1.8 Billion as Appropriation in Aid (AIA) mainly from the sale of commercial fuel wood, movement permits, grazing fees, sale of seedlings, annual licenses, land rents, finance income etc. This translates to 101% increase in AiA collection despite; enforcement of stringent measures on livestock grazing in the forest to ensure to ensure that protection efforts are not compromised and scaling down quarrying and soil mining due to their impacts on forest conservation.

In the FY 2023-2024, the Service absorbed 87% of externally mobilized resources amounting to Kshs. 1.65 billion against the approved budget of Kshs. 1.91 billion.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

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During the review period, the Service raised a total of Kshs. 1.86 billion mainly from the sales of commercial fuelwood, movement permits, grazing fees, sale of seedlings, annual licenses and land rents. The Service allocated 30% of the non-specialized goods & services procurement budget to Youth, Women and Persons with Disabilities Empowerment (AGPO).

The main challenges to effective implementation of the Strategic Plan included inadequate staffing levels due to natural attrition and inadequate funding. The Service will continue implementing the reforms aimed at enhancing service delivery, adhere to the Government's financial management requirements while upholding strict financial management guidelines and application of best practice in management.

I thank the Ministry of Environment, Climate Change and Forestry and Kenya Forest Service Board for their steadfast support in implementation of the KFS mandate.

I also appreciate the Management team and the entire staff of the Kenya Forest Service for continual commitment to excellence in service delivery.



**Mr. Alex Lemarkoko, EBS, 'ndc' (K)**  
**Chief Conservator of Forests**

## 7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR THE FY 2023/2024

In line with its mandate and functions, Kenya Forest Service implemented ten (10) different projects during the 2023/2024 financial year. These projects are aligned to the Government Agenda and responds to the Bottom-Up Economic Transformation Agenda (BETA) by creating employment and improving the livelihood of the local communities as well as the national economy.

Six (6) of these projects are directly aligned to the national agenda on the attainment of the 30% tree cover. This will build on the recent gains of the forest cover of 8.83% and tree cover of 12.13%. These projects are; Establishment of Forest Plantations Project; Forest Irrigation Climate and Green Energy Project (FICaGE); Natural Forest Conservation Project; Farm and Dryland Forest Development Project; Green Zones Development Support Project Phase II; and National Tree Growing and Restoration Programme. Key achievement from these projects includes; protection of 2.602 million ha of gazetted forests; production of 81.46 million tree seedlings; rehabilitation of 8,397 ha of degraded forest areas; establishment of 3,431.19 ha of forest plantation; establishment of 1,404 ha of commercial bamboo forests on public lands; establishment of 13,426 ha of commercial growing on private land and community lands in ASAL and rehabilitation of 4,007 ha of degraded mangrove forest ecosystem sites in coastal regions

In addition, Kenya Forest Service implemented four (4) projects that provides support and an enabling environment to the organization mandate. These projects are Construction and Maintenance of Forest Roads Project; Forest Fire Prevention Management Project; Rehabilitation of forest rangers camps; and Capacity Development project for Technologies in forest fire management in Kenya. The key achievements include fifty (50) foundation work for the masts constructed and inspected, procurement of one (1) caterpillar grader and three (3) Chartrack and 620 backpacks, helmets, gloves and commenced construction of the main Command Centre for the integrated technologies in the project at KFS headquarters.

The major challenges in the implementation of the budget will include:

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

- Budget cuts and delays in Exchequer disbursement of funds to implement project activities
- Inadequate staff;
- Delay in disbursement of counterpart funding from treasury.
- Increased pressure on natural resources due to population (encroachment); and
- Pressure effects of climate change and extreme weather conditions.
- A lot of time spends and the bureaucracy involved in documentation and paperwork processes and approvals for clearance of Items at the port and JKIA.

To address these challenges the major strategies to be employed will include:

- Exploring, securing and harnessing diversified funding sources, including private stakeholders, public-private partnership and international grants as a resource mobilization mechanism to enable the organization attain the overarching goal of increasing forest and tree cover in the country.
- Adequate staffing and replacement of retiring staff.

The achievement of the performance targets set for the FY 2023/2024 period for the strategic objectives, as indicated in the diagram below:

Programme	Key Output	Key Performance indicators	2023-24		Comments
			Target	Actual	
Forest Irrigation Climate and Green Energy Project (FICAGE)	Woodlot Forests	Ha of woodlot forest planted	20	5	Target not achieved due to inadequate fund
Natural Forest Conservation Project	Closed canopy forests	Ha of existing closed canopy forest protected (millions)	2.6	2.602	Target achieved
	Degraded Forest areas rehabilitated	Ha of degraded forests rehabilitated	7,000	8,397	Target achieved over achieved through the support of the GZDSP II and NTPC Projects.
		Ha degraded mangrove forest ecosystem sites in coastal regions rehabilitated	3,000	4,007	Target over achieved in collaboration with other stakeholders
	New forest areas gazetted	Ha of new forest gazetted	10,000	-	43,700.132 Ha of new forests have been initiated for gazettelement

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

Programme	Key Output	Key Performance indicators	2023-24		Comments
			Target	Actual	
Establishment of Forest Plantations Project	Forest Plantations	Ha of forest plantations planted	1,500	3,431.19	Target achieved over achieved through the support of the GZDSP II and NTPC Projects.
Farm and Dry land Forest Management	Seedlings produced	No. of seedlings produced (million)	300	81.46	Target not achieved due to inadequate fund disbursement
	Commercial farm forests	Ha of commercial farm & ASAL forests planted	10,000	13,426	Target achieved in collaboration with stakeholders
	Rehabilitation of degraded forests	Ha of Bamboo forests in communal land rehabilitated	2000	1,404.2	done in collaboration with WWF on rehabilitation of degraded landscapes in Kajiado, Kibwezi, Kathonzwani, and Makueni using Vellerani technology
Forest Roads Improvement	Forest roads infrastructure	Km of forest roads maintained (Km)	380	154	Target not achieved due to delay of fund disbursement from the exchequer
		No. of bridges constructed	3	1	
Rehabilitation of Forest Rangers' houses	Forest Rangers' housing camps	No. of rehabilitated camps	16	16	Kericho 13 units, Nakuru 23 units, Baringo 12 units, Narok 6 units, Elgeyo Marakwet 12 units, Nyeri 6 units, Garissa 5 units, Kirinyaga 3 units, Nyandarua 6 units, Muranga 3 units, Kiambu 7 units, Meru 5 units, Tharaka Nithi 4 units Tana River 5 units
		No of new constructions	0	0	Target not achieved due to delay of fund disbursement from the exchequer
Forest Fires Prevention and Management Project	Fire prevention and suppression	Km of fire breaks/ lines maintained	550	-	Delay in disbursement of funds
Green Zones Development Support Project Phase II	Forest areas rehabilitated	Ha of Forests rehabilitated	3,000	3,251.4	108% achievement
	Commercial Farm Forests	Ha of commercial farm forests planted	300	183.3	61% achievement. Reason: inadequate bamboo seedlings in our nurseries
	Forest roads	Kms of forest roads maintained	312	123	39% achievement. Reason: Inadequate

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

Programme	Key Output	Key Performance indicators	2023-24		Comments
			Target	Actual	
					provision of funds to cover 312km
National Tree Planting Campaign (NTPC) Project	Tree seeds & Seedlings production	Kgs of seeds produced	75,000	47,192	Deliverable by KEFRI
		No. of seedlings produced (million)	63	44	Target not achieved due to delay of fund disbursement
	Forest areas rehabilitated	Ha of degraded natural forest rehabilitated	12,000	9,065.6	Target not achieved due to delay of fund disbursement
Capacity Development project for Technologies in Forest Fire Management in Kenya	Modern firefighting equipment, Technologies & associated services	No. Forest fire prevention & fighting technologies acquired	3	1	Target not achieved due to delay of fund disbursement
		No. of forest fire fighting vehicles acquired	26	26	12 medium firefighting engines, 6 troops carriers and 8 heavy firefighting engines will be delivered this financial year.
		KM of fire breaks established & maintained	20.0	3.0	3Km of firebreak maintained during training of sharp track
		Modern Fire watchtowers erected masts	50.0	6.0	Foundation work for the 50 masts have been completed and inspected, construction of the masts going on.
		Modern Forest fire monitoring & detection system installed (%)	80.0	40.0	Target not achieved

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

**8. CORPORATE GOVERNANCE STATEMENT**

We believe in good Corporate Governance as an organisation. We remain committed to the highest standards of corporate governance and business ethics. The Board provides leadership through oversight, review and guidance whilst setting the strategic direction. It is the primary decision-making body for all matters considered as material to the Service. The Service continues to be guided by the Mwongozo Code of Governance for State Corporations and continues to implement its provisions.

**Board meetings and attendance**

1. The Service Board members usually dedicate adequate time and effort for meetings and meet as regularly as required and at least meet quarterly in order to effectively lead the organization.
2. The Chairman chairs all Board meetings and, in his absence, or inability to chair for whatever reason, the members present appoint one of their numbers to preside over the meeting.
3. The quorum for Board meetings is usually five members since the total Board membership nine.
4. Board papers are usually made available to Board members not less than ten days before the date of the meeting.
5. The Corporation Secretary attends all Board meetings and, in her absence, or inability to attend for whatever reason, the Board appoints a Secretary for the meeting from amongst the staff of the Service.

The attendance of Board meetings during the year under review was as follows;

Director	Membership	Full Board	TPD & KFC Committee	HR & A Committee	Finance Committee	Audit Committee
		10	8	16	5	4
Mr. Job Chirchir	Chairman	✓				
	Attendance	4/4				
Mr. Titus K. Korir	Member	✓				
	Attendance	6/6				
Mr. Zakayo Maina	Member	✓	✓	✓		
	Attendance	3/4	2/8	6/16		
Mr. Kunal Chowdhari	Member	✓		✓	✓	
	Attendance	8/10		11/16	4/5	
Mr. Peter Leitoro	Member	✓	✓	✓	✓	✓
	Attendance	2/4	2/8	6/16	1/5	1/4
Dr. George Muthike	Member	✓	✓	✓	✓	
	Attendance	9/10	8/8	7/16	5/5	
Mr. Ahmed Mohamed	Member	✓	✓	✓		
	Attendance	9/10	4/8	15/16	1/5	
FA. CPA, Isabella Kogei	Member	✓			✓	✓
	Attendance	8/10			4/5	1/5
Mr. Gerald Mwangi	Rep - SCAC	✓				

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

Director	Membership	Full Board	TPD & KFC Committee	HR & A Committee	Finance Committee	Audit Committee
		10	8	16	5	4
	Attendance	3/10		3/16		
Dr. Doris Mutta	Member	✓	✓			✓
	Attendance	6/10	7/8			4/4
Mr. Abdalla Komesha	Member	✓		✓		✓
	Attendance	8/10		15/16		3/4
Mr. Evans Mutari, MBS	Member	✓		✓	✓	✓
	Attendance	7/10		7	2/5	3/4
Ms. Jane Simita	Member	✓	✓	✓		
	Attendance	6/6	6	10/16		
Ms. Elizabeth Wamae	Rep - SCAC	✓		✓	✓	
	Attendance	3/10		1/16	2/5	
Mr. Alex Lemarkoko, EBS	CCF	✓	✓	✓	✓	
	Attendance	10/10	8/8	16/16	5/5	
Ms. Laura Yego	Corporation Secretary	✓	✓	✓	✓	
	Attendance	10/10	8/8	16/16	5/5	

### Succession plan

The Presidency and Parent Ministry Cabinet Secretary who are the appointing authority have parameters in place to ensure that the tenures of Board members are staggered to ensure a phased transition.

### Board charter

The Service Board has developed and adopted a Board Charter. The Board Charter defines the role, responsibilities and functions of the Board in the governance of the organization.

### Process of appointment and removal of Directors

1. The Service Board appointment is in line with Article 27 of the Constitution of Kenya, the Forest Conservation and Management Act, the State Corporations Act and the guidelines of the Mwongozo Code of Conduct.
2. The Board is appointed through a transparent and formal process governed by the overriding principle of merit.
3. The Board has nine members who are formally appointed to the Board through a Gazette Notice.
4. The Chief Conservator of Forests is a Board member with no voting rights.
5. Board appointments put into consideration the mix of skills and competencies required for the achievement of the organizations long term goals.
6. The Board membership has one third of the Board members who are independent upon appointment and maintains their independence during their term of service.

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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7. The removal of a Board member is based on non-performance, non-attendance of meetings, unethical conduct or as set out in any constitutive documents or applicable law.

**Roles and functions of the Board**

These are;

- (a) Determining the Service mission, vision, purpose and core values.
- (b) To set and oversee the overall strategy and approve significant policies of the Service.
- (c) To ensure that the KFS strategy is aligned with the purpose of the organization and the legitimate interests and expectations of its stakeholders.
- (d) To ensure that the strategy of the organization is aligned to the long-term goals of the Service on sustainability so as not to compromise the ability of future generations to meet their own needs.
- (e) To approve the KFS organizational structure.
- (f) To approve the annual budget of the Service.
- (g) To monitor the Service performance and ensure sustainability.
- (h) To enhance the corporate image of the Service.
- (i) To ensure availability of adequate resources for the achievement of the Service objectives.
- (j) To hire the Chief Conservator of Forests, on such terms and conditions of service as may be approved by the relevant government organ(s) and approve the appointment of senior management staff.
- (k) To ensure effective communications with stakeholders.

**Board induction and training**

The Service Board;

- (a) Developed an induction programme for new Board members.
- (b) Ensures that a competence needs assessment is carried out and an annual development programme for a minimum of two-days per Board member is put in place.

The Board members;

- (a) Ensure that they are up to date with continuous professional development in their respective professional bodies.
- (b) Receive regular briefings on matters relevant to the Service, changes in laws and regulations including government accounting policies and practices.
- (c) Are certified by an accredited body within six months of their appointment.

### **Board and member performance**

The Board undertakes annual Performance evaluation and file a report thereof with the Ministry of Environment and Forestry and SCAC. The State Corporations Advisory Committee facilitated the Board performance evaluation.

### **Conflict of interest**

The Board have ensured that a policy on the management of conflict of interest is in place. The Board members;

- (a) Declare any real or perceived conflict of interest with the Service upon appointment to the Board.
- (b) Declare to the Board any real or perceived conflict of interest that may subsequently arise.
- (c) Do not take part in any discussions or decision-making regarding any subject or transaction in which they have a conflict of interest.
- (d) Do not influence in any manner whatsoever decision making on any matter in which they have interest.

### **Board remuneration**

The Service have established a formal and transparent remuneration policy and remunerate Board members fairly, ethically and responsibly. The Service ensures that the remuneration policy is as per the Government regulations. The remuneration policy for Board members clearly stipulates the elements of such remuneration including sitting and other allowances.

### **Ethics and conduct**

The Board;

- (a) Ensured that a code of conduct and ethics was developed.
- (b) Ensures that all members of the organization subscribe to the code of conduct and ethics.
- (c) Reviews the code of conduct and ethics as necessary.
- (d) Promote ethical conduct and sanction misconduct.
- (e) Ensured that a corporate gifts policy is in place.
- (f) Receives from the Committee responsible for Governance and Compliance, a report on the level of adherence to the code of conduct and ethics by members of the Service.

### **Governance audit**

1. The Board, in consultations with State Corporations Advisory Committee (SCAC), ensures that it subjects the Service to an annual governance audit by a member regulated by the Institute of Certified Secretaries (ICS) and accredited for that purpose.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

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2. The governance audit usually covers the governance practices of the Service in the following parameters:
  - (a) Leadership and strategic management;
  - (b) Transparency and Disclosure;
  - (c) Compliance with Laws and Regulations;
  - (d) Communication with stakeholders;
  - (e) Board independence and governance;
  - (f) Board systems and procedures;
  - (g) The Board ensures Consistent stakeholders value enhancement and Corporate social responsibility.

## 9. MANAGEMENT DISCUSSION AND ANALYSIS

### Introduction

This is a report on review of Kenya Forest Service Strategic Plan, Highlights of activities and achievements for the Financial Year 2023-2024, key ongoing Projects and Project Completion Rates as well as implementation of Presidential Directives.

### Review of Strategic Plan

The Service executes her mandate through successive five-year strategic plans. The 4th Strategic Plan has been developed after expiry of the 3rd Strategic Plan 2017-2022. It is the Fourth-Generation Strategic Plan and aligned to the Fourth Medium Term Plan (2023-2027) of vision 2030 and other public priorities. The plan will guide the operations of the organization for the next five years. It builds on the review of the previous strategic plan, key achievements, challenges faced, emerging issues, lessons learnt, environmental scan and strategic issues. The plan was developed through a consultative process involving both internal and external stakeholders. In addition, key documents were reviewed to inform development of this plan among them were the Constitution of Kenya 2010, Vision 2030, the Fourth Medium Term Plan (MTP) (2023-2027), the Ministry of Environment, Climate Change and Forestry Strategic Plan (2023-2027), the Forest Conservation and Management Act, 2016, Bottom-up Economic Transformation Agenda, the Forest Policy Sessional Paper No.4 of 2006, the National Forest Program (NFP) (2016-2030) and the National Strategy for achieving 30% tree cover by 2032. This 4th Strategic Plan is implemented through two core functions namely, Forest conservation and Management and Forest Protection and Security. All other remaining functions are implemented through the support services programme including Development of Forests and Tree Growing on Public, Community and Private Lands, Institutional Capacity and Corporate Governance and Partnerships, Collaboration and Resource Mobilization.

The strategic goal in the plan period is to increase forest cover by at least 1.17% to attain the minimum expected of 10% by 2027. Currently, the forest cover is at 8.83% while the tree cover is at 12.3%.

### Review of activities and achievements of F/Y 2023/2024

#### Public Forest Protected

In the FY 2023-2024, the Service continued to sustain intensive protection measures to ensure that the 2.602 million Ha of gazetted public forests are well secured against all forms of threats and degradation activities on forest conservation. In particular, the Service undertook and successfully achieved the following:

- Participated in multi-agencies operations including County security, environmental and court users' committees in forest conservation and protection of in all the 47 Counties.
- Protected 461,891.5 ha against re-invasion of illegal settlers in Kirisia, Maasai Mau,

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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Cheptais, Makunga, Embobut forests

- Continued to enforce protection and conservation measures of the 2.602 million hectares of Gazetted Public Forests
- Carried out 29 bi-annual aerial forest surveillance in all 10 conservancies and submit status report
- Automated forest crime reporting in 6 counties in Nakuru, Bomet, Uasin Gishu, Kiambu, Nyandarua and Meru
- Continued to Implement Forest fire and disaster response action plan by carrying out forest fire prevention management

**Commercial Bamboo Growing Promoted**

In the FY 2023-2024, the Service established 1,404.2 Ha of Bamboo forests against a target of 2000 Ha. Despite producing adequate Bamboo seedlings in KFS Trees Nurseries, the low performance was due to the drastic erratic weather, budget cuts and delays in disbursement of funds experienced in the year.

**Rehabilitation and Restoration of Degraded Natural Forest Areas**

In the FY 2023-2024, the Service rehabilitated 6,591.20 through fencing of degraded forest areas in the counties against a target of 1,000Ha, rehabilitated 8,397Ha through enrichment planting of degraded public natural forest area against annual target of 7,000Ha and managed to reclaim 2,814Ha of land covered by invasive species against annual target of 2000Ha.

**Degraded Mangroves Ecosystems Restored**

In the FY 2023-2024, the Board established 4,007Ha of Mangrove forests against the annual target of 3,000Ha of degraded mangrove ecosystem due to partnership and adopt a forest framework.

**Tree Seedlings Production in KFS Tree Nurseries Produced**

In the FY 2023-2024, the Board was able to produce 81,463,752 seedlings in its 290 tree nurseries an annual target of 300 million, refurbished water system in two model tree nurseries Loitoktok in Kajiado and Nairobi Arboretum. The lack of disbursement of development budget, was the major attribution for under achievements in production of seedlings.

**Promotion of Nature Based Enterprises with Engagement of Community Forestry Associations**

In the FY 2023-2024, the Service achieved 274 nature-based enterprises against an annual target of 250 which included the beekeeping, tree nurseries, ecotourism, herbal products collection, grazing, fuelwood collection, non-residential cultivation, conducted 145 capacity building for CFAs in beekeeping, seedling production and value chain against annual target of 100 and developed operational a manual for livelihood improvement for

NBEs.

#### **Forest Cover outside public gazette increased**

In the FY2023-2024, the Board promoted the establishment of 40,900.94 of agroforests on farmlands including woodlots against an annual target of 35,000Ha, promoted the production and trade of 13 Non-Timber Forest products (NTFPs) from the ASALs i.e Charcoal, Gums, Resins, Indigenous fruits, Aloe vera species against an annual target of 5, rehabilitated 5,813.22H of degraded landscapes in the ASAL areas against an annual target of 5,600Ha and promoted 13,426Ha commercial forest plantation on public, private and community lands in drylands (ASALs).

#### **Mangroves Seedlings and Propagules Raised**

In the FY 2023-2024, the Service collected 29,144,712 mangrove propagules against an annual target of 28,000,000 and raised 28,325,748 mangrove seedlings to rehabilitate through planting 2,543.8 Ha of degraded mangrove ecosystem.

#### **Industrial Forest Plantations in Gazetted Public Forest areas restocked**

In the FY 2023-2024, the Service undertook pruning operations of 1,553Ha of young plantations for quality timber growth against an annual target of 1,000Ha and restocked 3,431.19Ha of unstocked forest plantation areas against an annual target of 10,000Ha. The underperformance was due to budget cut of fund allocation to the programme.

#### **Capacity and Governance of CFAs Improved**

In FY 2023-2024 the Service audited 65 performances of Community Forest Associations against an annual target of 50 and submitted a report to Management, carried out an assessment of the status of 65 Forest Management Agreements currently in force against an annual target of 50 and submit a report Management and carried out an inventory of 65 PFMPs against an annual target of 50 and assess implementation performance in two forest conservancy areas.

#### **Forest Governance and Management Strengthened**

In FY 2023-2024 the Service conducted 6 National and County level charcoal policy dialogue (Kitui, Garissa, Tana River, Baringo and Turkana and Nairobi) against an annual target of 6. reviewed the Forest (Harvesting) Rules, 2009, sensitized 97 CFAs on Forest Conservation and Management Act, 2016 against an annual target of 50 and sensitized the 65 Forest Officers deployed in Counties on the provisions of the Community Land Act, 2016 and the linkages with Forest Conservation and Management Act, 2016 against an annual target of 60.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

**Key Ongoing Projects and Project Completion Rates**

	Project Code & Title	Financing			Timeline		cumulative expenditure as at 30th June 2024		Outstanding Project Cost as at 30th June 2024		% Project completion (physical at 30th June 2024)
		Estimated cost of Project	GoK	Foreign	Start Date	Expected completion date	GOK	Foreign	GOK	Foreign	
1	Forest Irrigation Climate and Green Energy Project (FICaGE)	4,057	4,057	0	01-Jul-16	31-Dec-30	191.3	0	3,866	0	4.72%
2	Natural Forest Conservation Programme	6,518	6,518	0	01-Jul-16	30-Jun-30	552.5	0	5,966	0	8.48%
3	Establishment of Forest Plantations	2,100	2,100	0	01-Jul-16	30-Jun-30	747.2	0	1,353	0	35.58%
4	Farm and Dry land Forest Management	5,508	5,508	0	01-Jul-16	30-Jun-30	518.3	0	4,990	0	9.41%
5	Forest Roads Improvements	1,500	1,500	0	01-Jul-14	30-Jun-30	549.4	0	951	0	36.63%
6	Rehabilitation of buildings (Forest Rangers Camps)	950	950	0	01-Jul-14	31-Dec-30	346.4	0	604	0	36.46%
7	Forest Fire Prevention Management Project	1,200	500	700	01-Jul-17	30-Jun-30	103.78	0	396	700	8.65%
8	Green Zones Development Support Project Phase II	5,498	550	4,948	01-Mar-19	30-Jun-25	398.4	3083.9	152	1864.1	63.34%
9	National Tree Planting Campaign	48,000	48,000	0	01-Jul-19	30-Jun-30	2123.5	0	45,877	0	4.42%
10	Capacity Development Project for Technologies in Forest Fire Management in Kenya	3,339	667.8	2,671	01-Jul-22	01-Jun-27	5.9	1377.5	662	1293.5	41.44%
		<b>78,670</b>	<b>70,351</b>	<b>8,319</b>				<b>5,356</b>	<b>64,814</b>	<b>3,858</b>	

## Implementation Of Presidential Directives

### National Tree Growing and Restoration Campaign

The National Strategy for Achievement of 30% Tree Cover By 2032 is a special Presidential Forestry and Rangeland Restoration Programme. The programme aims to accelerate actions towards the achievement of 30% national tree cover by 2032 in order to enhance climate reliant national economic growth and development goals. This will conduct within the context of the Vision 2030 and contribute toward Kenya's commitments to regional and global conventions.

For the next 10 years, the programme seeks to grow 15.9 billion trees covering an estimated area of 10.6 million hectares. The programme is implemented by all the MDAs in government in collaboration with stakeholders and with the coordination and stewardship of the Ministry of Environment, Climate Change and Forestry. Within the programme, the Kenya Forest Service has an overall commitment to produce and grow 1.5 billion trees seedlings in five years or 3.15 billion tree seedlings in the next 10 years.

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Financial Performance

FIVE YEAR FINANCIAL PERFORMANCE

	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
<b>Revenue from non-exchange transactions</b>					
			Kshs. '000'		
Transfers from other governments entities	4,605,527	4,625,952	4,557,518	5,290,961	6,647,548
Public contributions and donations	278,810	433,802	499,464	481,159	829,430
Fines, penalties and levies	3,549	3,475	3,473	3,672	2,626
	<b>4,887,886</b>	<b>5,063,229</b>	<b>5,060,455</b>	<b>5,775,792</b>	<b>7,479,604</b>
<b>Revenue from exchange transactions</b>					
Sale of Goods & Services	401,442	476,447	470,093	851,019	1,718,914
Licenses and permits	169,302	184,399	155,262	137,693	102,434
Finance income - external investments	6,242	5,968	19,378	18,781	38,925
	<b>576,986</b>	<b>666,814</b>	<b>644,733</b>	<b>1,007,493</b>	<b>1,860,273</b>
<b>Total revenue</b>	<b>5,464,872</b>	<b>5,730,043</b>	<b>5,705,188</b>	<b>6,783,285</b>	<b>9,339,877</b>
<b>Expenses</b>					
Use of goods and services	(1,412,260)	(1,238,648)	(944,729)	(3,832,698)	(3,077,688)
Employee costs	(4,643,450)	(4,358,632)	(4,331,803)	(4,319,742)	(5,686,606)
Remuneration of Directors	(16,266)	(16,959)	(6,403)	(11,706)	(19,321)
Depreciation and amortization expense	(216,749)	(233,976)	(235,940)	(239,268)	(233,590)
Repairs and maintenance	(229,682)	(249,965)	(158,902)	(172,254)	(355,335)
Contracted services	(32,140)	(62,188)	(115,753)	(59,070)	(72,974)
Grants and subsidies	0	0	0	(9,591)	(7,635)
<b>Total expenses</b>	<b>(6,550,547)</b>	<b>(6,160,368)</b>	<b>(5,793,530)</b>	<b>(8,644,329)</b>	<b>(9,453,149)</b>
Other income	3,300	520	8,412	1,385	1,987
Taxation	(1,102)	(10,212)	(5,232)	(11,726)	(11,677)
<b>Surplus/(Deficit)</b>	<b>(1,083,477)</b>	<b>(440,017)</b>	<b>(85,162)</b>	<b>(1,871,385)</b>	<b>(122,962)</b>

## Compliance with statutory requirements

The Board is satisfied that the Service has to the best of their knowledge complied with all relevant laws and conducted its business affairs in accordance with the law in particular to the State Corporations Act and the Forests Conservation and Management Act 2016. Further disclosures on compliance are set out in the Directors statement of responsibilities and notes to the financial statements.

The Service, however, had a disputed claim of Kshs.3,974,441,972 from the Kenya Revenue Authority in relation to unpaid Value Added Tax (VAT). Negotiations were undertaken by both parties with mediation of other Government offices and a 5 year payment plan was agreed on which stipulated that Kshs.35,742,899.68 to be paid monthly on the principal amount of Kshs.2,184,573.980.98 with a possible waiver of accrued interest and penalties to be discussed later.

## Major Risk facing the Service

The table below identifies key risks that might affect the Service in the implementation of its operations and their respective mitigation measures.

Risk Class/Category	Risk and description	Likelihood (L/H/M)	Impact (L/H/M)	Overall Risk Level (L/H/M)	Mitigation Measure(s)	Risk Owner
Strategic	Climate change	H	H	H	<ul style="list-style-type: none"> <li>Adapt climate resilience strategies and technologies</li> </ul>	DCCF-NFC
Strategic	Inadequate and low-quality germplasm	M	H	M	<ul style="list-style-type: none"> <li>Explore alternative sources of germplasm</li> </ul>	DCCF-NFC, DCCF-Forest Plantations
Strategic	Low prioritization of tree resources and management in private and community land	M	L	L	<ul style="list-style-type: none"> <li>Intensify sensitization of communities and other stakeholders on the importance of trees and forestry</li> </ul>	DCCF-NFC
Strategic	Political dynamics	H	H	H	<ul style="list-style-type: none"> <li>Sensitize political class on the importance of conservation and sustainable forest management</li> <li>Develop partnerships with County Government sharing information</li> </ul>	CCF

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Risk Class/ Category	Risk and description	Likelihood (L/H/M)	Impact (L/H/M)	Overall Risk Level (L/H/M)	Mitigation Measure(s)	Risk Owner
Strategic	Insecurity	H	M	M	with the public on forest operations • Work closely with other security agencies to enhance security of public forests and corporate assets	Commandant
Strategic	Overlaps in legal, policy and institutional mandates	M	L	L	• Lobby for harmonization of the relevant legal, policies and mandates	Head Legal
Operational	Forest fires	M	H	M	• Implement fire management plan	DCCF-NFC
Operational	Pest and diseases	M	H	M	• Monitor, identify and take appropriate action	DCCF-NFC, DCCF-Forest Plantations
Operational	Invasive species	M	H	M	• Monitor, identify and take appropriate action	DCCF-NFC, DCCF-Forest Plantations
Operational	Pandemics and related disasters	L	M	M	• Implement business continuity plan	Quality assurance and risk manager
Operational	Corruption	L	M	M	• Implement strategies that will enhance transparency and accountability	Head Internal audit
Financial	Inadequate financial resources	H	H	H	• Lobby Government and diversify funding sources	Manager Finance & Accounts
Financial	High poverty rates	H	H	H	• Involve CFAs in forest management and initiate forest- based livelihood activities	DCCF-NFC

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

**Material arrears in statutory and other financial obligations**

Creditor	Amount owed Kshs.	Comments
Kenya Revenue Authority	1,616,742,937	Outstanding VAT amount. The Service has agreed on a payment with the Kenya Revenue Authority(KRA) which it is honoring.
National Industrial Training Authority (NITA)	39,410,010	Interest and penalties. The Service has paid the principal Kshs.19,368,600 and has written to NITA for waiver of the accrued interest and penalties.
Ministry of Transport, Infrastructure, Housing and Urban Development	18,968,613	This is contentious bill related on rent on Ministry houses. The Service is negotiating with the Ministry of transport and Housing to establish the correct amounts payable.
<b>TOTAL</b>	<b>1,675,121,560</b>	

## **10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

The Kenya Forest Service exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organization's policies and activities that promote sustainability.

### **Sustainability strategy and profile**

The management and staff of the Service are committed to implementing the Strategic Plan as well as the Performance Contract as we aspire to be an internationally recognized organization of excellence in knowledge based sustainable forest resources development, conservation and management. To enhance service delivery, the Service has focused on staff development, aligning internal governance with best management practices, automating its processes, increasing levels of accountability, enhancing communication and implementation of a robust monitoring and evaluation system. Further, the Service has created appropriate partnerships (e.g., adopt-a-forest programme) for resource mobilization; promoting research and technology transfer, while practicing prudent utilization of resources to enhance sustainability. The adopt-a-forest approach has greatly accelerated forest restoration across the country which is well attested to by the recently launched Forest Resource Assessment Report.

### **Environmental performance**

Environmental factors influence the organizational operations and impacts on service delivery. These factors include climate change and its associated impacts such as droughts, floods and landslides. Industrialization has had adverse effect on biodiversity through development of national infrastructural projects in forests and pollution because of dumping of industrial wastes in forests especially the mangrove forests.

In order to deal with environmental factors, the Service has policy directions that guide infrastructural developments within public forests. These are contained in the ISO procedure manuals as well as Board of Directors resolutions. The Board has given direction on no other new development of water dams within gazetted forests. The FCMA 2016 provides for the protection and conservation of biodiversity making it mandatory that any development within public forests must not impact biodiversity negatively.

In addition, in Section 73 it entrenches multilateral agreements and international conventions in the implementation of the Act such as the Convention on Biological Diversity, Nagoya Protocol and CITES, among others that deal with biodiversity. The Service enforced the ban on use of plastics within public forests and there is a guideline on plastics. The environmental impact of the Service activities are quite minimal and in fact have an overall positive impact through enhancing forest/tree cover leading to increased carbon sequestration.

## **Employee Welfare**

The Service Policies guiding the hiring process are Human Resource policy and procedure manual together with a disability policy and a gender policy. The Service practices affirmative action and equal opportunity recruitment of qualified persons. The above policies guide its actions and decisions. As part of its staff development programme, the Service endeavours to empower all staff through various measures whose effectiveness is monitored on a regular basis.

The Service recognizes its human capital to be strategic to the achievement of its business objectives and has implemented as part of its policy, a comprehensive medical scheme for all its staff and dependants that also caters for pre-existing conditions and HIV/AIDS to assist all who may be infected or affected. It also ensures staff carry out their duties in an ethical manner and has an anti-corruption policy that is implemented to the letter. It also has embedded into the medical scheme a component of employee assistance for staff that are affected or addicted to alcohol and/or abusing drugs.

The Service continuously provides opportunity to build human capital capacities in terms of knowledge and skills improvement, attitude change and enhancing teamwork to all staff. This has been achieved by sponsoring staff for training programmes focused on strategic leadership development, corporate governance, paramilitary courses, pre-retirement training and customer service training among others.

## **Marketplace practices**

KFS efforts to responsible competitive practices includes promoting and maintaining fair competition in markets principally within the boundaries of public forests and beyond.

### **i. Corruption Prevention**

This activity aims at combating and preventing corruption, unethical practices and promote standards and best practices in governance. This is in line with the Anti-Corruption and Economic Crimes Act, 2019 and the leadership and Integrity Act of 2012. To achieve this, the Service;

- Achieved a 1.98 index score under performance contracting;
- Undertook a Corruption Risk Assessment and developed a Corruption Risk Mitigation Plan;
- Implemented measures emanating from the Corruption Risk Mitigation Plan as per the implementation matrix;
- Submitted quarterly performance reports to EACC using the prescribed reporting format.

### **ii. Responsible political involvement**

KFS commitment to corporate responsibility guides everything the Service does, including work to help develop public policy and legislation that supports conservation.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

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Also, the Service undertake activities like stakeholder's engagement, community participation in conservation through formation of CFA's which enable people to develop and express their opinions on the mandate of the Service and how its governed and try to take part in and shape the decisions that affect their lives.

During the year under review the Service undertook to Improve the Capacity and Governance of CFAs. In order to strengthen the capacities of CFAs for participation in forest management, the Service carried the following activities.

- Provided technical support to the CFAs on formation/reformation processes.
- Continued engaging and building capacity of the CFAs through training of CFA members on the Participatory Forest management model.
- Conducted one CFA award scheme within Mara-Mau catchment.

**iii. National Cohesion and values**

During the year, the Service

- Submitted in the prescribed format the Annual Report on implementation of the commitments and way forward captured in 2018 President's Report on National Values and Principles of Governance
- Enhanced collaboration between the two levels of government to entrench sharing and devolution of power.

**iv. Responsible supply chain and supplier relations**

- A responsible supply chain management necessitates an improved relationship with suppliers and distributors in the value chain. KFS use a holistic approach to supply chain management, where the Service actively source and procure products and services in an ethical, environmentally and socially conscious way.
- In the FY 2023-2024, the total procurement budget was Kshs.1,820,331,218 of which Kshs.1,125,111,218 was for procurement of non- specialized goods and services. The Service therefore allocated Kshs.337,533,365 equivalent to 30% of the procurement budget for the non- specialized goods and services to Youth, Women and Persons with Disabilities. In addition, 2% of the budget was reserved for AGPO or Kshs.6,750,667 was allocated exclusively to the PWDs. To facilitate the achievement of this target, Kenya Forest Service built the capacity of the Youth, Women and PWDs through training on government procurement procedures, requirements for accessing government procurement opportunities and on the specific opportunities available in the Service. In addition, Kenya Forest Service conducted pre-qualification of the registered groups and submitted to PPRA a summary of the procurement opportunities allocated to the target groups in the format provided in the PPRA website: [www.tenders.go.ke](http://www.tenders.go.ke).
- The Service also facilitated quick processing of payments to its suppliers.

v. **Responsible marketing and advertisement**

The Service advertises its tenders through the daily newspapers giving access to a wide range of suppliers to participate.

vi. **Product stewardship**

KFS sets goals and performance standards following consultation with stakeholders. All programs within the Service product category are accountable to the same goals and performance standards. The Service allows customers the flexibility to determine the most cost-effective means of achieving the goals and performance standards. The Service is responsible for ensuring a level playing field by enforcing requirements that all producers in a product category participate in a stewardship program as a condition for selling their product in the jurisdiction.

## Community Engagements

Kenya Forest Service strives to undertake Corporate Social Responsibility activities that promote sustainable forest conservation and management with specific focus on vulnerable groups and forest adjacent communities. All CSR activities seek to promote education and awareness on forestry conservation management, enhance socio-economic status of selected communities and strive to achieve sustainability of all projects.

The following are some of the CSR activities that KFS has conducted during the 2023-2024 FY:

- **10<sup>th</sup> April 2024:** The Kwale County Forest Conservator and his team donated Iftar food packages to less fortunate members of the community including Masjids, widows and orphans during the Eid celebrations in Msambweni sub- County.
- **22<sup>nd</sup> March 2024:** Kenya Forest Service provided a donation to AFC Leopards football team, during their 20<sup>th</sup> anniversary celebrations to promote environmental education among the public through sporting events.
- **7<sup>th</sup> December 2023:** The Service, in partnership with Earthlungs NGO, aided in the evacuation of communities by boats in Tana River Delta. The communities had been marooned by floods caused by El Nino Rains.
- **7<sup>th</sup> November 2023:** The Service, together with other disciplined Forces made a donation of foodstuffs and clothes to Compassionate Hands for the Disabled Foundation in order to improve the lives of children living with disabilities

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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- **8<sup>th</sup> August 2023:** The Service donated 14 tons of firewood to Shauri Moyo SDA Church, who cook and provide sanctuary to over 300 children who have been orphaned or come from street families.



*1 KFS boat aids in the transportation of marooned communities during floods in Tana River Delta*

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024



2 Members of Kenya Disciplined Forces Unit present gifts to a member of Compassionate Hands for Disabled Foundation



3 Kenya Disciplined Forces Unit present gifts bought for Compassionate Hands for the Disabled Foundation

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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**11. REPORT OF THE DIRECTORS**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Kenya Forest Service affairs.

**Principal activities**

The principal activities of the Service continue as highlighted in *page v* above.

**Results**

The results of the Service for the year ended June 30, 2024, are set out on page 1 to 63.

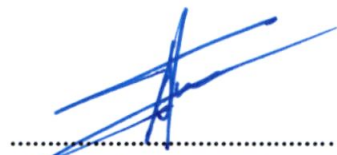
**Directors**

The members of the Board of Directors who served during the year are shown on pages xi-x. During the year Mr. Job Chirchir and Mr. Zakayo Maina exited the Board and Mr. Titus Korir and Ms. Jane Simita were appointed with effect from 13<sup>th</sup> October 2023.

**Auditors**

The Auditor General is responsible for the statutory audit of the Service, in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015, for the year ended June 30, 2024.

**By Order of the Board**



.....  
Alexander Lemarkoko, EBS, 'ndc' (K)  
Secretary to the Board  
Nairobi

Date: 23/12/2024  
.....

## **12. STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Section 81 of the Public Finance Management Act, 2012; section 14 of the State Corporations Act and section 26 of the Forest Conservation and Management Act, 2016, require the Directors to prepare financial statements in respect of the Kenya Forest Service, which give a true and fair view of the state of affairs of the Kenya Forest Service at the end of the financial year and the operating results of the Service for that year. The Directors are also required to ensure that the Kenya Forest Service keeps proper accounting records which disclose with reasonable accuracy the financial position of the Kenya Forest Service. The Directors are also responsible for safeguarding the assets of the Kenya Forest Service.

The Directors are responsible for the preparation and presentation of financial statements of the Kenya Forest Service, which give a true and fair view of the state of affairs of the Kenya Forest Service for and as at the end of the financial year ended on June 30, 2024.

This responsibility includes:

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

The Directors accept responsibility for the financial statements of Kenya Forest Service, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public-Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act, the State Corporations Act and the Forest Conservation and Management Act. The Directors are of the opinion that the financial statements of the Kenya Forest Service give a true and fair view of the state of transactions of Kenya Forest Service during the financial year ended June 30, 2024, and of the financial position of the Kenya Forest Service as at that date. The Directors further confirm the completeness of the accounting records maintained for the Kenya Forest Service, which have been relied upon in the preparation of the financial statements of the Kenya Forest Service, as well as the adequacy of the systems of internal financial control.

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

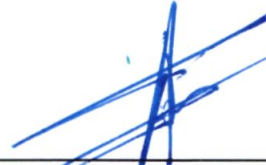
**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

**Approval of the financial statements**

The Kenya Forest Service financial statements were approved on 18/09/.....  
2024 and signed on its behalf by:

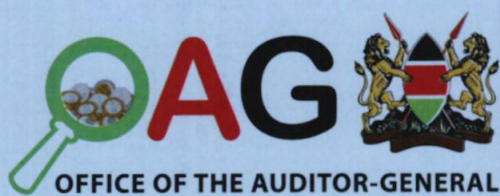


**Titus Korir  
Chairman, Board of Directors**



**Alexander Lemarkoko, EBS, 'ndc' (K)  
Chief Conservator of Forests**

# REPUBLIC OF KENYA



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*Enhancing Accountability*

## REPORT OF THE AUDITOR-GENERAL ON KENYA FOREST SERVICE FOR THE YEAR ENDED 30 JUNE, 2024

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### PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the 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 are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### **Qualified Opinion**

I have audited the accompanying financial statements of Kenya Forest Service set out on pages 1 to 55 which comprise of the statement of financial position as at

30 June, 2024 and the statement of financial performance , statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

## **Basis for Qualified Opinion**

### **1. Long Outstanding Receivables**

#### **1.1 Un-Surrendered Imprest**

The statement of financial position reflects receivables from exchange transactions amount of Kshs.87,315,934 as disclosed in Note 23 to the financial statements. Included in the balance is amounts of Kshs.36,760,733, Kshs.27,226,029 and Kshs.18,742,232 all totalling Kshs.82,728,994 for zonal control account for development and recurrent and temporary imprest. All these amounts had not been surrendered or account for the individual expenditure amounts and were not expended under their respective expenditure items

In the circumstances, accuracy and completeness of the receivables of Kshs.82,728,994 could not be confirmed

#### **1.2 Long Outstanding Receivables**

The statement of financial position reflects receivables from exchange transactions amount of Kshs.1,996,915,786 as disclosed in Note 22 to the financial statements. The amount includes Kshs.371,778,783 which has been outstanding for more than one year and no recent demand letters for settlement of the debts or any action taken were provided for audit.

In the circumstances, accuracy, completeness and recoverability of the receivables amounting to Kshs.371,778,783 could not be confirmed.

### **2. Outstanding VAT Liability**

The statement of financial position reflects withheld taxes amount of Kshs.1,742,245,763 as reflected in Note 33 to the financial statements. This is an decrease of Kshs.396,611,469 when compared with the previous year amount of Kshs.2,138,857,232. However, the interest accruing from the non-remittance of the taxes has not been included in the amount.

In the circumstances, the accuracy and completeness of the withheld taxes amount of Kshs.1,742,245,763 could not be confirmed.

### **3. Anomalies in Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment balance of Kshs.1893,893,769 and as disclosed in Note 26 to the financial statements. However, the following anomalies were noted in the balance:

- (i) As previously reported the financial statements reflects property, plant and equipment balance of Kshs.1,893,893,769 out of which a balance of Kshs.730,023,943 relates to the value of buildings owned by the Service in various locations. However, the amount excludes unspecified value of rangers' houses that were constructed and donated to the Service by Chinese Company. Further, contrary to the requirements of IPSAS 17, the land on which these buildings are erected had not been valued and disclosed separately in the last eight (8) years.
- (ii) The Service acquired all the assets of the former Forest Department including land vide legal notice No.151 of 2008 published in the Kenya Gazette Supplement No. 28 of 28 November, 2008. However, out of the two hundred and sixty-five (265) gazetted forest blocks owned by Kenya Forest Service with an acreage of 2,585,526.44 hectares, only seventy-seven (77) blocks have title deeds while the rest lacked title deeds.
- (iii) Included in the acreage of land of 2,585,526.44 hectares is land of an undetermined acreage with ongoing ownership court cases between the Service and private parties.
- (iv) There was illegal encroachments and excisions on forest land in various parts of the country of which a total of 555.9 hectares were illegally acquired by private parties in Kipkabus, Tingwa and Ngong forest. Further, in Uasin Gishu County, 29.5 hectares of land had unlicensed operational installations while other parcels of land though licensed remain unpaid by five institutions namely: Ministry of Energy, Kenya Airports Authority, Nabkoi Water Project, Kapsaret Water Project and County Cemetery.
- (v) The Service has not valued its assets as required by IPSAS 17 Section 31 which requires that revaluations should be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the balance sheet date.

In the circumstances, the accuracy, valuation and completeness of the property, plant and equipment balance of Kshs.1,893,893,769 could not be confirmed.

### **4. Non-Reconciliation of Revenue Collection**

The statement of financial performance reflects fines penal, penalties sale of goods and services and licenses and permits amounts of Kshs.2,625,643, Kshs.1,718,914,195 and Kshs.102,433,921 disclosed in Notes 8,9, and 10 respectively to the financial statements. However, revenue amounting to Kshs.209,403,605 was collected through Point of Sale

(POS) gadgets which was not integrated with the Service's revenue collection system. The accuracy and integrity of the revenue collected is doubtful.

In the circumstances, the accuracy and completeness of the revenue amounting to Kshs.209,403,605 could not be confirmed.

## **5. Unsupported Cash and Cash Equivalents**

The statement of financial position reflects cash and cash equivalent balance of Kshs.806,525,220 as disclosed in Note 21 to the financial statements. However, review of the various bank reconciliation statements in support of the balances revealed the following long outstanding unexplained reconciling items:

- i. Payments in the cash book not in bank statement for three (3) accounts KFS HOC Central Main, KFS Main Development and Forest Irrigation Climate & Green Energy amounting to Kshs.110,940.
- ii. Payments in bank statements not in the cashbook for two (2) accounts Forest Irrigation Climate & Green Energy and E-Citizen Unremitted Collections amounting to Kshs.1,759,268.
- iii. Receipts in cash book not in the bank statement for four (4) accounts for Kenya Forestry College Tuition, Forest Irrigation Climate & Green Energy, KFS Forest Investment Facility Revolving Fund and KFS HOC Coast Main amounting to Kshs.3,823,857.
- iv. Receipts in the bank statement not in the cash book for KFS HOC Central Main account amounting to Kshs.555,660.
- v. KFS Dollar reflects USD 188,077 in the financial statements while the bank reconciliation statement reflects USD 1,137 resulting to unexplained variance of USD 186,894.
- vi. A reconciliation statement for e-citizen collection account reflects Kshs.67,730,399 in the cash book and Kshs.67,649,189 in the bank statement. However, the accumulated balance had not been remitted to the Service by 30 June, 2024.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.806,525,220 could not be confirmed.

## **6. Undisclosed Payable**

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.462,072,146 as disclosed in Note 28 to the financial statements. The balance however, excludes Kshs.12,405,380 paid by Athi Water Works Development Agency for Nairobi Rivers Basin Rehabilitation and Restoration Program. The payment was for a special user license to allow the passage of 8.78 Motoine Trunk

sewer line through Ngong forest. The license was granted but the works were halted due to stakeholder complains. The amount was not refunded to the Agency and has not been disclosed as a liability.

In the circumstances, the accuracy and completeness of the trade and other payables from exchange transactions balance of Kshs.462,072,146 could not be confirmed.

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual receipts on comparable basis of Kshs.10,495,300,000 and Kshs.10,222,413,125 respectively resulting to an under-funding of Kshs.272,886,875 of the budget. Similarly, the Service spent Kshs.10,003,333,536 against actual receipts of Kshs.10,222,413,125 resulting to an under-expenditure of Kshs.219,079,589 of the actual receipts.

The under-funding and under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

#### **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. report. There were key audit matters to report in the year under review.

#### **Other Matter**

#### **Unresolved Prior Year Issues**

In the audit report of the previous year, several issues were raised on 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, Management has not resolved the issues by 30 June, 2024 or provided reasons for the delay in resolving the outstanding issues as required by the Public Sector Accounting Standards Board Reporting template.

## **Other Information**

The Management is responsible for the other information set out on page iii to xxviii which comprise of Key Entity Information and Management, Key Management Team, Chairman's Statement, Report of the Chief Conservator of Forests, Statement of Performance Against Predetermined Objectives for the year, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors, Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Institute'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.

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 thereon.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE 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 the 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. Delay in Roll Out of Financial Management Services**

Review of the rollout of the system revealed that the account receivables payment system to be integrated to the Financial Management System was to be rolled out to thirty-six (36) forest stations. To date, only ten (10) of the targeted stations have been integrated to the financial system and it is not clear how long the system will take to be fully rolled out as outlined below;

- i. Whereas there was finance work flow procedures and finance and accounting manual, there was no documented and approved procedure specifically for electronic funds transfers in the work flow procedure or in the finance procedure manual.

- ii. At the closure of financial years, there are several un-surrendered items evidenced by the balances in the Zonal Control Account for both development and recurrent running balance from previous years. There is no strict guideline /deadline set on how long the financial management system should remain open after the closure of the financial year. This reduces the time available to prepare financial statement and to review before the submission deadline
- iii. Inadequate mechanism to monitor cash management in field office bank accounts for one hundred and fifteen (115) bank accounts held by AIE holders in the field offices. Monthly bank reconciliations are submitted to finance and accounts department on monthly basis alongside cash book extract and bank statement. There was no evaluation of information in the bank reconciliation in relation to the zonal control account held in the financial management system. No analysis of bank reconciliations and documents attached as dash board of field financial operations to inform the finance manager on the cash management status in the field offices to enable ease of decision making.
- iv. Underutilization of Financial Management System (FMS) and bank online platform for efficiency the service operates online banking for all the bank accounts held in the headquarters. bank statements are obtained from the bank online and the Service maintains financial management system cash book. Bank reconciliations are still done manually which leads to delays. Further, data capture of all expenditures incurred for both the integrated stations and non-intergraded as at the year ended 30th June 2024, had not been finalized three months down the line.

In the circumstances, value for money on the delayed finalization of the end year closure procedures and non-rollout of the financial management system could not be confirmed.

## **2. Unfair Dismissal of Staff**

Review of the human resource documents provided for audit revealed that there were thirty-six (36) cases of staff dismissals. Thirteen (13) members of staff were reinstated after the disciplinary committees of the board and the ministry ruled that the dismissal was unprocedural. However, there was no evidence of due diligence done on the part of the Service's human resource and legal departments to determine the legality in the dismissal of some of the reinstated staff. Additionally, there were other three (3) cases in court over unfair dismissal

In the circumstances, there is possibility of incurring expenditure as compensation in the event the court rules in favour of the dismissed staff and the capacity of the human resource and legal departments to advice the Management on the processes of dismissal of staff could not be confirmed.

### **3. Unsustainable High Wage Bill**

The statement of financial performance reflects employee costs amount of Kshs.5,686,606,439 as disclosed in Note 13 to the financial statements. Comparison of the Service payroll amounting to Kshs.5,686,606,439 against revenue amount of Kshs.9,339,875,989 revealed that the Service wage bill was at 61% instead of the recommended 35%. This was contrary to Regulation 26 (1) (a)(b) of the Public Finance Management Regulations, 2015 which stipulates National Government Entities compensation of employee's expenditure should not exceed a maximum of thirty-five percentage of revenue.

### **4. Long Outstanding Legal Cases, Arbitration and Compensation Packages**

Note 12 to the financial statements under use of goods and services reflects an amount of Kshs.3,077,687,944 which includes legal dues, arbitration and compensation packages amount of Kshs.24,037,056. In the financial year under review, a total of one hundred and seventy-nine (179) legal cases were reported. Some of the cases date far back to year 2008 with ten (10) cases which are sixteen (16) years old still unresolved. The cases range from evictions from forest land, unauthorized settlement on forest land, irregular gazettement of community land, sale of land marked as forest area, court orders and injunctions, accidents involving KFS vehicles among others.

In the prevailing circumstances, the Legal Department of the Service has not clearly outlined policies, approaches and ways of countering some of the cases with the intention of getting them cleared fast enough to enable the operations of the Service to be carried on without much interference. Further, all fees payable to the external counsel or consultant paid were not approved and authorized by the Attorney General.

### **5. Irregular Expenditure on Legal Expenses**

The statement of financial performance reflects use of goods and services amount of Kshs.3,077,687,944 as disclosed in Note 12 to the financial statements. Included in the amount is Kshs.24,037,056 incurred on legal expenses, out of which an amount of Kshs.8,175,009 was incurred on payment to the affected persons (plaintiff) for cases whereby the Service did not appear in court to argue against the plaintiff.

In the circumstances, the regularity and value for money of the amount incurred amount of Kshs.8,175,009 could not be confirmed.

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 EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

## **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **Understaffing in the Service**

Review of the approved staff establishment provided for audit revealed that the approved staff establishment provides for the optimal staff level at eight thousand, two hundred and seventy-nine (8,279), however the staff available are six thousand, six hundred and thirty-two (6,632) leading to a shortage of one thousand, six hundred and forty-seven (1,647). Further, the staff were unevenly placed as some positions or departments had excess number of staff while others had fewer than required number of staff.

In the circumstances, efficiency and effectiveness in delivery of services to the public could not be confirmed.

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 Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Service's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Service or to cease its 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 Service'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 IFPP 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 Gathunga, CBS  
AUDITOR-GENERAL

Nairobi


30 December, 2024

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

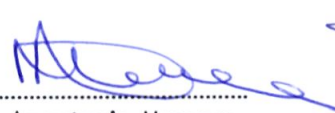
**14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2023/2024 Kshs.	2022/2023 Kshs.
<b>Revenue from non-exchange transactions</b>			
Transfers from other government entities	6	6,647,547,735	5,290,961,483
Public contributions and donations	7	829,429,829	481,159,267
Fines, penalties and levies	8	2,625,643	3,671,828
		<b>7,479,603,207</b>	<b>5,775,792,578</b>
<b>Revenue from exchange transactions</b>			
Sale of goods & services	9	1,718,914,195	851,019,099
Licenses and permits	10	102,433,921	137,693,420
Finance income - external investments	11	38,924,666	18,780,801
		<b>1,860,272,782</b>	<b>1,007,493,320</b>
<b>Total revenue</b>		<b>9,339,875,989</b>	<b>6,783,285,898</b>
<b>Expenses</b>			
Use of goods and services	12	(3,077,687,944)	(3,832,697,919)
Employee costs	13	(5,686,606,439)	(4,319,742,203)
Remuneration of Directors	14	(19,320,763)	(11,705,911)
Depreciation and amortization expense	26, 27	(233,590,429)	(239,268,494)
Repairs and maintenance	15	(355,334,844)	(172,254,381)
Contracted services	16	(72,973,679)	(59,070,024)
Grants and subsidies	17	(7,635,247)	(9,591,003)
<b>Total expenses</b>		<b>(9,453,149,345)</b>	<b>(8,644,329,935)</b>
<b>Other gains/(losses)</b>			
Gain/Loss on foreign exchange transactions	18	(33,847)	98,901
Gain on disposal of assets	19	2,021,180	1,286,121
<b>Surplus/(Deficit) before tax</b>		<b>(111,286,023)</b>	<b>(1,859,659,015)</b>
Income tax expense	20	(11,677,400)	(11,726,475)
<b>Surplus/(Deficit) for the period</b>		<b>(122,963,423)</b>	<b>(1,871,385,490)</b>
Attributable to:			
<b>Surplus/(Deficit) attributable to owners of the controlling entity</b>		<b>(122,963,423)</b>	<b>(1,871,385,490)</b>


The notes set out on pages 6 to 46 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 4 were signed on behalf of the Board of Directors by:

  
.....  
Alexander Lemarkoko 'ndc' (K)  
Chief Conservator of Forests

Date: 23/12/2024

  
.....  
CPA Anastasia Muasya  
Manager, Finance & Accounting  
ICPAK Member Number: 6732

Date: 23/12/2024

  
.....  
Titus Korir  
Chairman of the Board

Date: 23/12/2024

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**


**15. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024**

	Note	2023/2024 Kshs.	2022/2023 Kshs.
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	21	806,525,220	905,653,376
Receivables from exchange transactions	22	1,996,915,786	1,715,905,791
Receivables from non-exchange transactions	23	87,315,934	70,888,060
		<b>2,890,756,940</b>	<b>2,692,447,227</b>
<b>Non-current assets</b>			
Biological assets	25	96,675,401,617	90,917,526,961
Property, plant and equipment	26	1,893,893,769	1,637,543,908
Intangible assets	27	6,145,099	6,116,472
		<b>98,575,440,485</b>	<b>92,561,187,341</b>
<b>Total assets</b>		<b>101,466,197,425</b>	<b>95,253,634,568</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	28	462,072,146	417,606,573
Refundable deposits from customers	29	53,883,283	13,229,961
Provisions	30	196,336,589	229,704,725
Employee benefit obligation	31	66,287,386	49,728,294
Payments received in advance	32	243,053	1,994,253
Withheld Taxes	33	1,742,245,763	2,138,857,232
Corporation Tax	34	2,186,443	-
Deferred Income Liability	35	1,297,497,327	911,803,945
		<b>3,820,751,990</b>	<b>3,762,924,983</b>
<b>Non-current liabilities</b>			
Deferred Income Liability	35	96,675,401,617	90,917,526,961
		<b>96,675,401,617</b>	<b>90,917,526,961</b>
<b>Total liabilities</b>		<b>100,496,153,607</b>	<b>94,680,451,944</b>
<b>Net assets</b>		<b>970,043,818</b>	<b>573,182,624</b>
<b>Reserves</b>			
Capital funds		1,927,149,649	1,669,016,700
Accumulated surplus/(deficit)		(957,105,831)	(1,095,834,076)
<b>Total reserves</b>		<b>970,043,818</b>	<b>573,182,624</b>

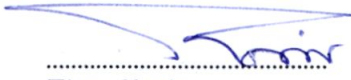
The Financial Statements set out on pages 1 to 4 were signed on behalf of the Board of Directors by:

  
.....  
Alexander Lemarkoko 'ndc' (K)  
Chief Conservator of Forests

Date 23/12/2024 .....

  
.....  
CPA Anastasia Muasya  
Manager, Finance & Accounting  
ICPAK Member Number: 6732

Date 23/12/2024 .....

  
.....  
Titus Korir  
Chairman of the Board

Date 23/12/2024 .....

**16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024**

	Capital Funds	Revenue Reserves	Total
As at 1 July 2022	86,390,193,425	536,282,920	86,926,476,345
Fair value adjustment of biological assets	6,239,344,226		6,239,344,226
Surplus/(deficit) for the year	-	(1,871,385,490)	(1,871,385,490)
Capital/development grants received during the year	196,274,504		196,274,504
Transfer of depreciation/amortisation from capital fund to retained earnings	(239,268,494)	239,268,494	-
Adjustment for the year	(90,917,526,961)	-	(90,917,526,961)
<b>As at 30 Jun 2023</b>	<b>1,669,016,700</b>	<b>(1,095,834,076)</b>	<b>573,182,624</b>
As at 1 July 2023	1,669,016,700	(1,095,834,076)	573,182,624
Fair value adjustment of biological assets			-
Surplus/(deficit) for the year	-	(122,963,423)	(122,963,423)
Capital/development grants received during the year	491,723,378		491,723,378
Transfer of depreciation/amortisation from capital fund to retained earnings	(233,590,429)	233,590,429	-
Adjustment for the year		28,101,239	28,101,239
<b>As at 30 Jun 2024</b>	<b>1,927,149,649</b>	<b>(957,105,831)</b>	<b>970,043,818</b>

*\*The Service creates and maintains reserves in terms of specific requirements. The Service classifies its reserves as either capital or revenue in nature. Capital reserve is the replacement development reserve that will help the Service to replace assets as they age. Revenue reserve is the accumulated surplus over the years.*

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

**17. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2023/2024 Kshs.	2022/2023 Kshs.
<b>Cash Flows from operating activities</b>			
Net operating Surplus		(122,963,423)	(1,871,385,490)
<b>Adjustment</b>			
Depreciation	26	233,582,849	238,763,060
Amortization of Intangible Assets	27	7,580	505,434
Net book value Retired	19	1,754,460	234,879
Proceeds from disposal of assets	19	(3,775,640)	(1,521,000)
Increase in Provision for Audit Fees	30	(5,266,897)	-
Increase in Provision for doubtful debts	30		21,331,216
<b>Net Cash generated from operating activities before Changes in working Capital</b>		<b>103,338,929</b>	<b>(1,612,071,900)</b>
<b>Changes in Working Capital</b>			
Increase in Trade and other receivables	22, 23 28,29,30, 31,32,33,	(297,437,869)	(1,139,703,258)
Increase in trade and other payables	34,35	91,195,143	3,325,387,972
<b>Net Cash generated from operating activities</b>		<b>(102,903,797)</b>	<b>573,612,814</b>
<b>Cash Flows from investing activities</b>			
Purchase of property, plant & equipment	26	(491,687,171)	(196,274,504)
Purchase of intangible items	27	(36,207)	-
Proceeds from disposal of property, plant & equipment	19	3,775,640	1,521,000
<b>Net cash used in investing activities</b>		<b>(487,947,738)</b>	<b>(194,753,504)</b>
<b>Cash Flows from Financing activities</b>			
Capital Grants Received	6(b) & 7(b)	491,723,378	196,274,504
Development Grants Refunded		-	-
<b>Net cash used in Financing activities</b>		<b>491,723,378</b>	<b>196,274,504</b>
<b>Net increase in cash &amp; cash equivalents</b>		<b>(99,128,157)</b>	<b>575,133,814</b>
Cash & cash equivalents at the beginning of the period		905,653,376	330,519,562
<b>Cash &amp; cash equivalents at the end of the period</b>		<b>806,525,220</b>	<b>905,653,376</b>


The Financial Statements set out on pages 1 to 4 were signed on behalf of the Board of Directors by:

  
.....  
Alexander Lemarkoko 'ndc' (K)  
Chief Conservator of Forests

Date: 23/12/2024

  
.....  
CPA Anastasia Muasya  
Manager, Finance & Accounting  
ICPAK Member Number: 6732

Date: 23/12/2024

  
.....  
Titus Korir  
Chairman of the Board

Date: 23/12/2024

## 18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
<b>Revenue</b>						
Transfers from other governments entities (Exchequer) <sup>1</sup>	4,232,500,000	2,851,800,000	7,084,300,000	6,705,625,245	(378,674,755)	-5%
Public contributions and donations (Donor Funds) <sup>2</sup>	2,650,000,000	(739,000,000)	1,911,000,000	1,653,889,455	(257,110,545)	-13%
Appropriations in aid (AIA)	4,474,000,000	(2,974,000,000)	1,500,000,000	1,862,898,425	362,898,425	24%
<b>Total income</b>	<b>11,356,500,000</b>	<b>(861,200,000)</b>	<b>10,495,300,000</b>	<b>10,222,413,125</b>	<b>(272,886,875)</b>	<b>-3%</b>
<b>Expenses</b>						
Compensation of employees	5,987,800,000	(23,200,000)	5,964,600,000	5,686,606,439	(277,993,561)	-5%
Board Expenses	30,000,000	-	30,000,000	19,320,763	(10,679,237)	-36%
Goods and services	3,980,400,000	(758,000,000)	3,222,400,000	3,077,687,944	(144,712,056)	-4%
Repairs and maintenance	380,000,000	-	380,000,000	355,334,844	(24,665,156)	-6%
Contracted services	80,000,000	-	80,000,000	72,973,679	(7,026,321)	-9%
Grants and subsidies	8,000,000	-	8,000,000	7,635,247	(364,753)	-5%
Acquisition of Assets <sup>3</sup>	595,000,000	(80,000,000)	515,000,000	491,723,378	(23,276,622)	-5%
Prepayment for Donor funds direct payments	295,300,000	-	295,300,000	292,051,242	(3,248,758)	-1%
<b>Total expenditure</b>	<b>11,356,500,000</b>	<b>(861,200,000)</b>	<b>10,495,300,000</b>	<b>10,003,333,536</b>	<b>(491,966,464)</b>	<b>-5%</b>
<b>Surplus/(Deficit) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219,079,589</b>	<b>219,079,589</b>	
<b>Reconciliation with operating surplus</b>						
<sup>1</sup> Less: Deferred income recognized from transfers from other governments				(390,813,758)		
<sup>2</sup> Less: Grants received for financing activities				(491,723,378)		
<sup>3</sup> Add: Acquisition of assets				491,723,378		
<sup>4</sup> Add: Prepayment for Donor funds direct payments				292,051,242		
Less: Depreciation & amortization expense				(233,590,429)		
Add: Gain on foreign exchange transactions				(33,847)		
Add: Gain on sale of assets				2,021,180		
Less: Income tax expense				(11,677,400)		
<b>Surplus/(Deficit) in statement of financial performance</b>				<b>(122,963,423)</b>		

### Budget notes

1. Appropriation in aid had a positive variation of Kshs.350 million equivalent to 23%. This was mainly due to income from sale of plantations.
2. Board expenses had a negative variation of Kshs.10 million (36%). This was due to the appointment of the Board members as the year was ongoing.
3. The budget adjustment is as a result of the supplementary budget approved by the Board.

## 19. NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Kenya Forest Service is established by and derives its authority and accountability from the Forest Conservation and Management Act, 2016. The Service is wholly owned by the Government of Kenya and is domiciled in Kenya. The Service's principal activity is conservation and management of state forests.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Service's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

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

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

### 3. ADOPTION OF NEW AND REVISED STANDARDS

#### i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024

There were no new and amended standards issued in the financial year.

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

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024**

<b>STANDARD</b>	<b>EFFECTIVE DATE AND IMPACT:</b>
<b>IPSAS 43</b>	<b>Applicable: 1<sup>st</sup> January 2025:</b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
<b>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</b>	<b>Applicable: 1<sup>st</sup> January 2025:</b> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
<b>IPSAS 45-Property Plant and Equipment</b>	<b>Applicable: 1<sup>st</sup> January 2025:</b> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
<b>IPSAS 46 Measurement</b>	<b>Applicable 1<sup>st</sup> January 2025</b> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

STANDARD	EFFECTIVE DATE AND IMPACT:
IPSAS 48- Transfer Expenses	<p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49- Retirement Benefit Plans	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

**iii. Early adoption of standards**

The Service did not early-adopt any new or amended standards in year 2023/2024.

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

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Service and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue.

Recurrent grants are recognized in the statement of financial performance. Development/capital grants are recognized in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

**Public Contributions and Donations**

The Service recognizes revenues from the donors and other private entities when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue.

Donor grants are accounted for where they are recognized as income over the periods necessary to match them with the related assets which they are intended to compensate on a systematic basis while capital grants and non-monetary grants, such as property, plant and equipment or other resources, are usually accounted for at fair value.

Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Service and the fair value of the asset can be measured reliably.

**Fees, taxes and fines**

The Service recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met.

**ii) Revenue from exchange transactions**

***Rendering of services***

The Service recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### *Sale of goods*

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

### *Interest income*

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

### *Rental income*

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

### **b) Budget information**

The original budget for FY 2023-2024 was approved by the National Assembly in June 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Service upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Service recorded reduced appropriations of Kshs. 861,200,000 on the 2023-2024 budget following the Board of Directors' approval.

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

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts, and the actual amounts as per the statement of financial performance has been presented with the statement of comparison of budget and actual amounts.

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

**c) Taxes**

***Current income tax***

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Service operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

***Deferred tax***

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable Service and the same taxation authority.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### *Value Added tax*

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

- When the Value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of Value added tax included

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

### **d) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the placement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

### **e) Property, plant and equipment**

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

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

**f) Biological Assets**

Biological assets comprise forest plantations. They are measured on initial recognition and at each reporting date at fair value less costs to sell. Any gains or losses arising on initial recognition of biological assets and from subsequent changes in fair value less costs to sell has not been recognised in the statement of financial performance in the year in which they arise as per IPSAS 27 due to the substantial effect on the statement. These changes have been recognised as deferred income.

The fair value of forest plantations is based on market prices as valued by internal valuation team. Purchases and development of biological assets include cost of planting and upkeep until they mature.

Subsequently all costs of upkeep and maintenance of mature biological assets are recognised in the statement of financial performance in the period in which they are incurred.

**g) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Service. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Service also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Service will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

**h) Intangible assets**

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

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### i) Research and development costs

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

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

### j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Service does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Service financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### i) Financial assets

##### Classification of financial assets

The Service classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments

### Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

### Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

### Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

### Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

### Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

### Impairment

The Service assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Service recognizes a loss allowance for such losses at each reporting date.

### ii) Financial liabilities

#### Classification

The Service classifies its financial its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

### k) Provisions

Provisions are recognized when the Service has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Service expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

### l) Contingent liabilities

The Service 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.

### m) Contingent assets

The Service 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 Service 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.

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

**n) Nature and purpose of reserves**

The Service creates and maintains reserves in terms of specific requirements. The service classifies its reserves as either capital or revenue in nature. Capital reserve is the replacement development reserve that will help the service to replace assets as they age. Revenue reserve is the accumulated surplus over the years.

**o) Changes in accounting policies and estimates**

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

**p) Employee benefits**

**Retirement benefit plans**

The Service provides retirement benefits for its employees and Directors. Defined contribution plans are post-employment benefit plans under which the Service pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**q) Foreign currency transactions**

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

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

**r) Related parties**

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

**s) Service concession arrangements**

The Service analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Service recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise - any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Service also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**t) 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 various commercial banks at the end of the financial year.

**u) Comparative figures**

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

**v) Subsequent events**

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

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

**5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

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

**Estimates and assumptions**

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

**Useful lives and residual values**

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

- The condition of the asset based on the assessment of experts employed by the Service
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

All items in an asset category are re-valued every 5 years or when need arises. Depreciation on property, plant and equipment is calculated to write down the cost or the revalued amount of each asset to its residual value over its estimated useful life using the below rates;

<b>Category</b>	<b>Rate</b>
Buildings	-
Plant, Machinery & Tractors	5%
Motor Vehicles & Cycles	-
Computer & ICT Equipment	10%
Furniture & Fittings	-
Office & Household Equipment's	25%
Tools & Minor Equipment's	-
Roads, Fences, Boreholes & Civil Works	33 <sup>1</sup> / <sub>3</sub> %
Aircrafts, Hoppers & Boats	-
Intangible Assets	20%
	-
	100%
	-
	12.5%
	-
	7.5%
	-
	33 <sup>1</sup> / <sub>3</sub> %

Depreciation is charged from the date of asset recognition and ceases when the asset is fully depreciated or disposed.

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

**SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY  
(Continued)**

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 30.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material. The Service recognises provision for bad debts on all overdue debtors above 180 days in default as follows;

- 181 - 270 days overdue, a provision of 5%
- 271 - 360 days overdue, a provision of 20%
- 360 days and above, a provision of 50%

**6. Transfers from Other Government Entities**

These are funds from the exchequer to finance the Services recurrent and development activities in the following core programmes: Natural Forest Conservation and Management; Farm and Dryland Forests Conservation and Management; and Plantation and Enterprise Development.

Description	2023/2024 Kshs.	2022/2023 Kshs.
GOK Subventions - Recurrent	6,567,500,245	4,860,000,000
GOK Subventions - Development	138,125,000	480,000,000
Less: Grants received for financing activities	(58,077,510)	(49,038,517)
<b>Total transfers from other government entities</b>	<b>6,647,547,735</b>	<b>5,290,961,483</b>

**6(b) Transfers from Ministries, Departments and Agencies**

Name of the Entity Sending the Grant	Amount Recognized to Statement of Financial Performance Kshs.	Amount Deferred Under Deferred Income Kshs.	Amount Recognised in Capital Fund. Kshs.	Total Grant Income During the Year 2023/2024 Kshs.	Total Grant Income During the Year 2022/2023 Kshs.
Ministry of Environment, Climate Change & Forestry	6,647,547,735	-	58,077,510	6,705,625,245	5,340,000,000
<b>Total</b>	<b>6,647,547,735</b>	<b>-</b>	<b>58,077,510</b>	<b>6,705,625,245</b>	<b>5,340,000,000</b>

*(The details of the reconciliation have been included under appendix 4)*

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

**7. Public Contributions and Donations**

During the year, the Service received transfers from different donors as set out below;

- **African Development Bank**

These are funds for the Green Zones Development Support Project Phase II from the African Development Bank.

- **Partners donations**

The Service partners with different stakeholders on forest conservation and management. These includes donations from embassies and other corporates who support tree planting in designated areas.

- **Food and Agriculture Organization (FAO)**

These are grants for the National Forest Programme Facility from the Food and Agriculture Organization (FAO). The facility is to kick-start the process of forest sector development with attention on poverty alleviation and ecological restoration. It is used to strengthen and complement ongoing initiatives, identify emerging issues, develop, test and refine joint forest management models for ecologically sensitive forests, involving local communities.

Description	2023/2024 Kshs.	2022/2023 Kshs.
African Development Bank (ADB)	738,763,811	427,301,825
French Government Project Direct Payments	-	-
Partners Donations	75,386,492	53,857,442
Food and Agriculture Organisation (FAO)	11,770,126	-
Nature Kenya	3,509,400	-
<b>Total public contributions and donations</b>	<b>829,429,829</b>	<b>481,159,267</b>

**7 (b) Public Contributions and Donations**

Name of the Entity Sending the Grant/Loan	Amount Recognized to Statement of Financial Performance Kshs.	Amount Deferred Under Deferred Income Kshs.	Amount Recognised in Capital Fund. Kshs.	Total Grant/Loan Income During the Year 2023/2024 Kshs.	Total Grant/Loan Income During the Year 2022/2023 Kshs.
African Development Bank (ADB)	738,763,811	(4,253,645)	243,180,467	977,690,632	427,301,825
Partners Donations	75,386,492	-	-	75,386,492	53,857,442
French Government	-	291,991,772	190,465,402	482,457,174	894,999,661
Food and Agriculture Organisation (FAO)	11,770,126	103,075,630	-	114,845,757	5,058,764
Nature Kenya	3,509,400	-	-	3,509,400	-
<b>Total</b>	<b>829,429,829</b>	<b>390,813,757</b>	<b>433,645,869</b>	<b>1,653,889,455</b>	<b>1,381,217,692</b>

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

**8. Fines penalties and levies**

These are penalties levied to employees on disciplinary cases.

Description	2023/2024 Kshs.	2022/2023 Kshs.
Fines and Surcharges	2,625,643	3,671,828
<b>Total fines, penalties and levies</b>	<b>2,625,643</b>	<b>3,671,828</b>

**9. Sale of Goods & Services**

This comprises of particular classes of revenue streams which the accounting officer has been authorised to raise and use in addition to the amounts issued by the exchequer. For purposes of the financial statements this comprises of internally generated revenues as set out overleaf;

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

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

**9. Sale of Goods & Services (Continued)**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Plantations	1,148,083,910	376,756,325
Mangrove	3,107,779	6,507,494
Small Poles	112,916	-
Bamboo Stems	57,672	-
Compensation for tree stems	54,294,511	8,580,106
Professional fees	1,472,286	509,765
Tuition Fees	31,724,865	18,206,777
Boardwalk Fees	8,225	2,000
Water easement charges	5,327,798	8,730,194
Aircraft Usage	2,294,936	-
Conservation Fees	30,356,471	12,552,200
Fuel wood	1,634,167	73,507
Quarrying, Soil, Sand	9,111,478	16,416,080
Resin	52,834	1,000
Ecotourism sites	247,278	-
Grazing Fees	19,489,812	30,045,404
Other Forest Incomes	83,912,411	328,670
Recreation	38,953,779	46,393,064
Grass	570,115	1,688,709
Withies	512,480	33,553
Assessment Fees	183,745	168,707
Parking Fees	1,042,871	1,064,879
Research Permits	163,364	32,138
Application Fees	355,892	395,700
Exam Fees	4,716,178	3,284,950
Students ID	163,315	107,500
Accommodation	1,389,643	279,534
Farm Produce	29,897	776
Tours and Excursions fee	6,003,350	3,843,000
ICT Services	1,586,308	1,005,500
Library fee	1,472,299	1,005,500
Activity fee	1,785,653	330,900
Medical fee	1,064,267	568,000
GPA cover fee	329,255	144,000
Students' Association membership fee	169,265	106,000
Graduation fees	-	132,000
College Registration fees	238,103	202,000
Staff Quarters	1,595,362	2,347,049
Leases	75,550,628	94,817,077
Land Rent	162,198,711	161,837,448
PELIS/Shamba Rent/Land Rent	8,075,839	11,007,560
Ground Rent	338,264	304,083
Bonded Items	-	16,392,116
Court Fines	233,793	1,145,691
Seedlings & Cuttings	11,022,159	16,681,464
Third Party Commissions	7,880,311	6,990,679
<b>Total revenue from the sale of goods and services</b>	<b>1,718,914,195</b>	<b>851,019,099</b>

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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

**10. Licenses & Permits**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Movement Permits	95,358,661	129,789,966
Monthly Fuel Licenses	5,380,317	7,384,422
Saw millers Licenses	1,694,943	519,032
<b>Total licenses and permits</b>	<b>102,433,921</b>	<b>137,693,420</b>

**11. Finance Income - External Investments**

This relates to interest earned from interest bearing current accounts during the financial year.

Description	2023/2024 Kshs.	2022/2023 Kshs.
Interest on Current Account - KCB	19,514,132	14,751,207
Interest on Current Account - Equity	8,542,371	-
Interest on Current Account - Coop	10,656,853	3,774,726
Interest on Current Account - NCBA	211,310	254,868
<b>Total finance income - external investments</b>	<b>38,924,666</b>	<b>18,780,801</b>

**12. Use of Goods and Services**

This comprises of administrative costs as set out below:

Description	2023/2024 Kshs.	2022/2023 Kshs.
Electricity	22,563,555	15,858,021
Water and Sewerage Charges	10,693,924	8,230,007
Casual Labour	285,245,382	118,684,685
Staff Welfare Costs	10,208,505	10,817,177
Telephone, Telex, Facsimile, Computer	8,226,301	10,138,783
Courier and Postal Services	4,131,035	5,019,493
Leased Communication Lines	941,624	217,857
Supplies of Accessories for Computers & Printers	13,623,215	10,181,936
Travel Costs (airlines, bus, railway, mileage)	18,225,597	1,729,745
Accommodation - Domestic Travel	876,407	-
Daily Subsistence Allowance	527,311,655	277,402,134
Field Operational Allowance	2,291,840	285,800
Travel Cost-International (Overseas)	7,691,815	12,497,592
Publishing and Printing Services	10,519,697	10,693,710
Newspapers, Magazines and Periodicals	457,291	1,870,584
Advertising, Awareness and Publicity Campaigns	9,745,520	7,334,142
Training	74,778,571	54,961,105

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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

**12. Use of Goods and Services (Continued)**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Hire of Training Facilities and Equipment	183,324	421,800
College Students' Expenses	9,904,482	7,334,376
Buildings Insurance	4,218,792	3,420,082
Plant, Equipment and Machinery Insurance	1,160,238	-
Motor Vehicle Insurance	24,201,710	26,564,403
Aircraft Insurance	23,797,842	-
Fungicides, Insecticides and Sprays	155,810	889,194
Workshop Tools, Spares and Small Equipment	165,517	15,856,757
Forest Agricultural Materials and Supplies	-	12,000
Paramilitary Small Equipment and Supplies	89,492,871	162,087,446
Laboratory Materials and Supplies	735,400	1,507,290
Animal Welfare Expenses	732,362	340,400
General Office Supplies (papers, pencils etc.)	23,201,856	14,285,773
Cleaning Materials, Supplies and Services	7,168,022	3,769,054
Catering services	9,079,477	12,144,851
VAT Expense*	-	2,184,573,981
Fines, Interest - NSSF, NHIF	-	211,400
Refined Fuels and Lubricants for Transport	241,993,094	145,546,173
Forest Fire Suppression	2,061,884	118,439,716
Bank Service Commission and Charges	3,969,423	2,690,146
Contracted Guards and Cleaning Services	3,633,621	3,835,558
Membership Fees, Dues and Subscriptions	2,546,558	2,773,631
Forest Conservation Committee Expenses	3,112,050	6,435,500
Legal dues, Arbitration and Compensation Packages	24,037,056	5,575,769
Special Operations	69,889,792	51,701,364
Provision for Bad Debts	-	21,433,364
Food and Rations	205,731,110	133,295,943
Events and Celebrations	107,068,696	38,394,945
Tree seeds and seedlings.	289,661,467	56,395,145
Supplies for production	381,755,357	84,453,720
Rounding off Difference Account	4	6
Partner Donation Expenses	58,336,504	-
Seminars and Conferences	24,558,695	8,164,526
Tree Planting	249,246,054	105,548,233
Land Levies	47,450	-
Office Rent Expense	1,582,383	-
Staff Uniforms and Clothing	42,924,713	62,879,671
Trainees Uniforms and Clothing	161,483,086	1,973,328
Audit Fee	2,319,310	3,793,103
Covid-19	-	26,500
<b>Total use of goods &amp; services</b>	<b>3,077,687,944</b>	<b>3,832,697,919</b>

\* The VAT expense amount of Kshs.2,184,573,981 relates to principal VAT claimed by KRA for the period July 2014 to Dec 2019 which has been agreed upon by both parties and a payment plan is in place.

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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

**13. Employee costs**

These are costs incurred by the Service on its employees and employee related activities during the reporting period while on official duties as set out below;

Description	2023/2024	2022/2023
Number of Employees	6,853	3,776
	Kshs.	Kshs.
Basic Salaries	3,543,606,228	2,758,874,656
Temporary Employees	35,364,554	-
Acting Allowance	6,614,821	3,396,537
Overtime	4,436,717	1,248,314
Transfer Allowance	66,215,800	34,657,250
Commuting Allowance	310,997,473	215,083,552
Hardship Allowance	105,245,220	69,640,391
Special Duty Allowance	2,308,285	2,151,086
Leave Allowance	88,751,090	88,676,439
Extraneous Allowance	4,107,812	3,719,000
Telephone Allowance	5,345,355	4,792,022
Medical Expenses - Ex-Gratia	560,853	-
Staff Medical Insurance	381,437,526	308,444,082
House Allowance	427,099,393	324,639,726
Non-Practice Allowance	720,000	720,000
Entertainment Allowance	529,355	458,667
Instructor's Allowance	21,821,934	7,310,795
GPA/GLA	73,321,346	53,032,362
Risk Allowance	46,200	46,200
Recruits' Allowance	24,084,000	24,300,000
Disability Guide Allowance	600,000	-
Contributions to National Social Security	78,285,160	9,254,250
Staff Pension- KFS Contributions	425,791,294	399,156,823
Staff Gratuity	10,382,302	10,140,051
Housing Levy Fund - Employer's Contribution	68,933,721	-
<b>Total employee costs</b>	<b>5,686,606,439</b>	<b>4,319,742,203</b>

**14. Remuneration of Directors**

Description	2023/2024	2022/2023
	Kshs.	Kshs.
Board Sitting Allowance	9,520,000	6,096,400
Board Lunch Allowance	-	4,000
Board Accommodation Allowance	7,298,000	3,562,200
Board Transport Allowance	1,770,666	1,087,634
Board Chairman Honoraria	732,097	955,677
<b>Total remuneration of Directors</b>	<b>19,320,763</b>	<b>11,705,911</b>

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

**15. Repairs & Maintenance**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Maintenance of Motor Vehicles	77,814,379	55,019,489
Maintenance of Plant, Machinery and Equipment	2,114,595	2,434,815
Maintenance of Office Furniture and Equipment	1,677,976	603,452
Maintenance of Medical and Dental Equipment	261,103	3,625,807
Maintenance of Buildings - Residential	24,651,283	3,473,056
Maintenance of Buildings and Stations - Non-Residential	71,247,540	15,477,873
Maintenance of Civil Works	44,885,581	37,492,861
Maintenance of Roads	87,741,869	44,067,335
Minor Alterations to Buildings and Civil Works	-	2,494,926
Maintenance of Computers, Software, Network	23,388,639	7,564,767
Maintenance of Aircraft	21,551,879	-
<b>Total repairs and maintenance</b>	<b>355,334,844</b>	<b>172,254,381</b>

**16. Contracted Services**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Contracted Professional Services	34,322,256	6,792,124
Contracted Technical Services	38,651,423	52,277,900
<b>Total contracted services</b>	<b>72,973,679</b>	<b>59,070,024</b>

**17. Grants and subsidies**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Grants, subsidies and transfers.	5,557,066	9,591,003
Capital Transfers Non-Profit Organization	2,078,181	-
<b>Total grants and subsidies</b>	<b>7,635,247</b>	<b>9,591,003</b>

**18. Foreign Exchange gain/(loss)**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Foreign Exchange Gain	9,469	1,195,326
Foreign Exchange Loss	(43,316)	(1,096,425)
<b>Total foreign exchange gains/(loss)</b>	<b>(33,847)</b>	<b>98,901</b>

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

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

**19. Gain on sale of assets**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Proceeds from Disposal of Assets	3,775,640	1,521,000
Net Book Value Retired	(1,754,460)	(234,879)
<b>Total gain on sale of assets</b>	<b>2,021,180</b>	<b>1,286,121</b>

**20. Income Tax Expense**

This relates to taxation on interest income received by the Service from financial institutions on the cash balances in current accounts;

Description	2023/2024 Kshs.	2022/2023 Kshs.
Current Income tax charge	-	-
Tax charged on rental income		6,092,235
Tax charged on interest income	11,677,400	5,634,240
Deferred tax:		
Original and temporary reversal of temporary differences	-	-
<b>Income tax expense reported in the statement of financial performance</b>	<b>11,677,400</b>	<b>11,726,475</b>

**21. Cash and Cash Equivalent**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Cash at bank	806,525,220	905,653,376
<b>Total cash and cash equivalents</b>	<b>806,525,220</b>	<b>905,653,376</b>

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

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

**21(a). Detailed Analysis of the Cash and Cash Equivalents**

**(i) Bank Balances**

<b>Account Name</b>	<b>Branch</b>	<b>Account No.</b>	<b>2023/2024 Kshs.</b>	<b>2022/2023 Kshs.</b>
<b>Co-operative Bank</b>				
KFS National Tree Planting Campaign Programme	Stima Plaza	01141532868700	25,151,157	193,537,394
KFS Forest Investment Facility - Holding Account	Stima Plaza	01141532868701	52,233,674	50,320,407
KFS Water Towers GOK A/c Forest Irrigation Climate & Green Energy	Stima Plaza	01141532868702	-	600
GZDSP II GOK A/C	Ridgeways	01141532868705	1,667,477	17,980,065
GZDSP II Donor A/C	Ridgeways	01141756225800	1,052,724	7,974,137
KFS HOC Central Main A/C	Ridgeways	01141756225800	653,453	4,907,097
KFS HOC Western Main A/C	Nyeri	01141032576000	180,472	79,510
KFS ENCOM Nyeri Base Main A/C	Kakamega	01141165517400	2,867,514	115,557
KFS EC Mombasa Main A/C	Nyeri	01141032570000	2,129	2,768,599
	Nkrumah Road	01120097444400	204,077	0
			<b>84,012,677</b>	<b>277,683,366</b>
<b>Equity Bank</b>				
KFS Forest Investment Facility - Revolving Fund	Ridgeways	0810298871018	38,895,383	31,634,367
KFS Forest Investment Facility - Operating Account	Ridgeways	1340261075747	810,792	332,520
KFS FAO Capacity Building	Ridgeways	1340261075761	99,970	9,865,317
KFS Holding-Equity	Ridgeways	0470267372824	-	2,784
			<b>39,806,145</b>	<b>41,834,988</b>
<b>Kenya Commercial Bank</b>				
KFS Main Operating - KCB	Sarit Centre	1106928652	104,335,000	131,626,637
KFS AIA Collection	Sarit Centre	1106770021	322,981,988	382,363,344
KFS Main Development	Sarit Centre	1116447347	189,327	48,700,016
KFS Gratuity A/C	Sarit Centre	1139669249	21,900,974	1
KFS Dollar A/C	Sarit Centre	1122198353	188,077	3,912
KFS FAO Forest & Farm Facility Programme	Moi Avenue	1172165084	-	10,770
KFS Water Towers Euro Ac	Moi Avenue	1181839513	143,673	327
KFS HOC Nairobi Main A/C	Karen	1126065072	1,090,662	304,139
KFS HOC North Rift Main A/C	Eldoret	1118416090	20,993	612,442
KFS HOC Mau Main A/C	Nakuru	1101720352	131,703	99,667
KFS HOC Nyanza Main A/C	Kisumu	1113097930	1,942	2,618,506
KFS HOC Coast Main A/C	Treasury Square	1113012625	936,081	200,311
KFS HOC Eastern Main A/C	Embu	1112985204	138,230	7,099
KFS HOC Ewaso North Main A/C	Isiolo	1113191996	280,899	231,544
KFS HOC North Eastern Main A/C	Garissa	1112841903	103,226	43,024

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

Kenya Forestry College - Operations A/C	Londiani	1103633562	1,821,579	76,651
Kenya Forestry College - Tuition A/C	Londiani	1112223479	25,976,825	8,763,505
KFS EC Nairobi Main A/C	Karen	1136317759	2,657,658	1,058,461
KFS EC Garissa Main A/C	Garissa	1107854903	26,082	17
KFS LONDIANI BASE (FoLEA) Main A/C	Londiani	1117567915	2,570,592	4,368
KFS ENCOM Embu Base Main A/C	Embu	1135768846	109	578,638
KFS RC MAU Main A/C	Nakuru	1117674258	27,535	-
KFS Building Unit Main A/c	Moi Avenue	1197741011	3,534,556	
KFS CFC Kisumu Main A/c	Kisumu West	1103889281	4,525	
KFS CFC Isiolo Main A/c	Isiolo	1107755468	26,223	
KFS Integrated Landscape Mgt for Conservation	Moi Avenue	1320025803	109,741,702	
			<b>598,830,161</b>	<b>577,303,379</b>
<b>National Bank</b>				
KFS Airwing A/C	Kenyatta Avenue	01020069730800	394,628	4,358,758
			<b>394,628</b>	<b>4,358,758</b>
<b>NCBA Bank</b>				
KFS Airwing Sinking Fund A/C	Ciata Mall	1004667472	15,751,211	4,472,885
			<b>15,751,211</b>	<b>4,472,885</b>
<b>Total bank balance</b>			<b>738,794,822</b>	<b>905,653,376</b>
<b>(ii) Others</b>				
E-Citizen Unremitted Collections			67,730,398	-
			<b>67,730,398</b>	<b>-</b>
<b>Grand total</b>			<b>806,525,220</b>	<b>905,653,376</b>

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

**22. Receivables from Exchange Transactions**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Receivables	671,278,315	805,963,470
Rental Deposit Receivable	-	1,319,345
Suppliers Prepayments*	1,325,051,271	907,986,776
Safaricom Deposits	-	50,000
General Deposits with Suppliers	586,200	586,200
<b>Total receivables from exchange transactions</b>	<b>1,996,915,786</b>	<b>1,715,905,791</b>

*Note: The Supplier Prepayments balance includes Kshs. 1,187,050,903 relating to the Capacity Development project for Technologies in Forest Fire Management in Kenya funded by the French Government that required an advance direct payment by the Donor to the supplier.*

**23. Receivables from Non-Exchange Transactions**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Zonal Control Account - Development	36,760,733	18,511,802
Zonal Control Account Recurrent	27,226,029	21,485,219
Temporary Imprest	18,742,232	24,248,144
Standing Imprest	-	366,000
Salary Advances	4,586,940	6,276,895
<b>Total receivables from non - exchange transactions</b>	<b>87,315,934</b>	<b>70,888,060</b>

*Note: For the purposes of these financial statements, receivables from non-exchange transactions also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.*

**24. Forest Land**

As per the Forest Act all assets of the former forest department vested in the Kenya Forest Service vide Legal Notice number 151 of 2008 published in the Kenya Gazette Supplement number 82 of 28<sup>th</sup> November 2008, with effect from 1<sup>st</sup> February 2007. The Service has three hundred and seventy-five (375) parcels of land that are gazetted measuring 2,605,170 Ha. Out of these 375 parcels of land, fifty-six (56) parcels of land have title deeds even though the area under legal notice in some cases is higher than the area that is in the title deeds. Twenty-one (21) parcels of land that belong to Kenya Forest Service but are not gazetted have title deeds.

The Service has recognised the Gazette notices as the sure way of securing forest land. Ownership of forest land is also documented by proclamations which at Independence were declared as central forests via Legal Notice No. 174 of 20<sup>th</sup> May 1964.

Government land is not available in the open market for sale and thus cannot be valued. Due to this it has not been recognised as part of property, plant and equipment.

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

**25. Biological Assets**

Biological assets comprise forest plantations. Biological assets are carried at fair value at the end of each reporting period. The fair value of the biological assets has been determined by appropriately qualified staff employed by the Service using advanced modelling techniques/methods. The Service maintains commercial forest plantations for sale as per the gazetted Forest Service General Orders provisions.

The Service prepares a Forestry Resources Account (FRA) at the end of each financial year to capture full value of forest plantation and provides evidence on whether the forestry asset is utilized sustainably.

The value of public forest plantations as at 30 June 2024 is as under:

**i. Forest Plantations Area Account**

This section presents species composition of forest plantations, area per species and un-stocked areas. The un-stocked area was caused by clear-cut of standing stock and forest fires. Un-stocked area declined from 11,215 Ha to 6,440.33 during the report period. This is attributed to planting of 5,810.23 Ha comprising of 134.8 Ha of Eucalyptus, 4,783.0825 Ha of cypress species, 865.85 Ha of Pines and 26.5 Ha of other species.

	2023/2024	2022/2023
Species	Area (Ha)	Area (Ha)
Pines	30,608.81	30,090.56
Cypress	83,268.28	79,084.18
Gravelia	534.90	534.90
Eucalyptus	17,572.53	17,460.52
Others	14,365.15	14,404.84
Unstocked	6,440.33	11,215.00
<b>Total Plantation Land Area</b>	<b>152,790.00</b>	<b>152,790.00</b>

**ii. Forest Plantations Monetary Account**

This presents the monetary account of forest plantation stock. The changes in carrying amounts of biological assets comprise:

Description	2023/2024	2022/2023
	Kshs.	Kshs.
Carrying Amount as at 1 July	90,917,526,961	84,678,182,735
<b>Changes in the carrying amount:</b>		
Decrease due to sales and harvest <sup>1</sup>	(1,204,125,504)	(385,409,938)
Increase due to purchases and development of new stands <sup>2</sup>	232,409,200	102,417,000
Increase in value due to growth <sup>3</sup>	6,730,531,460	6,534,983,080
Less impairment due to poaching, forest fires and diseases <sup>4</sup>	(940,500)	(12,645,916)
<b>Total Changes in the carrying amount:</b>	<b>5,757,874,656</b>	<b>6,239,344,226</b>
<b>Carrying Amount as at 30 June</b>	<b>96,675,401,617</b>	<b>90,917,526,961</b>

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

**Biological Assets (Continued)**

**<sup>1</sup> Decrease of Value of Plantations Attributed to Harvest/ Removals**

During the report period, the Service sold timber, poles and fuel wood valued at **Kshs.1,204,125,504**.

**<sup>2</sup> Increase due to New Planting**

The Service established a total of 5,810.23Ha. of forest plantations. As a common practice, young plantations are valued at the cost of establishing the plantations. The cost of establishing one hectare of plantation is estimated at Kshs.40,000. The total value of the new plantation is **Kshs.232,409,200**.

**<sup>3</sup> Increase of Plantation Value Attributed to Growth (Mean Annual Increment)**

Mean annual increment of Pine, Cypress, Eucalyptus and Mixed species was taken at 17.1m<sup>3</sup>/ha/year, 14.25m<sup>3</sup>/ha/ year, 23.75m<sup>3</sup>/ha/year and 6.65m<sup>3</sup>/ha/year respectively in the reporting period. This increased the value of plantations by **Kshs.6,730,531,460**.

Species	Area (Ha)	Mean Annual Increment (%)	Volume (M <sup>3</sup> )	Value per M <sup>3</sup>	Increase Due to Growth (Kshs.)
Cypress	77,019.78	14.25	1,097,531.87	3,000	3,292,595,610
Pine	29,477.56	17.1	504,066.28	3,000	1,512,198,840
Eucalyptus	17,371.85	23.75	412,581.44	3,000	1,237,744,320
Mixed Species	14,779.65	6.65	98,284.67	7,000	687,992,690
	<b>61,629.06</b>				<b>6,730,531,460</b>

**<sup>4</sup> Decrease in Value Attributed to Impairments**

Reduction of value of plantations results from impairments is attributed to fire damage and poaching just to mention a few. During the financial year 2023/2024, the decrease was as follows;

- In the reporting period there were no significant forest fire incidents which caused a decrease in value of the existing plantation. This was due to a well spread rains that was experienced in many parts of the country in the reporting period.
- Forest plantations are susceptible to game damage which injures the trees by debarking. The debarked portion provides avenues for pathogens which enter the stems and cause heart-rot. However, in the reporting period no defect allowance was granted.
- There was an estimated loss in planation value of **Kshs.940,500** due to poaching during the reporting period.

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

**Biological Assets (Continued)**

**iii. Value of Forest Land**

In most jurisdictions, the value of forest land is not included in forest accounts. This is due to the following:

- Forest land is usually set aside for forest development only and is not available for other land use options.
- Transactions of forest land are infrequent because forest land is only set aside for forestry purposes.
- Forests land may hold unique characteristics which has no clear market value.

Significant assumptions made in the estimation of the fair value of the trees in 2023/2024 include:

- i. The transformation of the un-matured plantations is based on the current age of tree species;
- ii. Cash inflows and outflows accrue evenly throughout the useful life; and
- iii. 15% of the trees planted will not attain maturity due to natural factors.

\*The total change in the carrying amount of **Kshs. 5,757,874,656** has been adjusted in the statement of financial position under deferred income.

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

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

**26. Property, Plant and Equipment**

	Buildings Kshs.	Plant and Machinery Kshs.	Work in Progress Kshs.	Motor Vehicles & Cycles Kshs.	Computers & ICT Equipment Kshs.	Office Furniture Kshs.	Office & Household Equipment Kshs.	Tools & Minor Equipment Kshs.	Roads, Boreholes & Civil Works Kshs.	Aircraft & hoppers Kshs.	Totals Kshs.
Cost As at 01 July 2023	1,414,404,224	338,543,343	230,263,675	1,396,862,849	305,163,239	189,135,575	101,099,883	124,522,387	166,300,419	571,042,572	4,837,338,166
Adjustment Total as at 01 July 2023	1,414,404,224	338,543,343	230,263,675	1,396,862,849	305,163,239	189,135,575	101,099,883	124,522,387	166,300,419	571,042,572	4,837,338,166
Additions (cost)	87,055,996	28,601,285	252,754,468	67,701,505	30,917,614	10,303,579	4,746,810	-	9,605,914	-	491,687,171
Revaluation Cost Adjustment											-
Disposal				(4,790,605)							(4,790,605)
<b>Total Cost as at 30 June 2024</b>	<b>1,501,460,220</b>	<b>367,144,628</b>	<b>483,018,143</b>	<b>1,459,773,749</b>	<b>336,080,853</b>	<b>199,439,154</b>	<b>105,846,693</b>	<b>124,522,387</b>	<b>175,906,333</b>	<b>571,042,572</b>	<b>5,324,234,732</b>
Accumulated Depreciation Acc. Dep. Adjustment Total as at 30 June 2023	699,403,388	245,106,557	-	1,125,349,280	264,396,584	171,830,827	80,786,957	117,257,686	115,876,530	379,786,449	3,199,794,258
Charge for the year	72,032,889	10,496,056	-	79,962,970	15,867,629	3,256,167	4,753,187	633,189	8,606,432	37,974,331	233,582,850
<b>As at 30 June 2024</b>	<b>771,436,277</b>	<b>255,602,613</b>	<b>-</b>	<b>1,202,276,105</b>	<b>280,264,213</b>	<b>175,086,994</b>	<b>85,540,144</b>	<b>117,890,875</b>	<b>124,482,962</b>	<b>417,760,780</b>	<b>3,430,340,963</b>
<b>NBV 30 June 2024</b>	<b>730,023,943</b>	<b>111,542,015</b>	<b>483,018,143</b>	<b>257,497,644</b>	<b>55,816,640</b>	<b>24,352,160</b>	<b>20,306,549</b>	<b>6,631,512</b>	<b>51,423,371</b>	<b>153,281,792</b>	<b>1,893,893,769</b>
<b>NBV 30 June 2023</b>	<b>715,000,836</b>	<b>93,436,786</b>	<b>230,263,675</b>	<b>271,513,569</b>	<b>40,766,655</b>	<b>17,304,748</b>	<b>20,312,926</b>	<b>7,264,701</b>	<b>50,423,889</b>	<b>191,256,123</b>	<b>1,637,543,908</b>

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

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

**Property, Plant and Equipment (cont.)**

	Buildings Kshs.	Plant and Machinery Kshs.	Work in Progress Kshs.	Motor Vehicles & Cycles Kshs.	Computers & ICT Equipment Kshs.	Office Furniture Kshs.	Office & Household Equipment Kshs.	Tools & Minor Equipment Kshs.	Roads, Boreholes & Civil Works Kshs.	Aircraft & hoppers Kshs.	Totals Kshs.
Cost As at 01 July 2022	1,413,698,197	329,305,125	130,105,074	1,346,979,195	289,607,579	187,971,004	92,364,556	123,940,491	160,747,453	571,042,572	4,645,761,246
Adjustment Total as at 01 July 2022	1,413,698,197	329,305,125	130,105,074	1,346,979,195	289,607,579	187,971,004	92,364,556	123,940,491	160,747,453	571,042,572	4,645,761,246
Additions (cost)	706,027	9,238,218	100,158,601	54,581,238	15,555,660	1,164,571	8,735,327	581,896	5,552,966	-	196,274,504
Revaluation Cost Adjustment	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	(4,697,584)	-	-	-	-	-	-	(4,697,584)
<b>Total Cost as at 30 June 2023</b>	<b>1,414,404,224</b>	<b>338,543,343</b>	<b>230,263,675</b>	<b>1,396,862,849</b>	<b>305,163,239</b>	<b>189,135,575</b>	<b>101,099,883</b>	<b>124,522,387</b>	<b>166,300,419</b>	<b>571,042,572</b>	<b>4,837,338,166</b>
Accumulated Depreciation Acc. Dep. Adjustment Total as at 30 June 2022	631,297,814	221,369,885	-	1,051,659,310	250,111,348	168,046,973	77,278,161	117,175,921	106,742,373	341,812,118	2,965,493,903
Charge for the year As at 30 June 2023	68,105,574	23,736,672	-	78,152,675	14,285,236	3,783,854	3,508,796	81,765	9,134,157	37,974,331	238,763,060
<b>NBV 30 June 2023</b>	<b>699,403,388</b>	<b>245,106,557</b>	<b>-</b>	<b>1,125,349,280</b>	<b>264,396,584</b>	<b>171,830,827</b>	<b>80,786,957</b>	<b>117,257,686</b>	<b>115,876,530</b>	<b>379,786,449</b>	<b>3,199,794,258</b>
<b>NBV 30 June 2022</b>	<b>715,000,836</b>	<b>93,436,786</b>	<b>230,263,675</b>	<b>271,513,569</b>	<b>40,766,655</b>	<b>17,304,748</b>	<b>20,312,926</b>	<b>7,264,701</b>	<b>50,423,889</b>	<b>191,256,123</b>	<b>1,637,543,908</b>
	<b>782,400,383</b>	<b>107,935,240</b>	<b>130,105,074</b>	<b>295,319,885</b>	<b>39,496,231</b>	<b>19,924,031</b>	<b>15,086,395</b>	<b>6,764,570</b>	<b>54,005,080</b>	<b>229,230,454</b>	<b>1,680,267,343</b>

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

**27. Intangible Assets**

Description	2023/2024	2022/2023
Cost	Kshs.	Kshs.
At beginning of the year	121,392,940	121,392,940
Additions	36,207	-
<b>At end of the year</b>	<b>121,429,147</b>	<b>121,392,940</b>
Additions-internal development	-	-
<b>At end of the year</b>	<b>121,429,147</b>	<b>121,392,940</b>
<b>Amortization and impairment</b>		
At beginning of the year	(115,276,468)	(114,771,034)
Amortization	(7,580)	(505,434)
<b>At end of the year</b>	<b>(115,284,048)</b>	<b>(115,276,468)</b>
Impairment Loss	-	-
<b>At end of the year</b>	<b>(115,284,048)</b>	<b>(115,276,468)</b>
<b>Net Book Value (NBV)</b>	<b>6,145,099</b>	<b>6,116,472</b>

**28. Trade and other payables from exchange transactions**

Description	2023/2024	2022/2023
	Kshs.	Kshs.
Employee Liability Account	24,263,167	16,186,578
Expense AP Accrual Account	22,745,596	-
Receipts In Advance	18,786,208	1,270,457
Kenya Universities and Colleges Central Placement	368,414	
Suppliers Liability Account	367,370,516	377,891,162
Intercompany Transactions	831,442	5,741,885
Retention - General Contractors	27,706,803	16,516,491
<b>Total trade and other payables from exchange transactions</b>	<b>462,072,146</b>	<b>417,606,573</b>

*Note: The total Trade and other payables from exchange transactions exclude amounts demanded by NITA and Ministry of Housing which negotiations are still ongoing.*

**29. Refundable deposits from customer**

Description	2023/2024	2022/2023
	Kshs.	Kshs.
Customer Refundable Deposits	40,493,078	358,679
Caution Money	1,622,559	1,103,636
Performance Bonds	11,767,646	11,767,646
<b>Total refundable deposits from customers</b>	<b>53,883,283</b>	<b>13,229,961</b>

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

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

**30. Provisions**

Description	Provision for Audit Fee	Provision for Bad Debts	Total
Balance as at 1 July 2023	9,060,000	220,644,725	229,704,725
Additional provisions	2,319,310	-	2,319,310
Provision utilized	(7,586,207)	(28,101,239)	(35,687,446)
<b>Total provisions as at 30 Jun 2024</b>	<b>3,793,104</b>	<b>192,543,486</b>	<b>196,336,590</b>

**31. Employee Benefits Obligations**

Description	2023/2024 Kshs.	2022/2023 Kshs.
House Rent Utility Charges	5,730,211	5,730,211
Staff Insurance Compensation Liability	38,656,201	32,479,411
Staff Gratuity	21,900,974	11,518,672
<b>Total employee benefits obligations</b>	<b>66,287,386</b>	<b>49,728,294</b>

**32. Payments Received in Advance**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Imprest Clearing Account	243,053	1,994,253
<b>Total advance receipts</b>	<b>243,053</b>	<b>1,994,253</b>

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

**33. Withheld Taxes**

Description	2023/2024 Kshs.	2022/2023 Kshs.
Income Tax (PAYE)	-	1,183,910
Withholding VAT	4,657,705	1,286,116
Withholding Income Tax	1,496,397	349,641
VAT Liability	1,735,049,616	2,136,037,565
Pay Master General-PAYE	1,042,045	-
<b>Total Withheld taxes</b>	<b>1,742,245,763</b>	<b>2,138,857,232</b>

**34. Corporation Tax**

Description	2023/2024 Kshs.	2022/2023 Kshs.
At beginning of the year	-	577,131
Income tax charge for the year (note 22)	11,677,400	11,726,475
Income tax paid during the year	(9,490,957)	(12,303,606)
<b>At end of the year</b>	<b>2,186,443</b>	<b>-</b>

**35. Deferred Income**

Description	2023/2024 Kshs.	2022/2023 Kshs.
<b>Current Deferred income</b>		
Deferred Income - FAO	109,852,442	6,776,812
Deferred Income - EU	-	5,120,375
Deferred Income - ADB	653,452	4,907,097
Deferred Income - French Project	1,186,991,433	894,999,661
<b>Total Current Deferred Income</b>	<b>1,297,497,327</b>	<b>911,803,945</b>
<b>Non-current Deferred income</b>		
Deferred Income - Biological Assets	96,675,401,617	90,917,526,961
<b>Total Non-current Deferred Income</b>	<b>96,675,401,617</b>	<b>90,917,526,961</b>
<b>Total Deferred Income</b>	<b>97,972,898,944</b>	<b>91,829,330,906</b>

The deferred income movement is as follows:

Description	2023/2024 Kshs.	2022/2023 Kshs.
Balance brought forward	91,829,330,907	13,811,849
Additions	1,653,889,455	1,526,387,351
Transfers to Capital fund	(433,645,869)	(147,235,987)
Transfers to income statement	(829,429,829)	(481,159,267)
Other transfers	5,752,754,280	90,917,526,961
<b>Balance carried forward</b>	<b>97,972,898,944</b>	<b>91,829,330,907</b>

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

**36. Financial Risk Management**

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

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

**(i) Credit risk**

The Service has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the Directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

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

	Total amount Kshs.	Fully performing Kshs.	Past due Kshs.	Impaired Kshs.
<b>At 30 June 2024</b>				
Receivables from exchange transactions	1,996,915,786	1,996,915,786	0	-
Receivables from non-exchange transactions	87,315,934	87,315,934	-	-
Bank balances	806,525,220	806,525,220	-	-
<b>Total</b>	<b>2,890,756,940</b>	<b>2,890,756,940</b>	<b>0</b>	<b>0</b>
<b>At 30 June 2023</b>				
Receivables from exchange transactions	1,715,905,791	1,308,571,271	407,334,520	-
Receivables from non-exchange transactions	70,888,060	70,888,060	-	-
Bank balances	905,653,376	905,653,376	-	-
<b>Total</b>	<b>2,692,447,227</b>	<b>2,285,112,707</b>	<b>407,334,520</b>	<b>0</b>

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

**Financial Risk Management (Continued)**

**(i) Credit risk (Continued)**

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Service has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The Service has significant concentration of credit risk on amounts due from government institutions.

The Board of Directors sets the Service's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**(ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Service's Directors, who have built an appropriate liquidity risk management framework for the management of the Service's short, medium and long-term funding and liquidity management requirements. The Service manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

The Service has entered into a payment plan with the Kenya Revenue Authority on the VAT obligation of Kshs.2,045,657,733 that is spread over 5 years to mitigate against liquidity risk.

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

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

**Financial Risk Management (Continued)**

**(ii) Liquidity risk management (Continued)**

	Up to 1 month Kshs.	1 - 3 Months Kshs.	4 - 12 months Kshs.	Over 1 year Kshs.	Total Kshs.
<b>At 30 June 2024</b>					
<b>Financial assets</b>					
Trade receivables	-	227,340,834	71,584,099	372,353,383	671,278,315
Other receivables and prepayments	1,412,953,405	-	-	-	1,412,953,405
Amount due from related parties	-	-	-	-	-
Bank balances and cash deposits	806,525,220	-	-	-	806,525,220
<b>Total financial assets</b>	<b>2,219,478,625</b>	<b>227,340,834</b>	<b>71,584,099</b>	<b>372,353,383</b>	<b>2,890,756,940</b>
Financial liabilities	(98,155,243,037)	(107,228,699)	(321,686,097)	(1,715,659,185)	(100,299,817,018)
<b>Total financial liabilities</b>	<b>(98,155,243,037)</b>	<b>(107,228,699)</b>	<b>(321,686,097)</b>	<b>(1,715,659,185)</b>	<b>(100,299,817,018)</b>
<b>Net liquidity gap</b>	<b>(95,935,764,412)</b>	<b>120,112,135</b>	<b>(250,101,998)</b>	<b>(1,343,305,802)</b>	<b>(97,409,060,078)</b>
<b>At 30 June 2023</b>					
<b>Financial assets</b>					
Trade receivables	233,070,853	75,735,253	89,822,845	407,334,520	539,156,495
Other receivables and prepayments	980,830,381	-	-	-	41,997,634
Amount due from related parties	-	-	-	-	-
Bank balances and cash deposits	905,653,376	-	-	-	274,912,226
<b>Total financial assets</b>	<b>355,242,822</b>	<b>60,865,602</b>	<b>146,802,674</b>	<b>293,155,257</b>	<b>856,066,355</b>
Financial liabilities	(92,306,173,238)	(107,228,699)	(321,686,097)	(1,715,659,185)	(284,413,543)
<b>Total financial liabilities</b>	<b>(284,413,543)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(284,413,543)</b>
<b>Net liquidity gap</b>	<b>70,829,279</b>	<b>60,865,602</b>	<b>146,802,674</b>	<b>293,155,257</b>	<b>571,652,812</b>

**(iii) Market risk**

The Board has put in place an internal audit function to assist it in assessing the risk faced by the Service on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Service's income or the value of its

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

**Financial Risk Management (Continued)**

**(iii) Market risk (Continued)**

holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Service's Internal Audit Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the Service's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

The Service has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. Due to the current volatility of the exchange rates, this risk has significantly increased.

The Service manages foreign exchange risk from future commercial transactions and recognises assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

The carrying amount of the Service's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

Financial Risk Management (Continued)

(iii) Market risk (Continued)

a) Foreign currency risk (Continued)

	Kenya shilling Kshs.	Other currencies Kshs.	Total Kshs.
<b>At 30 June 2024</b>			
<b>Financial assets</b>			
Investments	-	-	-
Cash	806,525,220	331,750	806,856,970
Debtors	2,084,231,720	-	2,084,231,720
<b>Total financial assets</b>	<b>2,890,756,940</b>	<b>331,750</b>	<b>2,891,088,690</b>
<b>Financial liabilities</b>			
Trade and other payables	(3,624,415,401)	-	(3,624,415,401)
Borrowings	-	-	-
<b>Total financial liabilities</b>	<b>(3,624,415,401)</b>	<b>-</b>	<b>(3,624,415,401)</b>
<b>Net foreign currency asset/(liability)</b>	<b>(733,658,461)</b>	<b>331,750</b>	<b>(733,326,711)</b>
<b>At 30 June 2023</b>			
<b>Financial assets</b>			
Investments	-	-	-
Cash	905,653,376	4,239	905,657,615
Debtors	1,786,793,851	-	1,786,793,851
<b>Total financial assets</b>	<b>2,692,447,227</b>	<b>4,239</b>	<b>2,692,451,466</b>
<b>Financial liabilities</b>			
Trade and other payables	(3,533,220,258)	-	(3,533,220,258)
Borrowings	-	-	-
<b>Total financial liabilities</b>	<b>(3,533,220,258)</b>	<b>-</b>	<b>(3,533,220,258)</b>
<b>Net foreign currency asset/(liability)</b>	<b>(840,773,031)</b>	<b>4,239</b>	<b>(840,768,792)</b>

b) Interest rate risk

Interest rate risk is the risk that the Service's financial condition may be adversely affected as a result of changes in interest rate levels. The Service interest rate risk arises from bank deposits. This exposes the Service to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Service deposits.

**Management of interest rate risk**

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates and has negotiated fixed interest rates on its bank account balances.

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

**Financial Risk Management (Continued)**

**(iii) Market risk (Continued)**

**c) Capital Risk Management**

The objective of the Service's capital risk management is to safeguard the Service ability to continue as a going concern. The Service capital structure comprises of the following funds:

Description	2023/2024 Kshs.	2022/2023 Kshs.
Revenue reserve	(957,105,831)	(1,095,834,076)
Capital reserve	1,927,149,649	1,669,016,700
<b>Total funds</b>	<b>970,043,818</b>	<b>573,182,624</b>

**37. Related Party Balances**

**Nature of related party relationships**

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

**Government of Kenya**

The Government of Kenya is the principal shareholder of the Service, holding 100% of the Kenya Forest Service equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external.

The Service is related to:

- i) The National Government;
- ii) The Ministry of Environment, Climate Change & Forestry;
- iii) Key management;
- iv) Board of Directors.

Description	2023/2024 Kshs.	2022/2023 Kshs.
<b>a) Grants from the government</b>		
Grants from National Government	6,647,547,735	5,290,961,483
	<b>6,647,547,735</b>	<b>5,290,961,483</b>
<b>b) Key management remuneration</b>		
Directors' emoluments	19,320,763	11,705,911
Compensation to the CEO	6,335,477	6,335,477
Key management compensation	102,112,723	64,404,366
	<b>127,768,963</b>	<b>82,445,754</b>

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

**38. Contingent assets and contingent liabilities**

There were no contingent assets to be reported as at the end of the financial year. Contingent liabilities include the court cases against the Service which are detailed in Appendix 5.

**39. Capital Commitments**

There were no capital commitments to be reported as at the end of the financial year.

**40. Events after the reporting period**

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

**41. Ultimate and Holding Service**

The Service is a State Corporation under the Ministry of Environment, Climate Change & Forestry. Its ultimate parent is the Government of Kenya.

**42. Currency**

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

## 20. APPENDICES

### Appendix 1: PROGRESS ON FOLLOW UP OF AUDITOR 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	Focal Point person to resolve the issue	Status	Timeframe
<b>1</b>	<b>Property Plant and Equipment</b>				
(i)	As previously reported, the financial statements reflect property, plant and equipment balance of Kshs.1,632,319,276 out of which Kshs.890,201,139 relates to the value of buildings owned by the Service in various locations. However, the amount excludes unspecified value of rangers' houses that were constructed and donated to the Service by China Roads and Bridges Company. Further, contrary to the requirements of IPSAS 17, the land on which these buildings are erected had not been valued and disclosed separately in the last seven years.	The Service recognizes the role played by donors and partners in forest protection and conservation. The rangers' houses that were constructed and donated to the Service by China Roads and Bridges Company are yet to be recognized by the Service since the partner, China Roads and Bridges Company has not furnished the Service with the necessary documents that would indicate the value of the rangers' houses. In the absence of such a value from the partner, the Service would need to engage a professional valuer and this process has not started. The Service is in contact with China Roads and Bridges Company for the documentation to be provided. The Service made a request to the Ministry of Lands for help in valuation of land, but the Ministry was not able to offer a value as explained in the letter Ref no. VAL. 1447/2. Government land is not available in the open market for sale and thus cannot be valued. This has resulted in the missing value of land in the financial statements.	Ms. Charity Munyasya - Head, Directorate of Partnerships and Resource Mobilisation	Not resolved	Continuous

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
(ii)	Kenya Forest Service acquired all the assets of the former Forest Department including land vide legal notice No.151 of 2008 published in the Kenya Gazette Supplement No. 28 of 28 November 2008. However, out of the two hundred and sixty-five (265) gazetted forest blocks owned by Kenya Forest Service with an acreage of 2,585,526.44 hectares, only seventy-seven (77) blocks have title deeds while twenty-five (25) lacked title deeds.	<p>The Service continues to pursue ownership documents of all gazetted land and other parcels of land under its custody. As at May 2023, the Service has three hundred and seventy-five (375) parcels of land that are gazetted measuring 2,605,170 Ha (Annex 2).</p> <p>Out of these 375 parcels of land, fifty six (56) parcels of land have title deeds even though the area under legal notice in some cases is higher than the area that is in the title deeds. Twenty one (21) parcels of land that belong to Kenya Forest Service but are not gazetted have title deeds.</p> <p>Due to these discrepancies, the Service has maintained that the Gazette notice is the sure way of securing Forest Land and has won cases on this basis. (Annex 3). Ownership of forest land is documented by proclamations which at Independence were declared as central forests via Legal Notice No. 174 of 20th May 1964. The process of processing Title deeds relinquishes ownership status where the National Land Commission (NLC) has to allocate the very land gazetted and owned by Kenya Forest Service to the Service or any other Party which would be against the law of the land. The NLC in July 2017 published in the Kenya Gazette (Gazette Notice No. 6862), a list of 154 revoked tile deeds, mainly</p>	Ms. Charity Munyasya - Head, Directorate of Partnerships and Resource Mobilisation	Not Resolved	Continuous

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
		in Karura Forest Block, that had been allocated to individuals and upheld the supremacy of the Proclamation No 44 of 1932 and the Legal Notices vesting the land in the Kenya Forest Service.			
(iii)	Included in the acreage of 2,585,526.44 hectares is land of an undetermined acreage with ongoing ownership court cases between the Kenya Forest Service and private parties.	The Service is currently involved in many cases relating to ownership of forest land and is pursuing a favourable determination.	Ms. Esther Keige - Head, Legal Services	Not resolved	Continuous
(iv)	There was illegal encroachments and excisions on forest land in various parts of the country of which a total of 555.9 hectares were illegally acquired by private parties in Kipkabus, Tingwa and Ngong forest. Further, in Uasin Gishu County 29.5 hectares of land had unlicensed operational installations while other parcels of land though licensed remain unpaid by five institutions namely: Ministry of Energy, Kenya Airports Authority, Nabkoi Water Project, Kapsaret Water Project and County Cemetery.	Forest land continues to be under threat across the country and grabbing of Forest land continues to happen from time to time. The Service has prosecuted land grabbing cases and has won on the basis of Gazettement. Some cases are still on going and management is looking forward to a favorable determination. Part of the outstanding balances from government agencies and the media houses are as a result of historical installations in gazetted forests that happened before the operationalization of the Service without any formal engagements with those institutions. Towards settling this matter, the Service carried out an inventory of all installations in the public forests and determined any unlicensed occupancy. The Service then invoiced these institutions based on the inventory report to pursue these debts. These government agencies, however, have written back contesting	Mr. Mohammed Mohammed - Commandant	Not resolved	Continuous

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
		the billing and claiming ownership of parcels of land they occupy. The Service has continued to engage these agencies both at the institution level and also through the parent Ministries, but this process has not yielded much progress.			
(v)	The Service has not valued its assets as required by IPSAS 17 Section 31 which requires that revaluations should be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the balance sheet date.	The revaluation exercise is a very expensive affair, and the Service is in the process of tagging all its assets with a view to get the full complement of the all the assets. Subsequently a valuer will be engaged subject to availability of funds.	Mr. Isaac Wekesa - Ag. Manager, Administration & Infrastructure	Not resolved	Continuous
2	<b>Inaccuracies in the Statement of Changes in Net Assets.</b>  The statement of changes in net assets reflect capital fund balance of Kshs.86,390,193,425. The addition in the capital is an increase of Kshs.6,538,885,800 which is the total changes in carrying amount of biological assets contrary to the provisions of IPSAS 27 paragraph 30 which requires changes in the carrying amount of biological assets to be reported in the statement of financial performance. Further, the capital additions of Kshs.290,908,449 includes	The Service management has made a disclosure in Note 4 (Summary of Significant Accounting policies) paragraph (f), noting the exclusion of the gains and losses from the statement of financial performance so as not to distort the real surplus/ deficit reported.  The gains/losses from the changes in value of biological assets are so huge on a yearly basis and average close to the annual budget of the Service. These gains are not realized on an annual basis and would depict an impression that the Service is making super normal profits/losses.	CPA Annastasia Muasya - Manager, Finance and Accounting	Not resolved	Continuous

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
	<p>Kshs.10,010,725 for assets procured in the year 2020/2021 and prior years which has been erroneously included as additional capital during the year under review.</p> <p>In the circumstances, the accuracy of the capital funds balance of Kshs.86,390,193,425 could not be confirmed.</p>	<p>These assets amounting to Kshs.10,010,725.60 related to assets that were not recognized in the 2019/2020 and 2020/2021 and were added to the Fixed assets register in the year under review. This was after an internal reconciliation between the register and the account schedules, and the assets are now fully and rightly recognized. This amount was being carried in a control account Expense AP and Inventory AP accounts during the financial year 2020/2021.</p>			
3.	<p><b>Unsupported Receivables from Exchange Transactions</b></p> <p>The statement of financial position and Note 21 to the financial statements reflects receivables from exchange transactions balance of Kshs.605,449,477 which includes long outstanding debts balance of Kshs.75,024,727 which are owed by Government Agencies and Media houses whose transmitters are located within the Service's land. However, the license charges had not been paid as the license fee is said to have been paid to the Government owned Kenya Broadcasting Corporation (KBC).</p>	<p>The Service in the course of its operations bills its customers on annual licenses and leases for installations or occupation of forest land. These bills are usually paid within the year. Part of the outstanding balances from government agencies and the media houses are as a result of historical installations in gazetted forests that happened before the operationalization of the Service without any formal engagements with those institutions. Some of these government agencies include; Kenya Broadcasting Corporation (KBC), National Police Service, Kenya Defence Forces, National Intelligence Service, Kenya Wildlife Service (KWS) etc. Within the forest land</p>	Ms. Beatrice Mbula - Deputy CCF, Natural Forests Conservation	Not resolved	Continuous

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
	<p>Further, the balance excludes amounts receivable from the defunct Ministry of Sports and Kenya National Highways Authority of Kshs.10,000,000 and Kshs.77,666,204 respectively. However, both KENHA and defunct Sports Ministry have not recognised the receivables as payables in their respective financial statements.</p> <p>In addition, as previously reported, the statement of financial position reflects plantation balance of Kshs.1,221,251,092 as debt on harvested forest plantation which has not been disclosed in the financial statements thus understating the receivables from exchange transactions.</p> <p>In the circumstances, the accuracy and completeness of the receivables from exchange transactions balance of Kshs.605,499,477 could not be confirmed.</p>	<p>occupied by KBC, the Service established that there are installation owned by other media houses who claim to have a contractual arrangement with KBC and thus cannot engage the Service.</p> <p>Towards settling this matter, the Service carried out an inventory of all installations in the public forests and determined any unlicensed occupancy. The Service then invoiced these institutions based on the inventory report to pursue these debts. These government agencies, however, have written back contesting the billing and claiming ownership of parcels of land they occupy. The Service has continued to engage these agencies both at the institution level and also through the parent Ministries, but this process has not yielded much progress.</p> <p>On the Outstanding debt by Ministry of Sports Culture and Heritage, a proforma invoice for Kshs. 10,595,035.16 (VAT Inclusive) was issued on 13th Oct 2021 for assessed materials to be removed from Ngong road forest by Ministry of Sports, Culture and Heritage. The proforma invoice was to be converted into final invoice upon receipt of payment. Follow-up of payment was done and is still being done but the Ministry</p>			

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
		<p>delayed in processing to date. Payment of the materials has not been received.</p> <p>The outstanding amount of Kshs.77,666,204.90 from KENHA remains unenforceable. A special Use Licence was prepared for the Mau Mau road and sent to KENHA for signing. KENHA were to sign the SUL and return for the Chief Conservator of Forest to sign and make it executable. To date KENHA have not signed the SUL hence the Service is not able to prepare an Invoice so as to create the debt. Once KENHA signs and returns the SUL, an invoice shall be prepared.</p> <p>The management did not incorporate the figure of Kshs.1,221,251,092 debt on harvested forest plantation in the financial reports since the figures are still being reconciled and investigations were ongoing. However, a disclosure had been incorporated in the financial statements under the note on Receivables from exchange transactions</p>			
4.	<p><b>Inaccuracies in Cash and Cash Equivalents.</b></p> <p>The statement of financial position and as disclosed in Note 20 reflects cash and cash equivalents balance of Kshs.330,519,562 held in various banks.</p>	<p>The project financial statements are prepared on cash basis. Water towers project donor does not allow foreign exchange loss recognized as expenses and thus the reason for the difference.</p>	<p>CPA Annastasia Muasya - Manager,</p>	<p>Not resolved</p>	<p>June 2023</p>

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
	<p>However, certificate of bank balance, reconciliation statements and cashbooks presented for audit revealed amounts of Kshs.1,096,425, Kshs.5,120,264 and Kshs.2,521 in respect of KFS Water Tower Donor Account, KFS Water Tower Euro Account An KFS JICA-Cadep Account respectively which differed significantly with the amounts reflected in the respective projects' account balances of Kshs. Nil, Kshs.4,554,065 and Kshs.52,256, respectively.</p> <p>Further, two bank accounts held by the Service reflect over drawn balances of Kshs.1,145,662 and Kshs.204,091 respectively contrary to Regulation 82(7) of the Public Finance Management (National Government) Regulations, 2015.</p> <p>In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.330,519,562 could not be confirmed.</p>	<p>The correct balances as per bank reconciliation statements for the accounts does not show any variances with the amounts in the financial statements.</p> <p>The accounts are not actually overdrawn but the issue was due to differences in currency revaluations in Oracle ERP which has since been sorted in the current financial year</p>	Finance and Accounting		
5.	<b>Unsupported Expenditure on Drilling of Boreholes</b>				

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
	The statement of financial position as disclosed in Note 25 to the financial statements reflects property, plant and equipment balance of Kshs.1,680,267,343 which includes roads, boreholes and civil works amount of Kshs.10,530,231 relates to drilling of boreholes in three (3) counties. However, Board minutes to confirm the approval, progress reports and expenditure support documents were not provided for audit.	<p>The Service entered into a partnership with Kenya Defence Forces (KDF) on 21 June 2022 to drill 7 boreholes. The boreholes were to be drilled in three Counties at an estimated cost of Kshs.25,283,348. KDF was to provide a direct contribution of Kshs.4,189,994 in terms of fuel and lubricants and KFS contribution in the year under review was Kshs.10,530,231 for the development of the boreholes.</p> <p>The works were undertaken as per the agreement and pictures to confirm this were availed to the audit team. The Service has written to the Ministry of Defense to avail completion report. This was a procurement process that did not require any board approval since it was a direct procurement from a government agency.</p>	Project Manager - National Tree Planting Campaign Project (NTPC)	Not resolved	June 2023

  
 .....  
 Alexander Lemarkoko 'ndc' (K)  
 Chief Conservator of Forests  
 Date... 23/12/2024 .....

**Appendix 2: PROJECTS IMPLEMENTED BY THE SERVICE**

**Projects**

Projects implemented by the State Corporation/ SAGA Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1. Green Zones Development Support Project - II	P-KE-AAD-005	AfDB & GoK	2020 - 2025	Kshs. 5,498,250,000	Yes	Yes
2. Capacity Development project for Technologies in Forest Fire Management in Kenya		French Government & GoK	2022 - 2027	Kshs. 3,339,000,000	No	Yes

**Status of Projects completion**

	Project	Total project Cost (Kshs.)	Total expended to date Kshs.	Completion % to date	2023/2024 Budget Kshs.	2023/2024 Actual Kshs.	Source s of funds
1	Green Zones Development Support Project - II	5,498,250,000	3,482,303,820	41%	1,045,800,000	1,087,387,679	ADB & GoK
2	Capacity Development Project for Technologies in Forest Fire Management in Kenya	3,339,000,000	1,377,456,835	26%	1,310,000,000	482,457,174	French Govern ment & GoK

**Appendix 3: INTER-ENTITY TRANSFERS**

The above amounts have been communicated to and reconciled with the Ministry of Environment, Climate Change & Forestry as below:

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

**Appendix 4: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Name of the MDA/Donor Transferring the Funds	Date Received (as per bank statement)	Nature: Recurrent/ Development/ Others	Total Amount	Where Recorded/ Recognized			Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	
			Kes	Kes	Kes	Kes	Kes
Ministry of Environment, Climate Change & Forestry		Recurrent	6,567,500,245	6,567,500,245			6,567,500,245
		Development	138,125,000	80,047,490	58,077,510		138,125,000
			<b>6,705,625,245</b>	<b>6,647,547,735</b>	<b>58,077,510</b>	-	<b>6,705,625,245</b>
African Development Bank (ADB)		Donor Funds Direct Payments	977,690,632	738,763,811	243,180,467	(4,253,645)	977,690,632
			277,450,554				
			<b>977,690,632</b>	<b>738,763,811</b>	<b>243,180,467</b>	<b>(4,253,645)</b>	<b>977,690,632</b>
French Government		Direct Payments	-	-		291,991,772	291,991,772
			-	-	-	<b>291,991,772</b>	<b>291,991,772</b>
Food and Agriculture Organization (FAO)		Donor Funds	11,770,126	11,770,126		103,075,630	114,845,757
			11,770,126	11,770,126	-	<b>103,075,630</b>	<b>114,845,757</b>
<b>Total</b>			<b>7,695,086,004</b>	<b>7,398,081,672</b>	<b>301,257,976</b>	<b>98,821,985</b>	<b>7,798,161,634</b>

Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024

Appendix 5: COURT CASES AGAINST THE SERVICE

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
1.	KFS/LS/08/08	NAIROBI	NAIROBI HCCC APPL. NO. JR 522 OF 2008 BETHUEL MACHARIA KABUI -VS- KENYAFOREST SERVICE TETU/KABAGE/92-GAKANGA NYERI-	Applicant sought orders of certiorari to quash decisions in notices of 7th July, 2008 and 21st August, 2008 by DFO, Nyeri and order of prohibition from excising powers in the Forest Act, 2005 in an arbitrary and capricious
2.	KFS/LS/10/08	NAKURU	NAKURU HCCC NO.102 OF 1999 CHIRCHIR KOIMA & OTHERS -VS- EDWARD MUGUTHELI & ANOTHER.	A prerogative writ to compel KFS to effect decision of the Chebir Clan to settle in Chemorgong Forest
3.	KFS/LS/14/08	NAIROBI	NAIROBI HCCC NO.1554 OF 2000 MORRIS RIUNGU -VS- ATTORNEY GENERAL	This is a suit for compensation of loss incurred by the plaintiff having bought wood and denied access/permit.
4.	KFS/LS/26/08	NAKURU	NAKURU HCC 255 OF 2004 KIPTARUS TABOT & OTHERS -VS ATTORNEY GENERAL	Application to challenge the eviction from Mau forest reserve.
5.	KFS/LS/30/08	NAKURU	NAKURU HCMISC.APPL.NO 704 OF 2006 CHRISTOPHER C. CHEPYEGON -VS-KENYAFOREST SERVICE.	Application for judicial review for orders of prohibition and certiorari to the chief conservator of forest and DFO, Nakuru restricting the respondents from evicting them in Parcel No. Nakuru Municipality Block 19/186
6.	KFS/LS/31/08	NAKURU	NAKURU HCC 25 OF 2006 STEPHEN KIPRUTO TIGERE VS ATTORNEY GENERAL	Application to challenge eviction from south western Mau Forest.(LR No. 2942) Enderit Forest Block
7.	KFS/LS/32/08	NAIROBI	NAIROBI HCC 517 OF 2007 KHALIF SHEIKH ADAN VS ATTORNEY GENERAL	Case in Garissa where the applicant wants to grab forest land in Garissa.
8.	KFS/LS/36/08	NAKURU	NAKURU HCC NO 67 OF 2009 JACKSON M. KINYUA & 5 OTHERS VS KENYA FOREST SERVICE	LR NO. 13642 in Kiambu Forest Plaintiffs without the defendant's authority moved into the State Forest and plundered and have continued to waste the same
9.	KFS/LS/37/08	NAIROBI	NAIROBI HCC 848 OF 2003 GEOGLADYS HOLDINGS LTD -VS- ATTORNEY GENERAL.LR 20842 NGONG ROAD FOREST	Land was irregularly allocated to Mr. Koinange in 1996 and without knowledge of KFS was disposed to a third party (M/S Geogladys Holdings Ltd) in 1999
10.	KFS/LS/50/08	MALINDI	MALINDI HCCC MISC APPL NO 25 OF 2005.NAIROBI HC MISC APPL NO 340/07KALIAPOPO- MADUNGUNI CASE IN MALINDI.	Gazettement was affected on 23rd Aug, 2004 for this area as a Forest. The residents protested when asked to vacate. Court issued orders against any eviction until the matter is settled. The matter has been pending for 5 years. Zonal Manager indicates that there is continued destruction by the squatters.
11.	KFS/LS/01/09	NAIROBI	NAIROBI HCC NO 141 OF 2010 JOHN PETER RUTHANGI VS KFS	KIAMBU ROAD L.R NO 17942 Claim for the above portion of land by Peter Ruhangi the applicant in the matter
12.	KFS/LS/018/09	NAIROBI	NAIROBI HC MISC CIVIL APPL 382/04 KAMA AGENCIES VS AG	The respondent Kama agencies claims the title of the parcel of land LR.NO.21350/1 which they claim to have been obtained through grant from the president though it is contested to be part of the Kiambu forest demarcated as forest reserve
13.	KFS/LS/38/09	ELDORET	ELDORET HCC NO 12 OF 2009 TIMOTHY INGOSI & 87 OTHERS VS ATTORNEY GENERAL	The matter revolves around illegal encroachment of Likuyani Seregea and seeking degazettement of the forest.
14.	KFS/LS/55/09	ELDORET	ELDORET HCC NO 123 OF 2009 SALINA JEROP VS JOHN WAFULA SIMIYU	Sale agreement between two parties on a piece of land in Eldoret Municipality Block 10/316 which has since been marked as a forest area.

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
15.	KFS/LS/61/10	NAKURU	NAKURU HIGH COURT PETITION NUMBER 6 OF 2010 KIPSANG KILELE & 5 OTHERS -VS AG & PRIME MINISTER.	This is a matter filed by the Ogiek community challenging their eviction from the Mau Forest. Case filed on 21/09/2010.
16.	KFS/LS/82/10	NAIROBI	IN THE MATTER OF ARBITRATION ACT 1995 BETWEEN M/S TRANSNATIONAL CONSTRUCTION LIMITED AND THE MINISTRY OF ENVIRONMENT & NATURAL RESOURCES.	The applicant is seeking for settlement of Kshs. 4,377,289 awarded to them by the arbitrator from the ministry of environment & Natural resources
17.	KFS/LS/03/11	KITALE	KITALE HC NO 01/11 RUTONG'O FARM LTD VS AG SUPREME COURT APPEAL NO 2 OF 2016	Invasion of Sikhendu forest by members of Rutongo farm ltd.
18.	KFS/LS/07/11	ELDORET	ELDORET HCC PETITION NO 2/11 MARIA SOTI EDUCATIONAL TRUST VS AG	Illegal forest excision in Marakwet Keiyo zone Kaptagat forest.
19.	KFS/LS/17C/11	NAKURU	NAKURU HC PETITION NO 22 OF 2011 BARNABAS KIPTARUS BARNO VS KFS	Applicants are seeking compensation for being evicted from Likia Extension.
20.	KFS/LS/23/11	NAKURU	NAKURU HCC NO 108 OF 2006 MBURU KIMANI GACII VS DFO NYANDARUA	Illegal sale part of Olbollosat forest for the purpose of settling internally displaced persons.
21.	KFS/LS/24/11	MERU	MERU CIVIL SUIT NO 64 OF 2011 JOSEPH MWORIA JOHN & 3 OTHERS VS LOWER IMENTI FORESTER	Land dispute between the applicants and the forester, lower Imenti over land parcels no 1997 and 685 establishing Kuuru river boundary.
22.	KFS/LS/12/12	NAKURU	NAKURU PETITION NO 16 OF 2012 NICHOLAS KIMUTAI CHERUIYOT AND OTHERS VS KFS	Likia extensions- The Plaintiffs in this case have filed a suit in court seeking to be declared the lawful owners of parcels of land they own in Likia Extensions.
23.	KFS/LKS/14/12	NAKURU	NAKURU HC CIVIL SUIT NO 102 OF 2021 DANIEL MAINA KIBAGE VS KFS	The plaintiff is seeking for a court order to allow him to develop the parcel of land LR/NYANDARUA/MURUA/926. The land was a land settlement which he claims to be the lawful owner.
24.	KFS/LS/16/12	KITALE	KITALE CIVIL SUIT NO 4 OF 2012 PETER GICHOHI MUTHONI VS DIRECTOR KFS AND THE ZONAL MANAGER MARAKWET	Case on Plot number LELAN/KAPTALAMWA/162. The plaintiff is seeking for a court injunction restraining KFS from interfering with the said plot.
25.	KFS/LS/17/12	ELDORET	ELDORET VIWL SUIT NO 81 OF 2012 SQUAREDEALK KENYA LTD VS KFS	The plaintiff is seeking for a court order to allow them develop the said parcel of land. He is the registered owner of the said property and is seeking to evict KFS from the property.
26.	KFS/LS/23/12	NAKURU	NALURU CIVIL SUIT NO 276 OF 2012 KALYA SOI FARMERS COOPERATIVE SOCIETY VS PAUL KIRUI & KFS	The plaintiffs are seeking for permanent injunction restraining KFS & its agents from interfering with their operations on L.R. No. C/S MARA/OLOLUNGA/10463
27.	KFS/LS/28/12	NAIROBI	NAIROBI HC PETITON NO 27 OF 2012 ELIJAH WAINAINA VS ATTORNEY GENERAL	Petitioner claiming ownership of L.R. Number Nyandarua/Kirima/298 which is a gazetted forest.
28.	KFS/LS/36/12	ELDORET	ELDORET HCC NO 196 OF 2007 JOSEPH KEITANY VS KEVIN OKWARA T/A ALPHAX COLLAGE	The applicant/plaintiff alleges to be the owner of ELDORET MUNICIPALITY BLOCK 10/164 and that a certificate of lease was issued to him. The land is part of Eldoret Forest and was leased to the defendant by KFS
29.	KFS/LS/37/12	NAKURU	NAKURU CIVIL SUIT NO 1342/12 KENROC BUILDING LIMITED VS KFS & 3 OTHERS	The applicant alleges to be the owner of over mature tree in Kericho Zone and hence should be allowed to harvest the same. Permit to harvest the trees was issued to Equator Willie Sawmills by KFS and the said company went ahead and sold the same to the applicant without the knowledge of KFS.
30.	KFS/LS/03/13	NAIROBI	NAIROBI HC PETITION NO 94 OF 2013 GITARAGA FARM LTD VS ATTORNEY GENERAL	The plaintiff is claiming that Kenya Forest Service is interfering with his rights in respect to L. R Number 9836 which it claims to have bought in 1993.last time in court was 28th October 2016, but Lenaola was not sitting, new dates in court will be communicated.

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
31.	KFS/LS/05/13	NAIROBI	NAIROBI ELC CIVIL SUIT NO 218 OF 2013 ANNE AMBUI MUNA VS KFS	The plaintiff is seeking for permanent injunction restraining Kenya Forest Service from interfering with her parcel of land Ngong Township
32.	KFS/LS/07/13	ELDORET	ELDORET HC PETITION NO 6 OF 2013 DAVID KIPTUM YATOR VS KFS & ATTORNEY GENERAL	Eviction from Kapolet Forest and Empotutu Forest. The Sengwer community has sued KFS in this matter claiming ownership of the Embobut Forest. The court has issued an order directing KFS and the other respondents to restrain from interfering with their enjoyment and occupation. Order was the status quo to remain pending hearing and final determination of petition
33.	KFS/LS/08/13	KERICHO	KERICHO HC CIVIL SUIT NO 3 OF 2013 KERICHO COUNTY VS KFS	The applicants are claiming unremitted cess from Kenya forest service produce. They have made an application under certificate of urgency requesting the court to restrain KFS from carrying out any activity in the forests within Kericho County.
34.	KFS/LS/15/13	NAKURU	NAKURU ELC SUIT NO 401 OF 2013 DICKSON MWANGI WANDERI VS WILLIAM CHEPTOO & ANOTHER	The applicant alleges that he is the legal owner of L.R NO Laikipia/Nyahururu/4881 and is seeking for orders to restrain KFS from interfering with his quite possession. Case is related to NAKURU CMCC NO. 1206 OF 2012 Dickson Mwangi -Vs- William Cheptoo See KFS/LS/40B/2012
35.	KFS/LS/18/13	NAIROBI	NAIROBI JUDICIAL REVIEW APPLICATION NUMBER 298 OF 2013 CORTEC MINING KENYA LIMITED VS CABINET SECRETARY MINISTRY OF MINING & ATTORNEY GENERAL	Applicant has sued KFS seeking for orders to compel KFS to allow him to carry out mining activities in mrima hill forest in Kwale county.
36.	KFS/LS/27/13	NAKURU	NAKURU PETITION NO 42 OF 2013 CLEMENT KIPCHIRCHIR & OTHERS VS PRINCIPAL SECRETARY, MINISTRY OF LANDS & 4 OTHERS	Applicants Have Sued KFS Seeking for Orders to Stop KFS From Evicting Them from Likia Settlement Scheme Mau Forest. Odhiambo & Odhiambo Advocates have issued a bill of costs against the Service amounting to 27 million.
37.	KFS/LS/28/13	NAIROBI	NAIROBI PETITION NO 556 OF 2013 YORK WORLDIDE HOLDING LTD VS KFS & ATTORNEY GENERAL	The Petitioner is seeking for mandatory injunction directing KFS to remove the perimeter fence that was erected on LR. Number 20851, 20852 & 20853 Gigiri claiming that the said plots are duly registered to it.
38.	KFS/LS/30/13	NAIROBI	NAIROBI CIVIL PETITON NO 607 OF 2013 ROY HAULERS LTF VS ATTORNEY GENERAL, KFS AND SR,M NAROK	The applicants are seeking for orders to restrain KFS, AG and SRM Narok from disposing off, transferring or selling Scania Reg No. KBS 259G or trailer No. ZD 9893 pending hearing and determination of the suit.
39.	KFS/LS/06/14	NAKURU	JR NO 11 OF 2014 REPUBLIC VS KFS & OTHERS EXPARTE GEORGE NJENGA MUTERU & OTHERS	Matter filed by prequalified saw millers within Nakuru who claim despite being prequalified and having fulfilled all requisite conditions KFS have exclusively allocated forest produce to other interested parties. Plaintiff sought Orders nullifying the tender process used by KFS within Nakuru County.
40.	KFS/LS/07/14	NAIROBI	ELC NO 1571 OF 2007 KENYA ANTI-CORRUPTION COMMISSION VS GIGIRI COURT LTD & 3 OTHERS	Plaintiff sued KFS, NLC and The AG over property NAIROBI/BLOCK91/386 which is part of Karura forest.
41.	KFS/LS/08/14	KITALE	HC CONSTITUTIONAL PETITION NO 1 OF 2014 REUBEN LOTIM & OTHERS VS KFS & 3 OTHERS	Suit stemmed from an eviction notice to squatters in Lelan and Kapkanyar Forests. The petitioners/applicants claim to be pastoralist farmers and the exclusive legal proprietors of the land in question and have also claimed that KFS has interfered with their constitutional rights. Court ordered the joint survey of the boundaries and costs to be borne by the government and KFS. Survey has not been carried out to date and Director of Survey is to show cause for non-compliance.

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
42.	KFS/LS/18/14	BUNGOMA	ELC NO 146 OF 2012 ASHON SIKOLIA WANYONYI & 2 OTHERS VS CHIEF LAND REGISTRAR & 5 OTHERS	KFS sought to be enjoined in this matter where a temporary injunction was issued over parcels of land which form part of Chitambe forest.
43.	KFS/LS/24/14	NAIROBI	HC PETITION 418 OF 2014 JEREMMY MARK BLOCK VS KFS	The petitioner who is the registered owner of L.R No. 214/432 Muthaiga bordering karura forest to the north east, near getathura river, the petitioner is claiming that the river is situated in his property.
44.	KFS/LS/03/15	MIGORI	MIGORI CMCC NO 316 OF 2015 JUDITH ANDISI MISANGA VS DIRECTOR KFS & KFS	The plaintiff sued KFS seeking damages alleging unlawful stopping of development on private land and malicious prosecution of the plaintiff's workers. The plaintiff is also seeking a permanent injunction for Plot No. 111 Osiri Market which forms part of Nyatike/Macalder Forest.
45.	KFS/LS/04/15	MOMBASA	P & A CASE NO 58 OF 2015 AMINA DHAHRA ABAJIRA & ANOTHER VS KFS	The petitioners have sued KFS for having paid out the deceased's employee life cover benefits to the next of kin (wife) and disregarding the beneficiaries (children)
46.	KFS/LS/08/15	ELDORET	ELC NO 185 OF 2015 SAMUEL KOIMA & 52 OTHERS VS KFS AND ANOTHER	53 plaintiffs who have illegally encroached on to Kipkabus forest land (Ex-Kandie Farm) claiming to be the registered owners of the land have sued KFS for attempting to unlawfully evict them from their rightful property. They seek a declaration as to ownership and a permanent injunction against KFS.
	KFS/LS/15/15	NAIROBI	NAIROBI ELC PET NO 996 OF 2015 MWAGIRU NJAGU & ANOTHER VS KFS & 5 OTHERS	The petitioners want KFS to take necessary steps to repossess forest land in Kiambu forest
47.	KFS/LS/21/15	NAKURU	NAKURU HCC NO 77 OF 2015 MARY KARIUKI & ANOTHER VS KFS	The plaintiffs claim that a fire spread from the forest in Nakuru into their compound and destroyed property, they are claiming for compensation citing KFS staff negligence
48.	KFS/LS/05/17	NAIROBI	MILIMANI ELC NO 1 OF 2017 ANKHAN HOLDINGS LTD VS KFS	The petitioner claims to be the owner of LR No 18486 situated in Ngong road
49.	KFS/LS/10/17	BUNGOMA	BUNGOMA ELC NO 1 OF 2017 PETER & OTHERS VS KFS	The petitioners have gone to court to stop their eviction from Mt. Elgon forest
50.	KFS/LS/11/17	KERICHO	KERICHO ELC NO 6 OF 2017 JOSEPH KENY VS KFS & OTHERS	The petitioners allege to have been evicted from Mau Forest in 2009 and were never resettled or compensated. They want an order to re-occupy their land or compensation at market value.
51.	KFS/LS/15/17	KITALE	KITALE PETITION NO 4 OF 2017 CHORLIM MULTI-PURPOSE VS KFS & OTHERS	Land dispute the petitioners claim to be owners of a piece of land situated in Makunga forest. Having been squatters on the land and subsequently being issued with allotment letters.
52.	KFS/LS/17/17	ARUSHA TANZANIA	IN THE AFRICAN COURT ON HUMAN & PEOPLE'S RIGHT APPLICATION NO 006 OF 2012 AFRICAN COMMISSION ON HUMAN & PEOPLES' RIGHTS VS REPUBLIC OF KENYA	The Ogiek community against eviction from their ancestral land within the forest
53.	KFS/LS/20/17	THIKS	THIKA ELC NO 771 OF 2017 CHRISTOPHER KAMAU & OTHERS VS KFS	The petitioners claim ownership of parcels of land in Kamiti/Animer forest and sought orders to stop KFS from evicting them or interfering with their property
54.	KFS/LS/23/17	NAKURU	NAKURU HC JR NO 35 OF 2013 R VS PS MENR EXPARTE CHARLSE GITAH KAMAU	Applicant applies to get an order of Mandamus to compel the Principal Secretary of the Ministry of Environment, Water and Natural Resources and/or KFS to pay the decretal sum costs and interests. This was after the plaintiff being injured after a government vehicle registration number GK 413 being driven negligently.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
55.	KFS/LS/24/17	TIGANIA	TIGANIA PMCC NO 73 OF 2017 JAMES KOBIA VS CCF & AG	Malicious prosecution. The plaintiff claims that he was maliciously detained by KFS officers and has sought damages for wrongful confinement.
56.	KFS/LS/26/17	MAKUENI	ELC NO 6 OF 2017 MAKUENI COUNTY ASSEMBLY VS KFS AND OTHERS	The petitioner contends that logging and deforestation in Kivale Forest is taking place without any consideration by the County Environment Committee and an EIA taking place. They assert that the forest cover has dwindled to very low margins and the area remains threatened if left unchecked.
57.	KFS/LS/02/18	ELDORET	ELDORET PET NO 3 OF 2018 ELIAS KIBIWOTT & 20 OTHERS VS KFS	The petitioners are seeking injunction orders against KFS restraining KFS from interfering with their settlement in Embobut forest
58.	KFS/LS/03/18	KIAMBU	KIAMBU CMCC ELC NO 9 OF 2018 AGROPACK LTD VS KFS & JOAN SKUKBERRY	The applicant is seeking for an injunction restraining KFS from interfering with his alleged property LR No. 20009 within Kiambu forest
59.	KFS/LS/06/18	MIGORI	MIGORI ELC NO 22 OF 2018 KENNEDY OCHIENG OTIENO -VS- KFS & AG	The plaintiff claims to be the owner of a parcel of land called Suna East/Wasweta 1/12108 and claims KFS & Ag have trespassed to his land
60.	KFS/LS/07/18	NAIROBI	NAIROBI ELR NO 23 OF 2018 ESTHER W. KEIGE & VICTOR K. KOBIA VS KFS BOARD & PETER KINYUA	The petitioners sued KFS for infringement on rights. The court awarded damages of Kshs. 2,000,000 to the petitioners. KFS filed an appeal to quash the judgement.
61.	KFS/LS/12/18	NAKURU	NAKURU CMC NO 50 OF 2018 PHILIP CHEBOCHOK VS KFS	The applicant alleges that KFS encroached into his land and planted trees on his land. Wants an order to bar KGFS from accessing his land
62.	KFS/LS/23/18	THIKA	THIKA ELC NO 13 OF 2018 NGUGI MBUGUA VS CCF & OTHERS	The Petitioner alleges that the expansion of James Gichuru Road will expose his compound; he opposes the compulsory acquisition of the hill land at Sigona-Kikuyu.
63.	KFS/LS/26/18	ELDORET	ELDORET ELC NO 114 OF 2018 SAMUEL KIPWOMBOK & OTHERS VS EC UASIN GISHU COUNTY	The Applicants are seeking injunctive orders to prevent their eviction from Tarakwa/Lingwai/Block 1 (Koriomat)
64.	KFS/LS/27/18	NAKURU	NAKURU ELC PET NO 22 OF 2018 ISAAC RUTO & OTHERS VS KFS & OTHERS	The members of Omuch Self Help Group claim to have an interest on Parcel No. 09457 Mariashoni/Nakuru where they allege to have planted cypress trees.
65.	KFS/LS/01/19	KITALE	KITALE CMC ELC NO 9 OF 2019 BENSON SIMIYU WATAA VS KFS	The plaintiff sued the service seeking a permanent injunction restraining us from evicting and demolishing Besiwa Green Env.
66.	KFS/LS/02/19	MALINDI	MALINDI ELC NO 1 OF 2019 CHRISTOPHER RUWA NZAI VS KFS & ANOTHER	Land in Kilifi LR No. 5054/1328 measuring 0.5 Ha housing the KFS staff
67.	KFS/LS/08/19	NAKURU	NAKURU CMCC NO 412 OF 2019 SALEE KILONZO VS KFS	Accident involving along Nakuru Eldoret Road MV Registration Number KBT 430N belonging to KFS. Plaintiff is suing for damages.
68.	KFS/LS/9/19	NAKURU	NAKURU CMCC NO 413 OF 2019 MARY C. KAGUMO VS KFS	Accident involving along Nakuru Eldoret Road MV Registration Number KBT 430N belonging to KFS. Plaintiff is suing for damages.
69.	KFS/LS/10/19	NAKURU	NAKURU CMCC NO 415 OF 2019 ROSE KIMEI VS KFS	Accident involving along Nakuru Eldoret Road MV Registration Number KBT 430N belonging to KFS. Plaintiff is suing for damages.
70.	KFS/LS/18/19	ENGINEER	ENGINEER PMCC NO 45 OF 2019 NANCY NYAMBURA LEMISO VS KFS & AG	The applicant is suing on behalf of the estate of Felix Lemiso who was fatally shot and injured by a colleague while on duty in Nyandarua forest
71.	KFS/LS/23/19	NAKURU	NAKURU ELC NO 314 OF 2019 GEORGE KIMANI KARIUKI VS AG & KFS	The claimant is claiming ownership of Nakuru Municipality Block 8/92. He claims the Service wrongfully and forcefully entered into his property.
72.	KFS/LS/28/19	KIAMBU	KIAMBU PMC NO 494 OF 2018 CATHERINE WANJIRU MAINA VS KFS	The Plaintiff is seeking for compensation for injuries caused after she was hit by a Service car
73.	KFS/LS/9/20	NYAHURURU	NYAHURURU ELC NO 3 OF 2020 LEORNARD GIKARU WACHIRA VS KFS & OTHERS	The Petitioner claims to be the absolute owner of Titles Nyandarua/Muruai/1575 and 1576 the subdivisions of Nyandarua/Murumai/1152

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
74.	KFS/LS/11/20	NAKURU	NAKURU CMCC NO 388 OF 2020 ROBERT NJENGA & ANOTHER VS KFS & ANOTHER	Plaintiff contends that KFS officers confiscated and detained his power saw for more than 10 months rendering him jobless.
75.	KFS/LS/12/20	NYAHURURU	NYAHURURU ELC NO 28 OF 2020 PERIS NJERI HOME VS KFS	The plaintiff alleges to be the absolute owner of LR. No. Laikipia/Nyahururu/6692. KFS officers blocked him from accessing and enjoying the parcel of land which the position of service is that the land in question is part of forest.
76.	KFS/LS/14/20	NYAHURURU	NYAHURURU ELC NO 30 OF 2020 SAMUEL MWANGI KANIARU VS KFS	The plaintiff alleges to be the absolute owner of LR. No. Laikipia/Nyahururu/6777. KFS officers blocked him from accessing and enjoying the parcel of land which the position of the Service is that land in question is part of forest.
77.	KFS/LS/15/20	NAIROBI	MILIMANI ELC PET NO 20 OF 2020 KMA LANGATA RESIDENTS WELFARE ASSOCIATION & ANOTHER VS KFS & OTHERS	The petitioners are challenging eviction from Ngong road forest by the Ministry of Environment and KFS
78.	KFS/LS/16/20	NAIROBI	MILIMANI ELC PET NO 22 OF 2020 BEIGE INVESTMENT LTD VS & 4 OTHERS	The petitioners are challenging eviction from Ngong road forest by the Ministry of Environment and KFS
79.	KFS/LS/17/20	NAIROBI	MILIMANI ELC PET NO 23 OF 2020 LANGATA GARDENS LTD VS & 4 OTHERS	The petitioner is challenging eviction from Ngong road forest by the Ministry of Environment and KFS
80.	KFS/LS/19/20	NAIROBI	MILIMANI ELC NO E010 OF 2020 UASO NYAROBE WATERFRONT VS KERIAKO TOBIKO & OTHERS	The Petitioners are claiming ownership to Michuki Park Land.
81.	KFS/LS/20/20	NAKURU	NAKURU CMCC NO 248 OF 2020 PAUL KANYARI VS KFS & ANOTHER	Accident involving KFS M/V RG No KCP 290B along Nakuru Eldoret Road. Plaintiff is suing for damages.
82.	KFS/LS/24/20	KAJIADO	KAJIADO ELC PETITION CASE NO E001 OF 2020 SHAHN MADHAHI VIEHWEBER VS KFS	The Petitioner claims lawful ownership of two parcels of land, Kajiado/Meto/1849 & Kajiado/Meto/1850 bordering Oldonyo Orok Forest Reserve
83.	KFS/LS/25/20	NYAHURURU	NYAHURURU CIVIL SUIT NO 176 OF 2020 MARY ALITI APURON VS KFS	The plaintiff is suing as a legal representative of the estate of the deceased who was knocked down while cycling by a KFS vehicle.
84.	KFS/LS/2/21	NYERI	NYERI CMCC NO E015 OF 2021 KELVIN MATHENGE GICHURU VS KFS	The petitioner is suing for damages arising from an accident along Nyeri-Nanyuki road involving KFS M/V Registration number KBT 465N and M/C Reg KMEQ 483C.
85.	KFS/LS/3/21	NYERI	NYERI CMCC NO E015 OF 2021 ANASTACIA WANJIRU WANGI VS KFS	The petitioner is suing for damages arising from an accident along Nyeri-Nanyuki road involving KFS M/V Registration number KBT 465N and M/C Reg KMEQ 483C.
86.	KFS/LS/9/21	NYAHURURU	NYAHURURU ELC NO E006 OF 2021 JAMES KAMAU MUNGAI VS KFS	The Plaintiff alleges that the service authorized strangers to strangers to L.R No Laikipia/Nyahururu/6784 and 6785 to which he is the registered proprietor and L.R No Laikipia /Nyahururu/6693,6699,6710 and 6786 to which he is a beneficial owner.
87.	KFS/LS/10/21	NYANDO	NYANDO ELC NO E15 OF 2021 RUTH OMONDI OTIENO & ANOTHER VS KFS	The Plaintiff has instituted a suit against KFS alleging that she is the administrator of the estate of Meshack Eric Otieno who is the owner of the suit property. The petitioner claims that KFS has threatened to remove the fence and buildings on the said property.
88.	KFS/LS/14/21	KERICHO	KERICHO ELC NO 28 OF 2021 ESTHER RUTO VS KFS & AOTHER	The Plaintiff Esther Ruto is suing on behalf of Jeremiah Kipkurui Ruto alleging that KFS has infringed on his land which is in Londiani forest.
89.	KFS/LS/16/21	NAIROBI	MILIMANI ELC NO E089 OF 2021 GEORGE MUTUA NDOLO VS KFS & OTHERS	The plaintiff alleges that KFS is interfering with his parcel of land a residential plot LR 22410 in Karen Nairobi and wants an injunction against the same or compensation for the same

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
90.	KFS/LS/20/21	NATIONAL ENVIRONMENT TRIBUNAL	NET APPEAL NO 14 OF 2021 HYDROMASTERS DRILLING COMPANY LIMITED VS KFS	The appellant states that the Service terminated their Special Use License and are seeking to be awarded 38,200,000 in damages.
91.	KFS/LS/21/21	NAROK	NAROK PETITION NO. E004 OF 2021 SUSAN SEIN ENKOLE VE=KFS & CS OF ENVIROMENT AND FORESTS	The petitioner herein alleges to be the beneficial owner of motor vehicle registration No.KAA 141L TOYOTA PICKUP which was detained by KFS officers from Nkoben Forest camp on 27th November 2018 for allegations of ferrying Cedar Posts without Permit .However the petitioner claim that the vehicle was ferrying bags of maize as opposed to the Cedar post from Narok town to Sanangururi Village.
92.	KFSL/22/21	NYERI	NYERI ELC NO 15 OF 2021 RICHARD MAINA MWANGI VS= ECOSYTEM CONSERVATOR NYERI COUNTY & 5 OTHERS	The EC- Nyeri county has been sued in the above matter as 6th Defendant at Nyeri Environment and Land Court. The plaintiffs are members of {KISS} they avers that sometimes back in 1985 they invested 6 Million to construct a weir across River Gichichi from which point the main pipes that supply members water. In 1985 there emerged a protracted conflict between them the EC included
93.	KFS/LS/23/21	KITALE	KITALE MISC SUIT NO. E046 OF 2021 PETER KIMANI VS= FOREST STATION MANAGER SABOTI FOREST STATION	The plaintiff went to court and obtained orders to transport forest produce without serving KFS.
94.	KFS/LS/24/21	NYANDARUA	NYANDARUA ELC NO.35 OF 2020 FRANCIS MWANGI WANYIMA VS= THE OFFICER IN CHARGE GETA FOREST STATION IN OL-KALAU	The plaintiffs alleged that they were granted the right to occupy and use a portion of Aberdere Forest. Plaint also alleged that on 28th October the Defendant's in the meeting resolved that the plaintiffs should vacate the suit property together with their livestock.
95.	KFS/LS/25/21	KWALE	KWALE CIVIL SUIT NO.182 OF 2021; YOHANA HENRICK MADUDI VS- KFS KWALE CIVIL SUIT NO.176 OF 2021; JOHN KASSIM HAMSINI VS- KFS OFFICER IN CHARGE GETA FOREST STATION IN OL-KALAU	. The case mentioned concern an accident that occurred along Kombani- Kwale road, Vuga area involving motor vehicle reg. No.KBT 558N and motorcycle Reg, No. KMFH 185K
96.	KFS/LS/26/21	NAKURU	NAKURU ELC NO.80 OF 2021, CHARLES A. RONGO AND 11 OTHERS VS- KFS AND 3 OTHERS	The Service is sued as 2nd Defendant, the plaintiffs herein allege that they are the registered owner of the following parcel of lands; KIHONGO/LIKIA BLOCK 1/781, KIHONGO/LIKIA/BLOCK1/953,KIHONGO/LIKIA BLOCK 1/343, KIHONGO/LIKIA BLOCK1/359,KIHONGO/LIKIA BOCK 1/372,KIHONGO/LIKIA BLOCK 1/371,KIHONGO/LIKIA BLOCK 1/1460,KIHONGO/LIKIA BLOCK 1/699,KIHONGO/LIKIA BLOCK 1/747, KIHONGO/LIKIA BLOCK 1/753,KIHONGO/LIKIA BLOCK 1/817,KIHONGO/LIKIA BLOCK 1/818,KIHONGO/LIKIA BLOCK 1/934 AND KIHONGO/LIKIA BLOC 1/948
97.	KFS/LS/27/21	NAIROBI	NAIROBI ELC PETITION NO E047 OF 2021, BENSON WEMALI VS- KFS	The respondent herein allege that He and Her Sister are the registered proprietors of the land Ref No. 4419 (Original Number 26/3/2)
98.	KFS/LS/28/21	NYERI	NYERI CONSTITUTIONAL PETITION NO.E11 OF 2021, NYERI MANUFACTURERS ASSOCIATION VS- KFS	The respondent has through an advertisement in print media title ' Investor to tender and addendum title No.1 disposal of forest plantation material tender No's KFSDISP/02/2021-2022, KFS/DISP/03/2021-2022,KFS/DISP/04/2021-2022,KFS/DISP/05/2021-2020 has invited interested eligible forest industry investors to submit bids for sale of Forest Material with closing date of Tuesday 14th December,2021
99.	KFS/LS/29/21	NAKURU	NAKURU CONSITUTION PETITION NO. E19 OF 2021,TIMBER MANUFURERS ASSOCIATION VS- KFS & 2 OTHERS	We respondent replying affidavit to the Attorney-General to enter appearance

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
100.	KFS/LS/30/21	NAIROBI	NAIROBI CONSTITUTIONAL PETITION NO. E 053 OF 2021, JAPHET KITHI CHEGA VS- KFS AND KFS BOARD	The petitioner herein alleges that the Advertisement dated 30th November 2021 by the respondents to Tender is in contravention of extension of the moratorium on longing in public and community forest issued by the CS MEF under section 31,44,48 and 61 of the FCM Act 2016
101.	KFS/LS/31/21	MALINDI	MALINDI CONSTITUTIONAL PETITION NO.32OF 2021, SWALEH MOHAMED SALEH & ANOTHER VS- NATIONAL LAND COMMISSION, AND THE AG	The petitioner herein alleges that they are registered proprietors of parcel of land known as Chara/Kipini/Block 1/11, 1/10, 1/9, 1/8, 1/7, 1/6, 1/2 , 1/3, 1/4, 1/5 and Witu/Witu/ Block/1/16, 1/17, 1/15, 1/13, 1/12, 1/11, 1/14, 1/5, 1/6, 1/7, 1/8, 1/9, 1/10 Which they said it has been posses and occupied by National Land Commission , Ministry of Defense and The AG
102.	KFS/LS/32/21	NAKURU	NAKURU CIVIL SUIT NO E1345 OF 2021, GEORGE MWANGI NYABERA VS KFS	The case is concerning an accident that occurred a long Nakuru Highway involving motor vehicle registration No. KCT 606Y registered to the Service
103.	KFS/LS/33/21	KISII	KISII ELC CASE NO.138 OF 2021, LEAH MAGOMA ONGAI VS KFS	The plaintiff herein alleges to be Legitimate proprietor of land parcel No. KISII MINICIPALITY/BLOCK III/ 294 and the Service has on intermittent periods used the suit property as temporal Central Tree Nursery
104.	KFS/LS/34/21	ITEN	ITEN CIVIL CASE NO. E49 OF 2021. PHILIP KIMOSOP =VS= KFS	The case is cancers an accident that occurred along Karuna-Kapsowar road involving motor vehicle registration No. KBQ 243D registered to the Service. The plaintiff herein has sued the service for damages occasioned to his vehicle.
105.	KFS/LS/35/21	NAKURU	NAKURU ELC MISC APPLICATION NO. E049 OF 2021. ELASCO RONO & 9 OTHERS =VS= KFS & 4 OTHERS	The applicants herein are seeking to compel the Service to cease the alleged forceful evictions and tearing down of the premises and abodes of the Ogiek Community without Notice
106.	KFS/LS/01/22	MILIMANI	MILIMANI MISC CRIMIONAL APPLCATION NO. E023 OF 2022. JOSEE ITOTIA NJOROGE =VS= KFS	The suit originated from the Makadara criminal case No. 79 of 2022 and / or E076 of 2022, Where the lorry make ISUZU FRR Registration No. KBW 995J was loaded with 12 bags of Charcoal and accused person namely JOSEE ITOTIA NJORONGE was arrested for transporting the Charcoal without a movement Permit.
107.	KFS/LS/02/22	ELDAMA RAVINE	ELDAMA RAVINE MC MISC. APP. CASE NO. 4 OF 2022. CHUMA MART LIMITED & ANOTHER =VS= KFS	The applicants are seeking the Court to compel the Service to release motor vehicle Registration No. KCV 736 ISUZU LORRY TRUCK, Which was abandoned and unclaimed. The same vehicle was found illegally removing forest produce were it was loaded 35 Cypress logs inside and its occupants escaped.
108.	KFS/LS/03/22	MERU	MERU CONSTITUTIONAL PETITION NO. E002 OF 2022. GREAT MERU TIMBER MANUFACTURES ASSOCIATION =VS= KFS CS-MOE & AG	The petitioner avers that on 27th February 2018 the Chief Conservator of Forest issued a letter indicating that the Government had with immediate effect imposed a moratorium on Timber harvesting in all Public and community forests thus effectively blocking the petitioners from harvesting and removing the over mature trees without prior Notice or warning issue to them.
109.	KFS/LS/04/22	MOLO	MOLO MISCELLANEOUS APPL. NO. 43 OF 2022.NAOMI NJAMBI NJUGUNA =VS= KFS & ANOTHER	The applicant has applied to the Court to compel the Service to release motor vehicle Registration No. KCB 430D ISUZU LORRY TRUCKS, Which was found illegally removing forest, produce in Masaita Forest Station and its occupants were arrested.
110.	KFS/LS/05/22	ELDAMA RAVINE	ELDAMA RAVINE CRIMINAL CASE NO. E454 OF 2022. REPUBLIC LAWRENCE MENGICH =VS= KFS	The accused person was arrested on 23rd of October 2019 for and charged with the offences of illegally entering a state Forest and removing forest produce with a lorry registration No.KXB 358 was also impounded with six pine logs

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
111.	KFS/LS/06/22	ITEN	(1) ITEN CIVIL CASE NO 34 OF 2022 LOBETA E. ISAAC, (2) ITEN CIVIL CASE NO 33 OF 2022. YONAH KIBET MASAI, (3) ITEN CIVIL NO.32 OF 2022. ZEBEDEE KIPRONO CHEPWONY AND (4) ITEN CIVIL NO.37 OF2022. JOHN EKALALE =VS= KFS	The Service has sued by four of its officers who involved in accident with motor vehicle registration No.KBR 247 U Registered by the Service while there in duty. The plaintiffs pray for a special damages, General damages for pain, suffering and loss of amenities and any other relief the court deems fit to grant
112.	KFS/LS/07/22	NAKURU	NAKURU MISC. CRIMUNAL APPL. NO. E285 OF 2022: KAITU GAA SUPPLIER LTD VS KFS AND ODPD	The case herein was about the impounded motor vehicle reg. No. KCZ 052C Lorry loaded with 7 tons of timber without a movement Permit from the Service in Malagat forest, On 11 <sup>th</sup> May 2022.The suspect appeared for plea on 12 <sup>th</sup> of May 2022.The Court issued an Oder dated 3 <sup>rd</sup> June 2022 that the lorry be released to the owner
113.	KFS/LS/08/22	NAIROBI	NAIROBI CONSITUTIONAL PETITION NO. E245 OF 2022: CHARLES RUBIA VS ODPD AND KFS AS INTRESTED PARTY	The petition is on template of the charge sheet and the National symbol on it .KFS support the ODPD in the matter
114.	KFS/LS/09/22	NYERI	NYERI CRIMINAL CASE NO.E016 OF 2022 DICKSON BUNDI -VS- IP KAMAU & R	The applicant was found in possession of 51 fresh red cedar posts
115.	KFS/LS/10/22	ELDORET	ELDORET CMCC CR NO. 74 OF 2022: WATU CREDIT LIMITED VS KFS	The case involving 15 impounded motor cycle for illegal activities in Chebiemit sub compt.
116.	KFS/LS/11/22	NAROK	NAROK CRIMUNAL CASES NO. E934 OF 2022, NO. E1511 OF 2022, NO. 173 OF 2020, NO. 40 OF 2019, NO.523 OF 2019, NO. 613 OF 2019 AND NO. E690 OF 2012: REPUBLIC VS JOSIAH MUTHONGO KIHUMBA, REPUBLIC VS KELVIN MUNA, RPUBLIC VS ELPHAS SANG REPUBLIC VS NETETAO OLE KIMIRGOR, REPUBLIC VS FRANCIS WAMBUA, REPUBLIC VS LETIYIA OLE MAINE AND REPUBLIC VS PETER MWAURA HOME.	The cases are Prosecuted by KFS and The Office of the ODPD in working relationship with other relevant Agencies.
117.	KFS/LS/12/22	MOLO	MOLO CMCC NO. E170 OF 2022: KANGAROO SHUTTLE SERVICE LIMITED VS KFS	Accident involving M/V Registration number KBG 420G AND THE PLAINTIFF'S m/v Registration number KDA 015L at Nyancha Bridge near Molo area.
118.	KFS/LS/14/22	NYERI	NYERI ELC CASE NO. 20 OF 2022: EDMUND MITHAMO MUTHIGANI AND ANOTHER VS KFS & 30 OTHERS	The plaintiffs sued KFS on 3 <sup>rd</sup> October 2022 seeking the Court to issue an injunction stopping the Mount Kenya fencing project alongside property No.LR 988,3822,3823,3789,949,931,915,3527,833,1515,1516,831,781 AND 782.
119.	KFS/LS/15/22	NAIROBI	NAIROBI PETITION NO. E050 OF 2022: TRUST LIMITED & GREENLAND MOTORS VS KFS & AG	The petitioners are alleging that they were allocated the property L.R NO. 24585 by the then NLC on 24 <sup>th</sup> May 1999.
120.	KFS/LS/16/22	MOMBASA	MOMBASA CMCC ELC NO F165 OF 2022 EIT AFRICA MEERA LTD -VS- KFS & PETER KINYUA	The plaintiff alleges to be the owner of the land CR 114/1 at Junda creek in Mishomoroni. The plaintiff is on the process of constructing a bridge to Junda Creek village.
121.	KFS/LS/17/22	THIKA	THIKA ELC PETITION NO. 7 OF 2022: MAGARET WAIRIMU VS KFS	Petitioner herein sued KFS over the land known as L.R NO.21179 registered as I.R NO. 219594 measuring approximately 25 hectares
122.	KFS/LS/18/22	KITUI	KITUI CMCC MISC SUCCESSION NO. 115 OF 2022: UNICE NTHENYA KIILU & 2 OTHERS VS KFS	The case involves our staff Mr. Dominic Kyaka Mbithi (deceased) who collapse while on duety and rush to hospital (Kerugoya Medical Center) where he was admitted in Intensive Care Unit (ICU) and later succumbed. By the time of his death the bill had accrued to ksh. 6,006,854. The hospital has since sued the deceased's family to recover the bill.
123.	KFS/LS/19/22	NAKURU	NAKURU MISC.CIVIL APPLICATION NO. 282 OF 2022: HON. JAMES C.A. KOSKE VS KFS	KFS was served with a Court Order dated 1 <sup>st</sup> December 2022 issued by Nakuru Law Court. The Order was compelling the CFC, Nakuru County to issue the applicant with a movement Permit to transport blue gum timber within Nakuru County

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
124.	KFS/LS/20/22	NYAHURURU	NYAHURURU CIVIL SUIT NO. E338 OF 2022: SAMUEL MAINA WANJOHI VS KFS & DAVID CHEGE NJOROGE	Accident involving M/V Registration number KDA 755P AND THE PLAINTIFF'S Motor Cycle Registration number KMFV 144L along Boiman- Gathaji road.
125.	KFS/LS/21/22	MAKINDU	MAKINDU CMCC NO. 179 OF 2022: ANTONY NTHIANI WAMBUA alias VS KFS	Accident involving M/V Registration number KBR 872U and the Plaintiff's Motorcycle Registration Number KMCL 896S along Nairobi Makindu road at Kiundani area.
126.	KFS/LS/01/23	HOMABAY	HOMA BAY HC JR NO E001 OF 2023 WIRE FOREST MANAGEMENT ASSOCIATION -VS- CCF & ANOR	The applicants are disputing the election of the Wire CFA officials and the letter of Registrar of Societies acknowledging the officials.
127.	KFS/LS/02/23	NYERI	NYERI ELRC PET NO E007 OF 2023 JOHN NGUNJU & NJAGI MURIUKI -VS- KENYA FOREST SERVICE & AG	The petitioners who are employees of the Service filed a petition to challenge the advertisement for the employment of inspector cadets. They indicated that the Service hasn't exhausted the internal staff with the qualifications.
128.	KFS/LS/03/23	ELDORET	ELDORET CIVIL SUIT NO 5 OF 2023 CHARITY JEROP KIPLAGAT -VS- DAVID KIPRUTO KWAMBAI & KFS	The plaintiff alleges against a staff of KFS for using a KFS firearm to injure her. It is alleged that Mr. David Kwambai shot and injured the plaintiff occasioning her injury
129.	KFS/LS/04/23	MALINDI	MALINDI ELC PET NO 2 OF 2023 KITUO CHA SHERIA -VS- NEMA & OTHERS	The Petitioners have gone to court to challenge the export of 8 Baobab trees to Georgia
130.	KFS/LS/05/23	MAVOKO	MAVOKO ELRC NO E014 OF 2023 MICHAEL ODUNDU WARINGA -VS- THE PS MINISTRY OF ENVIRONMENT, CCF & AG	The Claimant alleges that he was not paid his pension as per his retirement benefits and has claimed the same from the employer
131.	KFS/LS/06/23	NYAMIRA	NYAMIRA ELC PET NO. E007 OF 2022 WILFRED MOSETI OMARIBA VS CS MECCF, NEMA MINISTRY OF WATER, AG, NLC & KFS	The petitioner alleges that this matter is a public interest matter
132.	KFS/LS/07/23	MAKUENI	MAKUENI PETITION NO. E002 OF 2023 JONES MUUMBI MAINGI AND 2 OTHERS VS KFS & 2 OTHERS	The plaintiffs claim that they are registered owners of the property suit title number Makueni/ Kivani 1529
133.	KFS/LS/08/23	MALINDI	MALINDI ELC NO. 41 OF 2023 KILIFI PLANTATIONS LTD & ANOR -VS- KILIFI BOATYEARD LTD INTERESTED PARTY KFS & NLC	The plaintiffs claim to be owners of Kilifi L.R Group V/122 and Kilifi Group V 429 respectively and that the Defendant have infringed on their rights to property. The Defendants are licensed by KFS on the Kilifi Mangrove Forest.
134.	KFS/LS/09/23	KITALE	KITALE ELC NO E01 OF 2023 PRISCILLA WANJA MUINI -VS- THE HON AG	Forest boundary dispute in Kitale township forest.
135.	KFS/LS/10/23	NKUBU	NKUBU CMCC NO 009 OF 2023 JASPER GITONGA GITARI -VS- I/C KFA MURUNGUNE, OCS IGOJI POLICE STATION & DPP	The Applicant has gone to court for the release of a power saw which was confiscated by KFS while cutting camphor trees. The power saw is at Ruthumbi Forest Station Meru.
136.	KFS/LS/11/23	NAIROBI	NNRB ELC NO 001 OF 2013 LSK -VS AG & OTHERS	The Petitioners have gone to court to challenge the logging y KFS in public forests.
137.	KFS/LS/12/23	KITALE	KITALE ELC NO E01 OF 2023 PRISCILLA WANJA MUINI -VS- THE HON AG	Forest boundary dispute in Kitale township forest.
138.	KFS/LS/13/23	MAVOKO	MAVOKO ELRC NO E014 OF 2023 MICHAEL ODUNDU WARINGA -VS- THE PS MINISTRY OF ENVIRONMENT, CCF & AG	The Claimant alleges that he was not paid his pension as per his retirement benefits and has claimed the same from the employer
139.	KFS/LS/14/23	MOMBASA	MOMBASA ELC NO. E012 OF 2023 AFRICAN GAS OIL LIMITED VS KAHIA TRANSPORTERS LTD & 6 OTHERS, COUNTY GOVERNMENT OF MOMBASA & 2 OTHERS	The dispute is of ownership of a property land REF: NO.5169/VI/MN TITLE NO. CR 70862. The plaintiff claims that the suit property is part of the coastal mangrove swamp having being gazetted via proclamation no. 44 of 1932 as a forest area.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
140.	KFS/LS/15/23	MOMBASA	MOMBASA ELC EPCC NO. E004 OF 2023 MIRITIMI FREEPORT LIMITED VS KAHIA TRANSPORTERS LTD & 6 OTHERS	It's a dispute of ownership of a property land no. 5169/v1/mn Title NO. CR 70862 The plaintiff claims the suit property is part of the coastal mangrove swamp having been gazette via proclamation no. 44 of 1932 as a forest area.
141.	KFS/LS/16/23	MIGORI	MIGORI ELC NO 1 OF 2023 MIGORI COUNTY GOVERNMENT VS ATTORNEY GENERAL & 3 OTHERS	Migori county government alleged to be the owner of land ref. no MUHURU MACALDER/KADEM/498 approximately 2500Ha.
142.	KFS/LS/17/23	NAIROBI	NATIONAL ENVIRONMENTAL TRIBUNAL (NET)APPEAL NO. E010 OF 2023 BERNARD NDERITU KINGORI T/A KENWOOD PRODUCTS & KENWOOD PLYWOOD CO. LTD VS KFS	The appeallant Bernard Kingori trading as kenwood plywood co. ltd is demanding to be refunded the license fees he had paid for cypress tree plantation in 2017.
143.	KFS/LS/18/23	NAIROBI	KAJIADO ELC PET NO. E007 OF 2023 PETER NTEERE & 100 OTHERS VS GEOFFREY ENAI &12 OTHERS	The petitioner alleges that 1st respondent has invaded part of kibiko forest& chief land registry did issue certificate of title deed for land title no. IR 261382/LR NO.33538 .
144.	KFS/LS/19/23	OTHAYA	OTHAYA PMCC SUIT NO. E030 OF 2023 ALFRED KIRAGU NJOGU VS A.G & KFS	The plaintiff alleged that he was wrongfully arrested and maliciously prosecuted for felling and removing of forest produce from a public forest.
145.	KFS/LS/20/23	NAROK	NAROK ELC PET NO. E005 OF 2023 OGIEK COUNCIL OF ELDERS NAROK CHAPTER VS THE A.G &2 OTHERS(WILSON MEMUSI)	The petioner alleges threat of forceful eviction of some members of ogiek community residing in sasimwani area in maasaimau trust land forest by verbal notice.
146.	KFS/LS/21/23	NAIROBI	NAIROBI ELC NO.E202 OF 2023 CHARLES OTIENO JOABS VS KFS	
147.	KFS/LS/22/23	NYANDARUA	NYANDARUA PET NO.E003 OF 2023 TRANSAFRIC TIMBER LTD VSKFS,CCF&A.G	The petitioner is claiming that the motorvehicle was unlawfully impounded or detained by officials of geta forest nyandarua county
148.	KFS/LS/23/23	NAIROBI	NAIROBI ELC PET NO. E 013 OF 2023 ROSEMARY KEEN &PAMELA KEEN(estate of john keen) VS KFS	The plaintiff is claiming is the owner of the parcel of land known as land title no. ngong/['p; 12673 situated in kajiado county.
149.	KFS/LS/24/23	NAKURU	NAKURU PET NO. 1 OF 2023 WILSON MEMUSI OLE NGUSILO(CHAIR OGIEK) & 2 OTHERS VS A.G	The maasaimauogiek community they are claiming to be evicted from maasaimau trust land forest in east mau area of sasimwani ,nkereta.
150.	KFS/LS/25/23	NAIVASHA	NAIVASHA MISC APP. NO. E134 OF 2023 DCI GILGIL SUBCOUNTY VS LUCKY ONYANGO OTIENO,NICHOLAS KIPKEMBOI TIBIN.	The DCI is investigating a murder that took place in eburu forest when three of the KFS officers had gone for a patrol duties.
151.	KFS/LS/26/23	NAROK	NAROK MISC.APPLICATION NO.E232 OF 2023 REPUBLIC VS SIMON MACHARIA & ERICK MUKOMA	Release of MV
152.	KFS/LS/27/23	MOMBASA	MOMBASA ENVIRONMENT AND LAND COURT PETITION NO. E015 OF 2023 JULIUS OGOGO COMMISSIONER FOR HUMAN RIGHTS & JUSTICE & OTHERS VS SALAH AHMED DAHIR & OTHERS.	The Petitioners are claiming ownership of the parcel of land
153.	KFS/LS/28/23	NAIROBI	NAIROBI CONSTITUTIONAL PETITION NO. E521 OF 2023 FRANCIS AWINO -VS- THE PANARI HOTEL & KFS INTERSTED PARTY	The Petitioner who is a human rights crusader noted that there is overwhelming illegalities, irregularities and circumvention of the law done within Uwaso Narok forest land
154.	KFS/LS/29/23	NYERI	NYERI CMC NO 218 OF 2023 DAVID WACHIRA GITHINJI B-VS- KFS & AG	Plaintiff has sued KFS for the accident caused by the MV Registration No KBT432N which caused extensive damage to his vehicle Reg No kan 524along Nyeri Kigongo road
155.	KFS/LS/30/23	MILIMANI	MILIMANI ELC CONSTITUTION NO E024 OF 2023 LEGAL ADVICE CENTER T/A KITUO CHA SJERIA -VS- THE CS MINISTRY OF ENVIRONMENT & 5 OTHERS	The Petitioner is alleging that the Declaration by the President lifting the ban on logging has led to destruction of forests. The Petitioner seeks a declaration that the Presidents declaration to lift logging as unconstitutional

**Kenya Forest Service  
Annual Report and Financial Statements  
For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
156.	KFS/LS/01/24	KILIFI	KILIFI ELC CASE NO. E014 OF 2024 MARIAM CHARO KOMBE(sung as Admin. Ad litem of estate of Dena Fondo) Biry (Deceased) vs Samuel+D35:E43ari, kfs, Bikombo matari & land Registrar Kilifi.	The plaintiff alleges that they are the owners of a plot situated beside kibaoni primary school and services area of Kilifi township location.
157.	KFS/LS/02/24	NAIROBI	MILIMANI HC JR. APP NO. E016 OF 2024 BTWN REPUBLIC VS KFS	applicant (ciakwa enterprise and prime grade enterprise)claims that he was rejected since it wasn't submitted within the timelines.
158.	KFS/LS/03/24	NANYUKI	NANYUKI CMC NO. 19/24 JOHN GAKUO GITHINJI VS ATTORNEY GENERAL AND KFS	the plaintiff has sued kfs for maliciously being prosecuted for the offence of cutting and removing forest produce without authority.
159.	KFS/LS/04/24	NYERI	NYERI ELC NO. E005 OF 2024; EAST AFRICAN WILDLIFE SOCIETY -VS- KFS, KENHA, KWTA, NEMA AND OTHERS	The petitioners allege that the construction of the Ihithe-Ngunyu, Njeru road around Aberdare mountain will alter and destroy Aberdare forest
160.	KFS/LS/05/24	KITALE	KITALE ELC PETITION NO. E001 OF 2024 CALEB KIPTOO & OTHERS -VS- AG, KFS & OTHERS	The Petitioner alleges that the Ndorobo community, a minority have been evicted from their ancestral land in Sosio forest
161.	KFS/LS/06/24	KISUMU	KISUMU ELRC NO. E006 OF 2024 WILSON OKANDA OMBIRI -VS- KFS	The Claimant is seeking court reprieve for wrongful dismissal
162.	KFS/LS/07/24	NAKURU	NAKURU ELC NO. E003 OF 2024 JOEL ATUTI MANWA & ANOTHER -VS- KFS	The Petitioners claim to be owners of Plot No Nakuru Municipality Block 18/77 which is next to a public road along Mountain View road off Maaragoli road
163.	KFS/LS/08/24	NAKURU	NAKURU ELRC CAUSE NO. 15 OF 2024 EDWARD KIPKEMOI SIGILAI -VE- KFS	The claimant is suing KFS for wrongful dismissal and demand to be reinstated
164.	KFS/LS/09/24	ELDORET	ELDORET ELC NO. E024 OF 2024 ELIZABETH NJERI MARARO & ANORTHER -VS- KFS & ANOTHER	The Plaintiff is suing KFS over a property L.R No. 10806 that is adjacent to Turbo Forest reserve
165.	KFS/LS/10/24	MERU	MERU ELC NO. E005 OF 2024 AMOS THURANIRA MIRINJIRU -VS- AG, KFS & OTHERS	The Petitioner is seeking orders to stop quarrying in Imenti Forest
166.	KFS/LS/11/24	NAKURU	NAKURU ELC NO E038 OF 2024 GEOFFREY KITHINJI THAI & ANOTHER -VS- KFS & ANOTHER	The Petitioner claims that the fencing of parcels of land have taken over his hotel, land and business and violated his right to own property.
167.	KFS/LS/13/24	NAIROBI	KAYOLE MTAA SAFI INITIATIVE & ANOTHER -VS- NEMA, KEBS, CS, NAIROBI COUNTY GOVERNMENT, A.G, KFS & KEFRI	The Petitioners are suing over construction and environmental matters.
168.	KFS/LS/14/24	NAROK	NAROK MISC. APP NO. E022 OF 2024 ANNE WAGAKI WABITA -VS- THE OCS, NAROK POLICE STATION AND KFS	The Claimant is seeking court to release his Motor vehicle registration NO KDL 413F they claim they dint authorize transportation of any produce
169.	KFS/LS/15/24	NAIROBI	NAIROBI ELC NO. E269 OF 2024 FIENDA OF OLOOLUA FOREST & PILAE -VS- JOSEPH MATALA MAINDI & 12 OTHERS	The Plaintiffs claim that the defendants are not only grabbing the Oloolua forest but they are also causing damages that are irreversible to the forest.
170.	KFS/LS/16/24	NANYUKI	NANYUKI ELC NO. OF 2024 PATRICK MUGO & 3 OTHERS T/A MT KENYA WEST NANYUKI C.F.A -VS- KFS, REGISTRAR OF SOCIETIES AND AG AND 5 OTHERS.	the plaintiff is alleging that KFS interfered with the elections of Mount Kenya West Nanyuki Forest Association (CFA).
171.	KFS/LS/17/24	NAIROBI	NAIROBI ELC NO. E027 OF 2024 TIMBER MANUFACTURERS VS NATURAL JUSTICE, LSK & 6 OTHERS	The Petitioners are suing over the lifting of the logging ban
172.	KFS/LS/18/24	NYERI	NYERI ELRC NO. E027 OF 2024 ROBERT KIPLAGAT TARUS VS KFS	The Claimant was an employee in KFS. He claims the dismissal was a wrongful and unfair.

**Kenya Forest Service**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2024**

S/NO	FILE REF (KFS/LS/)	COURT	CASE PARTICULARS	NATURE OF CASE
173.	KFS/LS/19/24	NAIROBI	NAIROBI ELC PET. NO. E028 OF 2024 SAMORA SIKALIEH (CHAIRMAN) KAREN LANGATA DISTRICT ASSOCIATION -VS- KENYA RAILWAYS CORPORATIONS, CHINA RAILWAYS DESIGN CORPORATION & 3 OTHER. INTERESTED PARTIES- KFS & NEMA.	The petitioners are suing over the construction of houses in Karen estate.
174.	KFS/LS/20/24	BUSIA	BUSIA ELC O. E93 OF 2024 ELIUD OKUMU OSERI -VS- CCF, DIRECTOR SURVEY KFS, EC BUSIA AND FOREST MANAGER PORT VICTORIA.	The plaintiff accuses KFS of trespassing over its property L.R No. Bunyala/Bulemia/280 and its subdivisions.
175.	KFS/LS/21/24	NAIROBI	NAIROBI ELC NO. E269 OF 2024 FRIENDS OF OLOOLUA FOREST, PILAE VS CHIEF LAND REGISTRAR AND FRESKY JEPCHIRCHIR BETT & 9 OTHERS	The Plaintiffs claim that the defendants are not only grabbing the Oloolua forest, but they are also causing damages that are irreversible to the forest.
176.	KFS/LS/22/24	NAIROBI	NAIROBI ELC NO. E267 OF 2024 FRIENDS OF OLOOLUA FOREST, PILAE -VS- KFS & DIRECTOR GENERAL OF PHYSICAL & LAND USE PLANNING & 10 OTHERS	The Plaintiffs claim that the defendants are not only grabbing the Oloolua forest, but they are also causing damages that are irreversible to the forest.
177.	KFS/LS/23/24	NAIROBI	NAIROBI ELC NO. E268 OF 2024 FRIENDS OF OLOOLUA FOREST, PILAE -VS- KFS & FLORENCE WANJIKU GACHURU & 10 OTHERS	The Plaintiffs claim that the defendants are not only grabbing the Oloolua forest but they are also causing damages that are irreversible to the forest.
178.	KFS/LS/24/24	LIMURU	LIMURU CIVIL CASE NO. 263 OF 2024 PETER NJUGUNA NJOROGE & 2 OTHERS VS DCI & KFS	The plaintiff claims that they were maliciously prosecuted by KFS in Limuru criminal case no. E926 of 2021.
179.	KFS/LS/25/24	NAIROBI	NAIROBI ELC NO. E263 OF 2024 FRIENDS OF OLOOLUA FOREST, PILAE VS NATIONAL MUSEUMS OF KENYA, KENYA NUCLEAR REGULATORY AUTHORITY KFS, CHIEF LAND REGISTRAR, NLC, DIRECTOR GENERAL OF PHYSICAL AND LAND USE PLANNING.	The Plaintiffs claim that the defendants are not only grabbing the Oloolua forest but they are also causing damages that are irreversible to the forest.