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OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF  
PUBLIC SERVICE COMMISSION

FOR THE YEAR ENDED  
30 JUNE 2016



*Paper laid by  
Majority Party  
Wednesday  
17/5/17  
Whp*

**PUBLIC SERVICE COMMISSION**  
Reports and Financial Statements  
For the year ended June 30, 2016



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**PUBLIC SERVICE COMMISSION**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**JUNE 30, 2016**

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

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## **I. KEY ENTITY INFORMATION AND MANAGEMENT**

### **(a) Background information**

The Public Service Commission is an independent Commission established under Article 233 of the Constitution of Kenya. The mandate of the Commission is enshrined in the Constitution and entails ensuring that the public service is efficient and effective through provision, management and development of human resource, design and implementation of effective organizational structures and promotion of good governance. The Commission consists of a chairperson, vice-chairperson and seven other members appointed in accordance with Article 233 of the Constitution. The current Commission took office on 14th January, 2013. The mandate of the reconstituted Commission is set out in Articles 234, 155 (2) (a), 158 (2) (3) and (4), 171 (2) and 230 (2) (b). The Commission is assisted by a Secretariat headed by a Secretary who is also the Chief Executive Officer.

The Public Service Commission Act, 2012 prescribes the manner in which the Commission fulfils its mandate. The Commission Board sets general policy and strategic direction of the Commission and conducts its business through nine (9) committees which have specific terms of reference. In addition, ad hoc committees are formed to deal with specific issues as and when they arise.

### **(b) Key Management**

The Commission's day-to-day management is under the following key organs:

- (i) The Commission Board is chaired by the Chairperson of the Commission. The Commission does its business through nine committees each chaired by a Commissioner and draws membership from the Commission and senior Secretariat staff;
- (ii) The Secretary/Chief Executive Officer is the Secretary to the Commission Board. The Office of the Secretary/CEO is assisted by Director, Board Management Services who oversees secretarial responsibilities and follows up on implementation of the Commission's directives. The administration and corporate affairs of the Commission is directed by the CEO assisted by the Director of Corporate Services. The Office of the Secretary is also assisted by the Chief Commission Counsel who heads the Legal Unit of the Commission. The Chief Commission Counsel offers legal advisory services to the Commission;
- (iii) The Management of the Commission is structured into five directorates, headed by directors, namely: Finance and Planning; Establishment and Management Consultancy

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Services; Recruitment and Selection; Human Resource Management and Development; and Compliance Audit and Quality Assurance; and

(iv) The Commission Chief Internal Auditor, who reports to the Audit Committee of the Commission, advises on internal control systems and fiduciary policy issues.

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	- Alice A. Otwala, (Mrs.), CBS
2.	Director, Finance and Planning	- CPA Dismas O. Ogot
3.	Deputy Director, Finance	- CPA Ezekiel O. Ohando
4.	Director, Corporate Services	- Simon K. Rotich, MBS
5.	Deputy Director, HRM Administration	- Pamela M. Woyengo (Mrs.), HSC
6.	Deputy Director, HRM Administration	- Loise W. Wainaina
7.	Deputy Director, Administration ( Chair Procurement Committee)	- Gerald G. Kuhaka,OGW
8.	Head of Accounting Unit	- CPA Elizabeth Irura, (Mrs.)
9.	Head of Procurement Unit	- Isaac K. Ruchuu

**(d) Fiduciary Oversight Arrangements**

The Commission's board provides oversight arrangements through the following organs:

**i. Commission Board and Committees**

The Commission Board is chaired by the Chairperson of the Commission. The Commission does its business through eight (8) standing committees and one (1) statutory committee namely; Governance and Information Communication Technology; Capacity and Capability Development; Compliance and Quality Assurance; Terms and Conditions of Service; Finance, Planning and General Purpose; Human Resource Planning, Recruitment and Selection; and Transition and Devolution Matters and the statutory Audit Committee.

During the year under review, the Committees held several meetings to deliberate and make recommendations on policy issues relating to the mandate of the Commission. The recommendations were considered and approved by the Commission during its weekly board meetings. In total, the Commission held 47 board meetings while, the nine committees held several weekly meetings.

Membership to the committees comprises of at least two (2) Commissioners assisted by designated members of the secretariat. The committees and the respective terms of reference are as follows:-

**ii. Information Communication Technology (ICT) Governance Committee**

- (i) Oversee the operations of the ICT steering committee;
- (ii) Identify, evaluate and propose modalities of mitigation of risks in the discharge of ICT function;
- (iii) Oversee implementation of the ICT Risk Management Policy;
- (iv) Recommend for approval policy proposal for embracing ICT in the discharge of Commission's mandate;
- (v) Recommend proposals on automating the Commission's operations and activities;
- (vi) Recommend for review of ICT audit policy, strategy execution and reporting framework to the Commission; and
- (vii) Address any other matter relating to the ICT function.

**iii. Capacity and Capability Development Committee**

- (i) Align the Human Resource Development (HRD) policies to the Constitution and Vision 2030;
- (ii) Develop modalities of carrying out training impact assessment in the Public Service;
- (iii) Analyze training reports from ministries and state departments;
- (iv) Develop mechanisms for collaborating with various training institutions on human resource development;
- (v) Address all matters relating to the Commission's administered examinations; and
- (vi) Address any other matter relating to the Human Resource Development function.

**iv. Compliance and Quality Assurance Committee**

- (i) Propose programmes for promotion of values and principles in Articles 10 and 232 of the Constitution;
- (ii) Propose modalities for monitoring and evaluating the effectiveness of the programmes in promoting the values and principles in the public service;

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- (iii) Receive and analyse the preliminary reports to the President and Parliament on the extent to which values and principles are complied with in the public service;
- (iv) Propose mechanisms for reviewing codes of conduct in the public service;
- (v) Analyse the wealth declaration reports and make appropriate recommendations;
- (vi) Analyse reports on investigation, monitoring and evaluation of the organization, administration and personnel practices in the public service;
- (vii) Make appropriate recommendations emanating from the reports in (vi) above to facilitate decision making;
- (viii) Propose monitoring and evaluation framework for discharge of the Human Resource function;
- (ix) Make proposals on improvement in the discharge of delegated powers;
- (x) Identify, evaluate and propose modalities of mitigation of risks in the discharge of human resource functions;
- (xi) Validate reports before presentation to the Board; and
- (xii) Address any other matter related to the function.

**v. Terms and Conditions of Service Committee**

- (i) Take stock of the existing terms and conditions of service;
- (ii) Develop modalities of receiving and reviewing terms and conditions of service;
- (iii) Develop an institutional framework for reviewing terms and conditions of service;
- (iv) Develop guidelines on review of terms and conditions of service for release to the service;
- (v) Develop modalities/mechanisms of engaging trade unions in negotiations for improvement of terms and conditions of service;
- (vi) Develop proposals on linkages with the Salaries and Remuneration Commission, and other relevant institutions;
- (vii) Propose mechanisms for reviewing qualifications in the public service;
- (viii) Recommend for approval schemes of service and other career guidelines for release to the service;
- (ix) Review policy issues related to disciplinary control in the public service; and
- (x) Address any other matter related to the function.

**vi. Finance, Planning and General Purpose Committee**

- (i) Develop proposals on strategic direction of the Commission;
- (ii) Monitor implementation of the Commission's strategic plan and performance contract;
- (iii) Formulate proposals on re-structuring and staffing of the Commission secretariat;
- (iv) Analyse the budget proposals for the Commission and make recommendations for approval;
- (v) Propose modalities for collaboration and cooperation between the Commission and other Public Service Commissions in the region and other bodies;
- (vi) Oversee the implementation and sustainability of the ISO 2008:9001 certification process; and
- (vii) Address any other matter related to the function.

**vii. Human Resource Planning, Recruitment and Selection Committee**

- (i) Make proposals for reviewing the Recruitment and Selection policy in the public service;
- (ii) Analyse and scrutinize indents submitted by state departments and make appropriate recommendations;
- (iii) Analyse requests on appointments and promotions and make appropriate recommendations;
- (iv) Propose criteria for ensuring that all appointments comply with the Constitution;
- (v) Handle appeals on recruitment from the Counties; and
- (vi) Address any other matter related to the function.

**viii. Transition and Devolution Matters Committee**

- (i) Develop and review policy guidelines for secondment, transfer, deployment and other related issues of officers serving in the counties;
- (ii) Develop mechanisms for transferring officers to and from the national government and across counties;
- (iii) Work in collaboration with Transitional Authority and other related government agencies to ensure smooth transition to devolved system;
- (iv) Develop and review policy guidelines, norms and standards on handling appeals in respect of county government public service;
- (v) Handle appeals in respect of county government public service;
- (vi) Develop a database for all the public officers serving in the counties and national governments; and
- (vii) Address any other matter related to the function.

**ix. Audit Committee**

The Committee is established in accordance with section 73(5) of the Public Finance Management Act, 2012 and Kenya Gazette notice no. 5440 of 2012. This is an advisory committee that assists the Commission and the Secretary/CEO with respect to financial reporting, adequacy and effectiveness of PSC's risk management, internal controls, governance processes, and audit affairs. The terms of reference of the committee are as follows:-

- (i) Approve the internal audit unit charter;
- (ii) Review the charter of the internal audit function and recommend to the Commission for approval;

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- (iii) Review the annual audit plan and make recommendations to the Commission for approval;
- (iv) Receive and review reports from the internal audit/external audit, and make appropriate recommendations to the Commission;
- (v) Evaluate the adequacy of management responses to audit queries;
- (vi) Monitor the implementation of audit-based recommendations approved by the Commission;
- (vii) Review audit reports of the Auditor-General that have implications on the PSC and make recommendations to the Commission;
- (viii) Advise the Commission on risk management and ensure that the Commission has in place an Institutional Risk Management Policy Framework; and
- (ix) Initiate special audit/investigation on any allegations, concerns and complaints

**1) Internal Oversight Arrangements**

The Accounting Officer authorises and approves all activities of the Commission and ensures that all Government regulations and policies are followed in execution of Commission's activities. The Authority to Incur Expenditure (AIE) holder certifies that all the expenditure of the commission is incurred for authorised purposes and properly charged. Further, the oversight arrangements are undertaken through the following Committees;

- Tender Committee : undertakes functions which include review, verification and assurance that all procurement and disposals are undertaken in accordance with the Law and Regulations; approve the selection of the successful tender or proposal; award procurement contracts; ensure that funds are available for the procurement under consideration; review and approve the procurement method to be used; approve amendments of contracts previously awarded by the Tender Committee; and review the quarterly reports on quotations that have been awarded by the Procurement Committee.
- Procurement Committee: is responsible for contracts below the Tender Committee thresholds as set out in the Procurement Act and regulations and ensure that the selection of suppliers invited to submit quotations are based on fair competition and in compliance with the legal and regulatory framework for the supply of goods, works and services.
- Budget Implementation Committee: oversees budget implementation process and advises the Accounting officer on the budget performance of the commission during each financial year; and
- Ministerial Human Resources Management Advisory Committee : Considers and approves training objectives , staff development strategies, training needs, training projections, skills inventory and training data for the Service.

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**2) External Oversight Arrangements**

The activities of the Commission were also over sighted by the Offices of the Controller of Budget and Auditor General that continuously approved expenditure requests through Exchequer approvals and authorization as well as undertaking annual audit for the Commission's Financial Statements. Furthermore, the National Assembly Departmental Committee on Administration and National Security oversighted the Commission's budget estimates for the Financial Year 2015/16.

**(e) PSC Headquarters**

Commission House  
Harambee Avenue  
P.O. Box 30095 - 00100  
NAIROBI, KENYA

**(f) PSC Contacts**

Telephone: (254) 020 2223901-5, 2227471-5  
E-mail: [psck@publicservice.go.ke](mailto:psck@publicservice.go.ke)  
Website: [www.publicservice.go.ke](http://www.publicservice.go.ke)

**(g) PSC Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000-00200  
NAIROBI, KENYA

**(h) Independent Auditors**

The Auditor General  
Kenya National Audit Office  
Anniversary Towers, University Way  
P.O. Box 30084-00100  
NAIROBI, KENYA

**(i) Principal Legal Adviser**

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

## **II. FORWARD BY THE CHAIRPERSON**

The Public Service Commission is an independent constitutional body established under Article 233 of the Constitution. Article 234, stipulates the mandate and functions of the Public Service Commission. The functions as spelt out under this Article are a major departure from the mandate in the previous Constitution. In line with this, Kenyans expect a transformed Public Service Commission that will not only discharge the expanded mandate effectively, but also one that is committed and upholds high professional standards, promotes inclusivity, equity and strives for excellence; and delivers impartial, efficient and effective services in a predictable manner. The Commission has therefore put in place appropriate strategies and programmes aimed at enhancing service delivery to the public.

In addition the Commission is also mandated under Articles 234(2)(h) and 254 to report to the President and Parliament on the extent to which the Values and Principles in Articles 10 and 232 are complied with in the Public Service as well as report annually on its operations. To effectively discharge its mandate, the Commission implemented specific programmes and activities in respect of each function.

### **1.1 Summary of Budget Performance**

During the year under review, the Commission had three programmes namely, General Administration, Planning and Support Services; Human Resource Management and Development; and Governance and National Values which were allocated gross estimates of Kshs.1.29 billion comprising of recurrent estimates of Kshs.1.12 billion and development estimates of Kshs.168 million. The estimates were, however, revised downwards to Kshs.1.08 billion for recurrent estimates, and Kshs.51.8 million for development estimates, out of which the Commission utilized Kshs.1.12 billion, representing 99 per cent budget absorption rate.

From the recurrent expenditure of Kshs.1.07 billion, Kshs.543.9 million was used on compensation of employees while Kshs.529.9 million was used on operations and maintenance. The development sum of Kshs.50 million was spent on construction of additional offices against revised allocation of Kshs.51.8 million, representing 96.5 per cent absorption.

### **1.2 Key Achievements**

#### **1.2.1 Operational**

During the financial year under review, the Commission made remarkable achievements namely: appointed 933 officers to various posts out of which 524 (56.2%) were male and 409 (43.8%) were female and of the total 14 were PWDs (1.5%); promoted 332 officers to various posts out of which 213 (64.2%) were male and 119 (35.8%) were female and of the total 6 were PWDs (1.18%); gave technical support to county governments through linkages with Transition Authority and

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Inter-governmental Committees; disseminated and published the rewards and sanctions frame work, diversity and affirmative action policy, guidelines for Staff Performance Appraisal System (SPAS) and discipline manual for the public service; finalized and tabled 211 disciplinary cases and 88 appeals cases; approved 16 ministries organization structures /establishment; partnered with KSG in mounting the Public Service Dialogue Forum on Ethics, Integrity and Sustainable Development Goals in the Public Service; sensitized MDAs on various Policies and Guidelines developed by the Commission; prepared a report on implementation of Part IV of Public Officers Ethics Act(POEA) on declaration of incomes assets and liabilities which established the compliance rates at 97% and 87 per cent for MDAs and Independent Offices & Commissions; and parastatals respectively; finalized phase 1 of construction of Commissions' additional offices ; prepared an annual report on the operations of the Commission and evaluation report on the extent of the public service compliance with Values and Principles in Articles 10 and 232 of the Constitution and submitted to the President and Parliament; and initiated ERP system development process.

**1.2.2 Environmental and Social Activities**

During the period under review, the Commission mounted the forum on “Ethics, Integrity and Sustainable Development in the Public Service”. The forum’s focus was on sustainable development as premised on Article 10 (2) (d) of the Constitution that specifically isolates it as one of the main national values and principles of governance. The aim of the forum was to establish policy level understanding in the Public Service of the transition from Millennium Development Goals (MDGs) to Sustainable Development Goals (SDGs) and the implication of SDGs for public service.

In addition, the Commission complied with the government requirement and awarded procurement of goods and services to the special groups (youth, women and persons with disability) at 54 per cent of the total budget reserved for the groups in 2015/16 Financial Year. The procurement of goods and services by the Commission was undertaken fully from the local contractors and suppliers.

Further, the Commission improved the welfare of the staff through a defined contributory pension scheme and outsourced group medical, Group Personal Accident (GPA) and Work Injury Benefits Act (WIBA) insurance covers for the Secretariat staff. The Commission also developed rewards and sanctions policy and revised staff performance appraisal system in order to establish performance management culture within the Public service.

Lastly, the Commission is non-commercial and thus depend fully on the exchequer for the financing of its programmes thus, is not provided with the budget for Corporate Social Responsibility. However, during the period, the Commission participated in the Beyond Zero campaign 2016 First lady half marathon race which saw more than twenty members of staff led by the Chairperson of the Commission, CEO and Commissioners registering and participating in the race. The race took place

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on 6th March 2016 and was flagged off by First Lady Margaret Kenyatta at the Nyayo Stadium. The Beyond Zero Initiative builds and complements national efforts by providing high impact interventions towards zero new HIV infections and zero maternal and child deaths.

**1.3 Emerging Issues**

- a) **Citizen Service Delivery Charter:** The Commission is mandated to ensure an efficient, effective and ethical public service. In this regard, the Commission in collaboration with various stakeholders will develop a Citizen Service Delivery Charter that will provide avenues for the public to hold institutions accountable for quality service delivery.
- b) **Enterprise Resource Planning/Integrated Management Information System (IMIS)** Further, the Commission will implement the Enterprise Resource Plan (ERP) that entails automation of its operational processes and which will integrate with other existing Human Resource Information systems such as GHRIS, IPPD, and IFMIS to improve service delivery.
- c) **Establishment of a clear career path for civil servants:** In order to provide a comprehensive way of linking individual performance to the goals of the service and establish a clear career path for civil servants, the Commission will implement the Career Progression guidelines, Competency Framework and tests. The Commission will also review the terms and conditions of service for civil servants and implement a new grading structure.
- d) **Performance Management Culture:** The Commission intends to create a performance management culture in the service by monitoring the implementation of the rewards and sanctions policy. To that end, the Commission intends to introduce the 'Public Service Excellence Award Scheme' that will be used to recognize individual officers and institutions who have demonstrated exemplary performance in the service.
- e) **Promotion of Values and Principles in Articles 10 and 232:** The Commission will continue to promote values and principles as stipulated in Articles 10 and 232 of the Constitution. The Commission has consequently developed strategic policies to spearhead. The promotion, monitoring, and evaluation and reporting on the extent to which these values have been complied with in the public service.
- f) **Devolution and Transition Matters:** In line with the provision under schedule four of the Constitution, the Commission continued to facilitate County Governments through various county visits and hosting a number of County Public Service Boards for provision of technical support. This arrangement gave the Commission an opportunity to, where necessary, assist the boards develop appropriate strategies, structures and systems for effective discharge of their mandates.
- g) **Hearing and determining of appeals from the County Governments Public Services:** The Commission is mandated to hear and determine appeals from the County Governments. The Commission is strengthening structures to hear and determine appeals from county governments and ensure fast dispensation of justice through the proposed acquisition of equipment for video conferencing and Hansard. These , it is envisaged will not only reduce the costs for the National Government but also the County Governments who will not have to be physically present at the Commission's offices.

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**1.4 Challenges and Recommended Way forward**

In spite of the aforementioned achievements, the Commission faced a number of challenges including inadequate funding for the Commission's programmes; rationalisation of the budget estimates, delay in uploading the budget and subsequent closure of IFMIS leading to delay in implementation of programmed activities; freezing of recruitment in the service thus affecting succession management; delays in the enactment of the revised Public Service Commission Bill and Regulations; inadequate office accommodation for the Commission and secretariat staff; and delays in determining disciplinary cases by law courts thus affecting human resource planning.

The Commission will continue to engage the National Treasury for additional funding and ring-fencing of critical budget items from budget cuts to address the funding challenges. To address inadequate office accommodation, the Commission will be seeking budgetary provision to acquire a piece of land outside the crowded central business district to construct a suitable office block with attendant facilities for the Commission and staff in the medium term. The Public Service Commission revised bill is awaiting enactment and the Commission is fast tracking the enactment. With regard to delays in determination of disciplinary cases by the law courts, the Commission has developed and reviewed human resource policies and manuals to guide in management of disciplinary control. Further, the commission has sensitized the MDAs on these policies and manuals, and proposes alternative dispute resolution mechanisms on observance of fair administrative action to reduce on the litigations.

Finally, I wish to reiterate our firm commitment to fully serve the public in order to promote continuous growth of our country.



**PROF. MARGARET KOBIA, PhD, MGH**  
**CHAIRPERSON**

DATE: 30/09/2016.....

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**III. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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

The Accounting Officer in charge of the Public Service Commission is responsible for the preparation and presentation of the Commission's financial statements, which give a true and fair view of the state of affairs of the Commission for and as at the end of the financial year (period) ended on June 30, 2016. 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 Commission; (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 Commission, (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

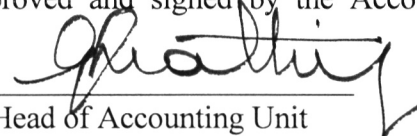
The Accounting Officer in charge of the Public Service Commission accepts responsibility for the Commission's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Commission's financial statements give a true and fair view of the state of Commission's transactions during the financial year ended June 30, 2016, and of the Commission's financial position as at that date. The Accounting Officer in charge of the Public Service Commission further confirms the completeness of the accounting records maintained for the Commission, which have been relied upon in the preparation of the Commission's financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The Commission's financial statements were approved and signed by the Accounting Officer on 30/09/2016.

  
Accounting Officer/CEO

  
Head of Accounting Unit

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**IV. REPORT OF THE AUDITOR GENERAL ON THE REPORTS AND FINANCIAL STATEMENT OF THE PUBLIC SERVICE COMMISSION**

(To be inserted)


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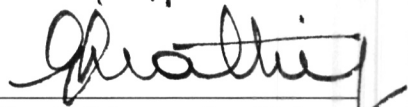
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**V. STATEMENT OF RECEIPTS AND PAYMENTS**

Receipts	Note	2015-2016	2014-2015
Transfers from National Treasury	1	1,124,800,000	1,133,670,000
Proceeds from Sale of Assets	2	-	5,954,400
Other Receipts	3	34,757	-
<b>Total Revenues</b>		<u>1,124,834,757</u>	<u>1,139,624,400</u>
<b>Payments</b>			
Compensation of Employees	4	543,869,969	469,578,529
Use of goods and services	5	390,248,426	449,081,025
Other payments	6	1,741,485	797,695
Social Security Benefits	7	72,626,909	62,628,623
Acquisition of Assets	8	115,338,148	159,406,749
		-	-
<b>Total Payments</b>		<u>1,123,824,938</u>	<u>1,141,492,621</u>
<b>Surplus/Deficit</b>		<u>1,009,819</u>	<u>(1,868,221)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/09/ 2016 and signed by:

  
 Accounting Officer/CEO

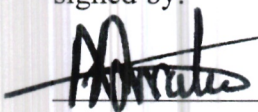
  
 Head of Accounting Unit

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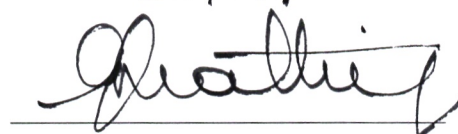
**VI. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2015-2016	2014-2015
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	9	21,146,657	39,068,039
Cash Balances	10	503,660	48,773
<b>Total Cash and Cash Equivalent</b>		<u><b>21,650,317</b></u>	<u><b>39,116,812</b></u>
Accounts Receivable - Advances	11	92,067	89,136
<b>Total Financial Assets</b>		<b>21,742,384</b>	<b>39,205,948</b>
<b>Less: Financial Liabilities</b>			
Accounts Payable	12	16,874,142	38,340,643
<b>Total Financial Liabilities</b>		<b>16,874,142</b>	<b>38,340,643</b>
<b>Net Financial Assets</b>		<u><b>4,868,242</b></u>	<u><b>865,305</b></u>
<b>Represented By</b>			
Fund balance b/fwd	13	865,305	2,733,526
Surplus/Deficit for the year		1,009,819	-1,868,221
Prior Year Adjustment	14	2,993,118	
<b>Net Financial Position</b>		<u><b>4,868,242</b></u>	<u><b>865,305</b></u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30/09/ 2016 and signed by:



Accounting Officer/CEO



Head of Accounting Unit

**PUBLIC SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**VII. STATEMENT OF CASH FLOW**

**Receipt From Operating Activities**

	Note	2015-2016 Kshs.	2014-2014 Kshs.
<b>Receipts for operating Income</b>			
Transfers from National Treasury	1	1,124,800,000	1,133,670,000
Other Receipts	3	34,757	
Change in receivables		(2,931)	235,040
Change in payables		(21,466,501)	17,805,677
Prior Year Adjustment	14	2,993,118	
Compensation of Employees	4	(543,869,969)	(469,578,529)
Use of goods and services	5	(390,248,426)	449,081,025
Other grants and transfers	6	(1,741,485)	(797,695)
Social Security Benefits	7	(72,626,909)	(62,628,623)
<b>Total Receipts</b>		<b><u>1,127,827,875</u></b>	<b><u>1,151,710,717</u></b>
<b>Total payments</b>		<b><u>(1,029,956,221)</u></b>	<b><u>(982,085,872)</u></b>
<b>Net cash flow from operating activities</b>		<b><u>97,871,654</u></b>	<b><u>169,624,845</u></b>
<b>Cash Flow From Investing Activities</b>			
Proceeds from Sale of Assets	2	-	5,954,400
Acquisition of Assets	8	(115,338,149)	(159,406,749)
<b>Net Cash Flows from Investing Activities</b>		<b><u>(115,338,149)</u></b>	<b><u>(153,452,349)</u></b>
<b>Cash Flow From Borrowing Activities</b>			
Proceedings from Domestic borrowing		-	-
Proceeds from Foreign Borrowings		-	-
Payment of principal on Domestic and Foreign Borrowing		-	-
Net Cash flow from financing activities		-	-
<b>NET DECREASE IN CASH AND CASH EQUIVALENT</b>		<b><u>(17,466,495)</u></b>	<b><u>16,172,496</u></b>
Cash and cash equivalent at beginning of the year		39,116,812	22,944,316
Cash and cash equivalent at the end of the year		21,650,317	39,116,812

# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON PUBLIC SERVICE COMMISSION FOR THE YEAR ENDED 30 JUNE 2016

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Public Service Commission set out on pages 14 to 33, which comprise the statement of assets and liabilities as at 30 June 2016, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation recurrent and development combined and summary statement of provisioning 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.

#### Management's Responsibility for the Financial Statements

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

The 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.

#### Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

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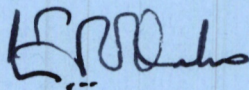
*Report of the Auditor-General on the Financial Statements of Public Service Commission for the year ended 30 June 2016*

assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of Public Service Commission as at 30 June 2016, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.



**FCPA Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

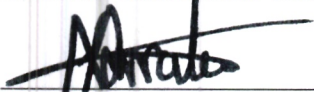
**Nairobi**

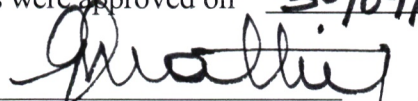
**23 March 2017**

**PUBLIC SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30/09/ 2016 and signed by:

  
\_\_\_\_\_  
Accounting Officer/CEO

  
\_\_\_\_\_  
Head of Accounting Unit

**PUBLIC SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

<b>Revenue/Expense Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilisation Difference</b>	<b>% of Utilisation Difference to Final Budget</b>
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>Revenues/Receipts</b>						
Opening balance						
Transfers from National Treasury & Other Government Entities	1,285,231,450	152,511,557	1,132,719,893	1,124,800,000	7,919,893	99%
Proceeds from Sale of Non-Financial Assets (AIA)	8,000,000	8,000,000				0%
<b>Total Revenues/Receipts</b>	<b><u>1,293,231,450</u></b>	<b><u>160,511,557</u></b>	<b><u>1,132,719,893</u></b>	<b><u>1,124,800,000</u></b>	<b><u>7,919,893</u></b>	<b><u>99%</u></b>
<b>Payments/Expenses</b>						
Compensation of Employees	539,870,000	4,000,000	543,870,000	543,869,969	31	100%
Use of goods and services	429,539,344	33,346,235	396,193,109	390,248,426	5,944,683	98%
Other grants and transfers	2,000,000	-	2,000,000	1,741,485	258,515	87%
Social Security Benefits	46,476,176	26,219,230	72,695,406	72,626,909	68,497	100%
Acquisition of Assets	275,345,930	157,384,552	117,961,378	115,338,149	2,623,229	98%
<b>Total Payments/Expenses</b>	<b><u>1,293,231,450</u></b>	<b><u>160,511,557</u></b>	<b><u>1,132,719,893</u></b>	<b><u>1,123,824,938</u></b>	<b><u>8,894,955</u></b>	<b><u>99%</u></b>

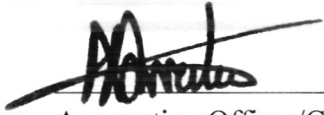
The under expenditure arose as the Commission had planned to pay for Directors' membership to African Association of Public Administration and Management(AAPAM) and Commonwealth Association for Public Administration and Management (CAPAM).

The implementation was delayed as the modalities were being regularized.

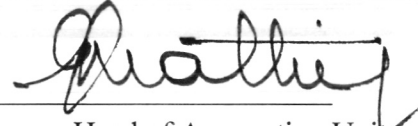
The financial statements were approved on 30/09/ 2016 and signed by:

**PUBLIC SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

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Accounting Officer/CEO



Head of Accounting Unit

**IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT**

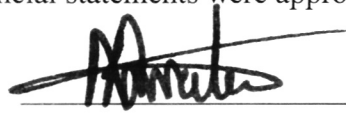
Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>Revenues/Receipts</b>						
Opening balance						
Transfers from National Treasury & Other Government Entities	1,118,400,000	37,511,557	1,080,888,443	1,075,800,000	(5,088,443)	100%
Proceeds from Sale of Non-Financial Assets (AIA)	8,000,000	8,000,000	-	-	-	0.00%
<b>Total Revenues/Receipts</b>	<b>1,126,400,000</b>	<b>45,511,557</b>	<b>1,080,888,443</b>	<b>1,075,800,000</b>	<b>(5,088,443)</b>	<b>99%</b>
Compensation of Employees	539,870,000	4,000,000	543,870,000	543,869,969	(31)	100%
Use of goods and services	429,539,344	33,346,235	396,193,109	390,248,426	(5,944,683)	98.50%
Other grants and transfers	2,000,000	-	2,000,000	1,741,485	(285,515)	87.07%
Social Security Benefits	46,476,176	26,219,230	72,695,406	72,626,909	(68,497)	99.91%
Acquisition of Assets	108,514,480	42,384,552	66,129,928	65,309,320	(820,608)	98.76%
<b>Total Payments/Expenses</b>	<b>1,126,400,000</b>	<b>45,511,557</b>	<b>1,080,888,443</b>	<b>1,073,796,109</b>	<b>(7,092,334)</b>	<b>99%</b>

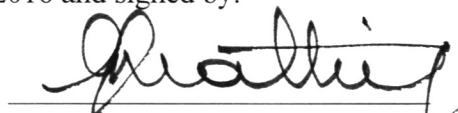
**X.SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT**

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>Revenues/Receipts</b>						
Transfers from National Treasury & Other Government Entities	166,831,450	115,000,000	51,831,450	49,000,000	(2,831,450.00)	95%
<b>Total Revenues/Receipts</b>	<b>166,831,450</b>	<b>115,000,000</b>	<b>51,831,450</b>	<b>49,000,000</b>	<b>(2,831,450.00)</b>	<b>95%</b>
<b>Payments/Expenses</b>						
Acquisition of Assets	166,831,450	115,000,000	51,831,450	50,028,829	(1,802,621.3)	96.52%
<b>Total Payments/Expenses</b>	<b>166,831,450</b>	<b>115,000,000</b>	<b>51,831,450</b>	<b>50,028,829</b>	<b>(1,802,621.3)</b>	<b>97 %</b>

The Treasury issued the Commission with exchequer issues totalling to Kshs. 49,000,000.00 during the financial year 2015/2016 since the Commission had an opening balance figure of Kshs. 2,454,962.00 in our bank account, the Commission used it to pay the difference of Kshs.1,028,829.00. The expenditure the Commission incurred was within our Budget despite the shortage in funding.

The financial statements were approved on 30/09/ 2016 and signed by:

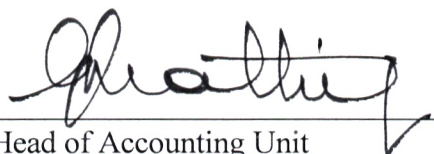
  
 Accounting Officer/CEO

  
 Head of Accounting Unit

**XI. SUMMARY STATEMENT OF PROVISION**

<b>Details of General Account on Vote</b>	<b>2015 - 2016 Kshs</b>	<b>2014 - 2015 Kshs</b>
GAV Provisioning account balance	52,379,579	43,484,624
<b>Total</b>	<b><u>52,379,579</u></b>	<b><u>43,484,624</u></b>
 <b>Details on Exchequer Account</b>		
Exchequer Provisioning account balance	53,344,975	45,425,082
<b>Total</b>	<b><u>53,344,975</u></b>	<b><u>45,425,082</u></b>

  
 \_\_\_\_\_  
 Accounting Officer/CEO

  
 \_\_\_\_\_  
 Head of Accounting Unit

## **XII.SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of PSC. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by PSC.

### **2. Recognition of revenue and expenses**

PSC recognises all revenues from the various sources when the event occurs and the related cash has actually been received by PSC. In addition, PSC recognises all expenses when the event occurs and the related cash has actually been paid out by PSC.

### **3. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Kenya at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term advances to authorised public officers and which were not accounted for at the end of the financial year.

### **4. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements.

## **5. Non-Current Assets**

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

## **6. Pending bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods during the year. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the *entity* at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

## **7. Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. PSC's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A detailed analysis of PSC's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

## **8. Comparative figures**

Comparative figures for the previous financial year have been restated where necessary, to conform to the required changes in presentation format.

## **9. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2015.

**XIII. NOTES TO THE FINANCIAL STATEMENTS**

**1. Exchequer Releases**

	<b>2015 – 2016</b>	<b>2014 – 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Total Exchequer Releases for quarter 1	387,000,000	243,940,000
Total Exchequer Releases for quarter 2	181,000,000	291,340,000
Total Exchequer Releases for quarter 3	221,800,000	226,390,000
Total Exchequer Releases for quarter 4	335,000,000	372,000,000
<b>TOTAL</b>	<b>1,124,800,000</b>	<b>1,133,670,000</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	<b>2015 – 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Sale of Prequalification Tender Documents	-	92,300
Proficiency Exams for Clerical Officers	-	5,862,100
<b>Total</b>		<b>5,954,400</b>

**3. Other Receipts**

	<b>2015 – 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Other Receipts	34,757	
<b>Total</b>	<b>34,757</b>	<b>-</b>

**4. Compensation of Employees**

Basic salaries of permanent employees	535,869,969	461,778,529
Personal allowances paid as part of salary	8,000,000	7,800,000
<b>Total</b>	<b>543,869,969</b>	<b>469,578,529</b>

**5. Use of Goods and Services**

	<b>2015 -2016</b>	<b>2014 -2015</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Utilities, supplies and services	7,709,997	7,869,278
Communication, supplies and services	18,705,374	14,280,153
Domestic travel and subsistence	53,422,444	43,345,147
Foreign travel and subsistence	8,884,078	17,949,094
Printing, advertising and information supplies & Service	33,283,456	60,726,608
Rentals of produced assets	9,398,629	11,857,102
Training expenses	35,949,872	45,721,193
Hospitality supplies and services	53,400,924	50,960,272
Insurance cost	68,313,908	73,874,259
Specialised materials and services	24,800,093	27,863,596
Office and general supplies and services	13,347,726	12,370,026
Fuel	6,695,000	10,029,990
Other operating expenses	44,065,809	56,881,870
Routine maintenance – vehicles other		
Transport equipment	4,963,288	6,842,980
Routine maintenance - other assets	7,307,823	8,509,457
<b>Total</b>	<b><u>390,248,425</u></b>	<b><u>449,081,025</u></b>

**6. Other Payments**

	<b>2015 – 2016</b>	<b>2014 – 2015</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Membership Fees and Dues and Subscriptions to International Organizations	1,741,485	797,695
<b>Total</b>	<b><u>1,741,485</u></b>	<b><u>797,695</u></b>

These are the membership fees for commissioners and other senior members of staff to international professional organisations

**7. Social Security Benefits**

	<b>2015 – 2016 Kshs.</b>	<b>2014 – 2015 Kshs.</b>
Government pension and retirement benefits	72,626,909	62,628,623
<b>Total</b>	<b>72,626,909</b>	<b>62,628,623</b>

**8. Acquisition of Assets**

	<b>2015 – 2016 Kshs</b>	<b>2014 - 2015 Kshs</b>
<b>Non-Financial Assets</b>		
Construction of Buildings	29,226,677	152,100,465
Refurbishment of Buildings	1,463,000	1,141,435
Construction and Civil Works	20,802,151	
Purchase of Vehicles and Other Transport Equipment	12,615,448	-
Overhaul of Vehicles and Other Transport Equipment	494,515	403,434
Purchase of Household Furniture and Institutional Equipment	636,436	578,722
Purchase of Office Furniture and General Equipment	3,600,653	1,506,497
Purchase of Specialised Plant, Equipment and Machinery	46,143,869	3,336,675
Rehabilitation and Renovation of Plant, Machinery and Equip.	355,400	339,521
<b>Total</b>	<b><u>115,338,149</u></b>	<b><u>159,406,749</u></b>

PUBLIC SERVICE COMMISSION  
 Reports and Financial Statement  
 For the year ended June 30, 2016

**9. Bank Accounts**

Name of Bank, Account No. & currency	2015– 2016 Kshs	2014-2015 Kshs
Central Bank of Kenya Rec A/c no. 1000181297	2,846,382	1,265,552
Central Bank of Kenya Dev A/c no. 10000182199	1,426,132	2,454,962
Central Bank of Kenya Dep A/c no. 1000182113	16,874,142	35,347,525
<b>Total</b>	<b>21,146,657</b>	<b>39,068,039</b>

**10. Cash in Hand**

	2015 – 2016 Kshs	2014 - 2015 Kshs
Public Service Commission Head office	503,660	48,773
<b>Total</b>	<b>503,660</b>	<b>48,773</b>

**11. ADVANCES**

	2015-2016 Balance	2014-2015 Balance
2015/2016 Outstanding advances	92,067	-
2014/2015 Outstanding advances	-	89,136
<b>Total</b>	<b>92,067</b>	<b>89,136</b>

**12. Accounts Payable**

	<b>2015 - 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Deposit and Retentions	16,874,142	35,347,525
Other Payables	-	2,993,118
<b>Total</b>	<b>16,874,142</b>	<b>38,340,643</b>

**13. Balances Brought Forward**

	<b>2015- 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	39,068,039	22,384,726
Cash in hand	48,773	559,590
Accounts Receivable – Advances	89,136	324,176
Accounts Payable – Deposits	(38,340,643)	(20,534,966)
<b>Total</b>	<b>865,305</b>	<b>2,733,526</b>

**Kshs**

**13.1 Accounts Payable and Deposits**

38,340,643

**14. Prior Year Adjustment**

	<b>2015 - 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Prior Year Adjustment	2,993,118	-
<b>Total</b>	<b>2,993,118</b>	<b>-</b>

Prior Year Adjustment relates to payments that remained outstanding in the LMS system in the Financial Year 2014/2015 due to shortage of funds that were subsequently cleared in the Financial Year 2015/2016.

**15. Other Important Disclosures**

<b>15.1 Pending Accounts Payable</b>	<b>2015 - 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of civil works	7,340,339	64,564,291
<b>Total</b>	<b>7,340,339</b>	<b>64,564,291</b>


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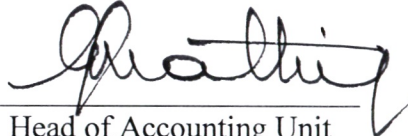
**PUBLIC SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**16. 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.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management Comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1.	Exchequer and GAV balances for 2013/2014 outstanding.	Treasury Authority needed to clear the Balances	Head of Accounting Unit, CPA Elizabeth Irura (Mrs.)	Cleared up to 2012/2013 Financial Year	Not yet determined

  
 Accounting Officer/CEO

  
 Head of Accounting Unit

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLES**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2016	Comments
	a	B	c	d=a-c		
<b>Supply of goods</b>						
1. Medical Practitioners and Dentists	4,000	09/10/2015		4,000		Not yet cleared
2. CMC Motors Group	241,834	03/12/2015		241,834		"
3. Conference Caterers	127,898	10/06/2016		127,898		"
4. Emperio Enterprises	18,017	29/06/2016		18,017		"
5. Fresh Paradise	156,274	15/06/2016		156,274		"
6. Fresh Paradise	474,137.95	29/06/2016		474,137.95		"
7. Kenya Counselling	5,000	28/06/2016		5,000		"
8. Law Society of Kenya	38,360	24/03/2016		38,360		"
9. Ontime Technics	432,413.80	27/05/2016		432,413.80		"
10. Toyota Kenya	81,283.30	07/04/2016		81,283.30		"
11.Ditech Engineering Services	22,520.00	17/06/2016		22,520.00		"
12.Hypertech Electrical Services	5,738,600.60	01/04/2016		5,738,600.60		"
<b>Grand Total</b>	<b><u>7,340,339.00</u></b>			<b><u>7,340,339.00</u></b>		"

**ANNEX 2 – SUMMARY OF FIXED ASSET INVENTORY**

<b>Asset Class</b>	<b>Historical Cost (Kshs) 2015/16</b>	<b>Historical Cost (Kshs) 2014/15</b>
Land	-	-
Buildings and structures	329,633,279	329,633,279
Transport equipment	197,493,813	184,878,365
Office equipment, furniture and fittings	46,048,161	32,842,767
ICT Equipment, Software and Other ICT Assets	65,371,177	59,802,677
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets	-	-
<b>Total</b>	<b><u>638,546,540</u></b>	<b><u>607,157,088</u></b>

**PUBLIC SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

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