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**REPORT**: 27 APR 2023 DAY: THURSDAY

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BY:

LOM (Hon. Kimani  
Ichung'u)

CLERK-AT  
TABLE:  
**OF**

Joyce Lemerelle

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL TRANSPORT AND SAFETY  
AUTHORITY**

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



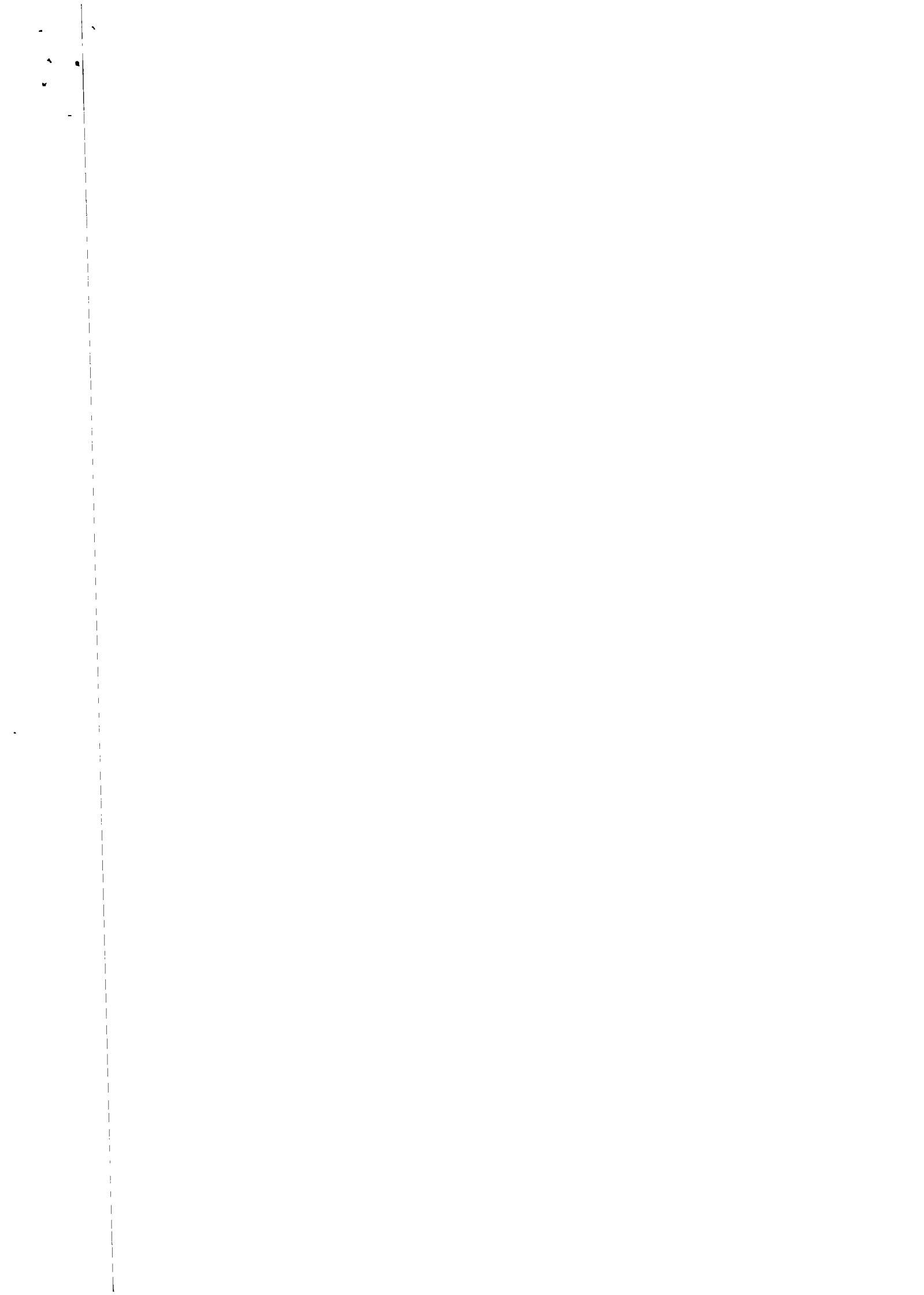
# National Transport and Safety Authority

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

30<sup>TH</sup> JUNE 2022

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



*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022.**

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**Table of Contents**

**Page**

1. Key Entity Information and Management .....	ii
2. The Board of Directors .....	vii
3. Management Team .....	xiv
4. Chairperson's Statement .....	xvii
5. Report of the Director General .....	xix
6. Statement of Performance against Predetermined Objectives for FY 2021/22 .....	xxiii
7. Corporate Governance Statement .....	xxvi
8. Management Discussion and Analysis .....	xxx
9. Environmental and Sustainability Reporting .....	xliv
10. Report of the Directors .....	xlviii
11. Statement of Directors Responsibilities .....	l
12. Report of the Independent Auditor for The National Transport & Safety Authority .....	lii
13. Statement of Financial Performance for the year ended 30 June 2022 .....	1
14 Statement of Financial Position as at 30 June 2022 .....	3
15 Statement of Changes in Net Assets for the year ended 30 June 2022 .....	4
16. Statement of Cash Flows for the year ended 30 June 2022 .....	5
17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2022 .....	7
18. Notes to the Financial Statements .....	9
19. Appendix .....	33

## ***National Transport & Safety Authority***

### **Annual Report and Financial Statements for the year ended June 30, 2022.**

#### **1. Key Entity Information and Management**

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

The Authority was established after the Government enacted the National Transport & Safety Authority Act, 2012 on 12th October, 2012. At Cabinet level, the Authority is represented by the Cabinet Secretary responsible for Interior and Coordination of National Government who is responsible for the general policy and strategic direction of the Authority. The Authority is domiciled in Kenya and has branches in Kenya including Mombasa, Voi, Meru, Kisumu, Nakuru, Kericho, Kakamega, Nyeri, Embu, Machakos, Garissa and Eldoret, among others.

##### **(b) Principal Activities**

The Act established the National Transport and Safety Authority (NTSA) whose mandate/functions as outlined under Section 4 of the Act are:-

- (i) Advise and make recommendations on matters relating to road transport and safety;
- (ii) Implement policies relating to road transport and safety;
- (iii) Plan, manage and regulate the road transport sector in accordance with the provisions of the Act;
- (iv) Ensure the provision of safe, reliable and efficient road transport service; and
- (v) Administer the Act of Parliament set out in the First Schedule and any other written law

In full exercise of its mandate, the Authority is empowered under section 6 of the NTSA Act to carry out the following functions:-

- (i) register and license motor vehicles;
- (ii) conduct motor vehicle inspections and certification;
- (iii) regulate public service vehicles;
- (iv) advise the Government on national policy with regard to road transport system;
- (v) develop and implement road safety strategies;
- (vi) facilitate the education of the members of the public on road safety;
- (vii) conduct research and audits on road safety;
- (viii) compile inspection reports relating to traffic accidents;
- (ix) establish systems and procedures for, and oversee the training, testing and licensing of drivers;
- (x) formulate and review the curriculum of driving schools;

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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- (xi) co-ordinate the activities of persons and organizations dealing in matters relating to road safety; and
- (xii) perform such other functions as may be conferred on it by the Cabinet Secretary or by any other written law.

The Authority is currently domiciled under the State Department for Interior within the Ministry of Interior and Co-ordination of National Government following the Presidential Executive Order number 2 of 2019 on the Management and Co-ordination of National Transport and Safety. Through the Executive Order, the Advisory role to the Government on National Policy with regard to road transport sector was retained under the State Department for Transport while the additional role for enforcement of Axle Load Control through Weighbridges was transferred from the State Department for Roads to State Department for Interior.

The Vision of the Authority is to have an efficient, reliable and safe road transport system in Kenya.

The mission of the Authority on the other hand is to continuously improve on road safety for all users through planning, managing and regulating the road transport system.

The functions of the Authority as outlined in Section 4 of the NTSA Act,2012 include the following;

- a) advise and make recommendations to the Cabinet Secretary on matters relating to road transport and safety;
- b) implement policies relating to road transport and safety;
- c) plan, manage and regulate the road transport system in accordance with the provisions of this Act;
- d) ensure the provision of safe, reliable and efficient road transport services; and
- e) administer the Act of Parliament set out in the First Schedule and any other written law.

**(c) Key Management**

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

- (i) Board of Directors
- (ii) Director General
- (iii) Management

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Director General	<b>George Gerishon Njao</b>
2.	Director Corporate Support Services	<b>Badu Katelo</b>
3.	Deputy Director Finance	<b>Mr. Wycliffe Wasike</b>
4.	Deputy Director Supply Chain Management	<b>Mr. Shem Shalakha</b>
5.	Director Road Safety	<b>Mr. Badu Katelo</b>
6.	Director Registration & Licensing	<b>Mr. Christopher Wanjau</b>
7.	Director Inspection and Road Safety Audits	<b>Eng. Gerald Wangai</b>

**(e) Fiduciary Oversight Arrangements**

The Board of Directors have constituted the following committees to provide fiduciary oversight

<b>Committee</b>	<b>Members</b>	<b>Function</b>
Audit, Risk & Governance Committee	<ol style="list-style-type: none"> <li><b>Wilfred Okemwa - Chairperson</b></li> <li>Joseph Kariuki Kimemia</li> <li>Moses Nderitu-upto Feb.,2022</li> <li>Alice Chesire</li> </ol>	Provides oversight on all internal Audit functions of the Authority
Finance, Human Resources and Strategy Committee	<ol style="list-style-type: none"> <li><b>Francis Mwongo -Chairperson</b></li> <li>Ibrahim Abdi</li> <li>Wilson Njega</li> <li>Catherine Waweru</li> </ol>	Provides oversight on all Finance, Human resources and corporate planning and strategy matters
Transport & Technical Committee	<ol style="list-style-type: none"> <li><b>Alice Chesire-Chairperson</b></li> <li>Francis Mwongo Kiriinya</li> <li>Moses Nderitu</li> <li>Regina Nderitu</li> </ol>	Provides oversight on registration and licensing activities as well as motor vehicle inspection activities

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

Road Safety & Communication Committee	1. <b>Eng. Meshack Kidenda - Chairperson</b> 2. Catherine Waweru 3. Julius Kitili 4. Wilfred Okemwa	Provides oversight on Road safety and communication activities
Parliamentary Investment Committee		Provides oversight on Government Investments
<b>Development Partners</b>  <b>World Bank</b>  <b>European Union</b>		Horn of Africa Gateway Development Project   Usalama Barabarani Project

**(f) Entity Headquarters**

316 UpperHill Chambers  
 2nd Avenue, Ngong Road  
 P.O. Box 3602 - 00506  
 Nairobi, Kenya

**(g) Entity Contacts**

Telephone: (254) 02 6632300  
 E-mail: [info@ntsa.go.ke](mailto:info@ntsa.go.ke)  
 Website: [www.ntsa.go.ke](http://www.ntsa.go.ke)

**(h) Entity Bankers**

1. Kenya Commercial Bank Ltd  
 Capital Hill Branch  
 P.O. Box 4360 - 00100  
**NAIROBI, KENYA**

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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**2. Other Banks**

National Bank of Kenya Ltd

Harambee Branch

P.O. Box 72866 - 00200

**NAIROBI, KENYA**

**(i) Independent Auditors**

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

**(j) Principal Legal Adviser**

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112



City Square 00200

Nairobi, Kenya



*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

**2. The Board of Directors**

The Authority's Board Members comprise of the following

Ref	Directors	Details
1	<p>FCPA Agnes Odhiambo, CBS</p> <p><b>Chairperson</b></p> 	<p>Mrs. Agnes Odhiambo was appointed to the Board of National Transport and Safety Authority on 13<sup>th</sup> May, 2020</p> <p>Prior to her appointment as the chairperson. Mrs. Odhiambo was the Controller of the Budget. She is an accomplished finance professional with over 30 years' experience having held senior management positions in both the private and public sectors where she has worked as the Director, Finance and Administration at the Kenya Post Office Savings Bank (Postbank). and the Chief Executive Officer of the Constituencies Development Fund Board</p> <p>She is a Fellow of the Institute of Certified Public Accountants of Kenya (ICPAK). Mrs Odhiambo holds a Bachelor of Commerce (Accounting Option) degree and a Master of Business Administration (MBA) degree both from the University of Nairobi.</p> <p>Mrs Odhiambo was awarded the Chief of Order of the Burning Spear (CBS) by His Excellency, the President of the Republic of Kenya, Hon. Uhuru Kenyatta, for her role in national development</p>
2	<p>Dr. Alice Jepchumba Chesire</p> <p><b>Member</b></p> 	<p>Dr. Alice Chesire was appointed to the Board of National Transport and Safety Authority on 3<sup>rd</sup> February 2022.</p> <p>Mrs Chesire is the Executive Chairman of Hornbill Development Company which specializes in property development and real estate. She has vast experience in corporate governance having served as a Director at Kenya Dairy Board, Horticultural Crops Development Authority and Fresh Produce Exporters Organization of Kenya. She has served in Human Resource, Technical and Audit committees of various Boards and has participated, championed and provided leadership in women empowerment.</p> <p>Dr. Chesire holds a PHD in Leadership (HC), and a degree in Leadership Management from St. Paul University. She also holds a Diploma in Agriculture from Egerton University.</p>



*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

<p>3</p>	<p>Mr. Wilfred Nyamwamu Okemwa</p> <p><b>Member</b></p> 	<p>Mr. Wilfred Okemwa was appointed to the Authority's Board on 30<sup>th</sup> May 2022.</p> <p>He holds a Bachelor's degree in Education (Business studies &amp; Economics) and Diploma in Business Management both from the University of Nairobi. He has over 38 years experience in public service with speciality in Public Policy, Tax and Road Transport Management having worked with the Kenya Revenue Authority as the Regional Coordinator in income tax for twenty two years and in Road Transport Department for sixteen years. He has attended several courses including Strategic Leadership development at the Kenya School of Government, Corporate Governance training with the Centre of Corporate Governance, Business Strategy for Results, HR for Non-HR Managers/Line Managers, Coaching and Winning, Performance Enhancement, Transformative Leadership, Talent Management, Conducting Meetings and Report Writing, Industrial Relations &amp; Collective bargaining training, Communication &amp; Interpersonal skills, Results Oriented management, Performance Management. He has also led various committees appointed as chairman at his previous work place leading from the front. Beside Government, he has also held leadership roles in various secondary schools in Kisii County and has been an inspiration to the community due to his leadership skills. He has held positions of chairmanship of various professional groups from the Kisii community.</p>
<p>4</p>	<p>Mr. Francis Kiriinya Mwongo, CBS,OGW,ndc(Kenya)</p> <p><b>Member</b></p> 	<p>Mr. Francis Kiriinya Mwongo was appointed to the Board of NTSA on 3<sup>rd</sup> February 2022.</p> <p>He holds a degree in political science from the University of Nairobi and is a graduate of National defence college specializing in intelligence and security management, public administration, diplomacy and international studies. He is also an expert in leadership and strategic planning, public policy formulation and analysis. Having graduated from various institutions such as Strathmore University, Kenya School of Government, Storkholm University among others.He has over ten years experience as a Director of intelligence and has served in the intelligence community of Kenya for forty years. He has previously held international leadership positions in the UN Security Council and Kenyan missions in Sweden and Tanzania.</p>



*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

<p>5</p>	<p>Mr. Gerald Mithamo Muchiri</p> <p><b>Member</b></p> 	<p>Mr. Gerald Mithamo Muchiri was appointed to the Board of NTSA on 1<sup>st</sup> May, 2022.</p> <p>He is a graduate of Criminology and Criminal Justice, holds an MBA in Human Resource from Mount Kenya University and has a diploma in Accounts and Finance from Zetech University. He is currently a law student at Mount Kenya University. He brings on board a wealth of experience having sat on Boards of several state corporations where he chaired various committees</p>
<p>6</p>	<p>Hon. Catherine Njeri Waweru</p> <p><b>Member</b></p> 	<p>Hon. Catherine Waweru was appointed to the Board of National Transport and Safety Authority on 3<sup>rd</sup> February 2022.</p> <p>She holds a Bachelor of Arts Degree in Communication Development from St Pauls University. She is an experienced Social Economic professional and development consultant with vast experience in community service, Governance and Development. She offers strategic leadership in areas of Health and Education in Nakuru County and serves in various community organisations and NGOs. She is a member of the Rift Valley Provincial Hospital Management Committee.</p>
<p>7</p>	<p>Eng. Meshack Otieno Kidenda, MBS,HSC,FIEK,RCE</p> <p><b>Member</b></p> 	<p>Eng. Kidenda was appointed to the Board of National Transport and Safety Authority on 3<sup>rd</sup> February 2022.</p> <p>Eng. Kidenda is a registered Consulting Engineer, a Fellow of the Institution of Engineers of Kenya and an Associate Member of the Chartered Institute of Arbitrators. He holds a B Sc. In Civil Engineering from the Univeristy of Nairobi and M Sc. in Traffic Engineering from University of Brimingham. He retired from Public Service after 37 years of service, where he served in various stations and capacities including in senior management as Chief Engineer (Roads), Director of Industrial Training and as the first Director General of the Kenya National Highways Authority - KeNHA.</p>




*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

<p>8</p>	<p>Mr. Moses Nderitu</p> <p><b>Member, Private Sector Representative</b></p> 	<p>Mr. Moses Nderitu was appointed to the Board of NTSA on 4<sup>th</sup> February 2019. He is serving a second term in the Board having been appointed for the first time on October 2015.</p> <p>Mr. Nderitu is a graduate of the Owner Manager Programmes at Strathmore Business School. He is a successful entrepreneur in diverse industries with vast experience in marketing and media production where he established Level One Productions Ltd. He is currently the CEO &amp; founder of KOTO Housing Kenya Ltd and CEO of Excloosive Ltd.</p> <p><b>Mr. Nderitu retired from the Board on 3<sup>rd</sup> February 2022</b></p>
<p>9</p>	<p>Dr. Eng. Joseph K. Njoroge, CBS</p> <p><b>Principal Secretary, State Department for Transport</b></p> 	<p>Dr.Eng. Joseph K. Njoroge,CBS is the Principal Secretary, State Department for Transport.</p> <p>He holds a Doctor of Philosophy Degree, MBA in Strategic Management and First Class Honours Degree in Electrical Engineering all from University of Nairobi. He is a Registered Consulting Engineer, a Chartered Engineer, a Member of the Institution of Engineering &amp; Technology (UK) and a Fellow of the Institution of Engineers of Kenya. He is also a member of the Institute of Directors of Kenya and a trainer in Corporate Governance.</p> <p>He has wide experience in power engineering and management of the power sector, having joined Kenya Power in 1980 and serving in various senior positions including the Investment Director at the National Treasury.</p> <p>Prior to his appointment to the current position, he was the Principal Secretary, Ministry of Energy &amp; Petroleum</p> <p><b>The Alternate to the Principal Secretary on the Board of NTSA is Mr.Ibrahim Abdi Maalim.</b></p>

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**


<p>10</p>	<p>Dr.(Eng) Karanja Kibicho,CBS,</p> <p><b>Principal Secretary, State Department for Interior &amp; Co-ordination of National Government</b></p> 	<p>Dr. (Eng) Karanja Kibicho is the Principal Secretary, State Department for Interior &amp; Co-ordination of National Government</p> <p>Dr.(Eng) Kibicho holds a doctorate in Mechanical Engineering from the University of Cape Town, South Africa, a Master of Science (MSc) in Mechanical Engineering and a Bachelor of Science (BSc) in Mechanical Engineering.</p> <p>Prior to his appointment to the current position, Dr. Kibicho served as the Principal Secretary in the Ministry of Foreign Affairs and International Trade as well as the Ministry of Industrialization and Transport. He has also taught at Jomo Kenyatta University of Science &amp; Technology (JKUAT) where he was the chairman and senior lecturer in the department of Mechanical Engineering. In addition, Dr. (Eng) Kibicho has also served as an external examiner at the University of Dar es Salaam, a visiting lecturer at the Central University of Technology, Free State, South Africa, and a part-time lecturer at the University of Cape Town.</p> <p><b>The Alternate to the Principal Secretary is Mr. Wilson Njega.</b></p>
<p>11</p>	<p>Dr. Julius Muia, CBS</p> <p><b>Principal Secretary, The National Treasury</b></p> 	<p>Dr. Julius Muia is the Principal Secretary at The National Treasury. Prior to this, he was the Principal Secretary at the State Department for Planning – The National Treasury and Planning..</p> <p>Before his appointment as PS Planning, Dr. Muia served as the Director General, Vision 2030 Delivery Secretariat which operated under the Office of the President, Republic of Kenya to facilitate the implementation of Vision 2030. This is Kenya's long-term policy framework that is premised on making Kenya a globally competitive, rapidly industrializing and upper middle-income economy by 2030. He also served as the Secretary, National Economic and Social Council, Office of the President. Dr Julius Muia holds a degree in Accounting, Masters Degree and PhD in Finance from the same university. He is also a Certified Public Accountant (CPA-K); Certified Public Secretary (CPS-K), Associate Kenya Institute of Bankers; Associate Chartered Institute of Arbitrators; and Certified Coach. He has over 25 years' experience in leadership in the private sector in Kenya and UK and serves as a non-executive board member in several companies and a number of not-for profit organizations.</p> <p><b>The Alternate to the Cabinet Secretary is Mr. Joseph Kariuki Kimemia.</b></p>

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**




<p>12</p>	<p>AG. Paul Kihara,  <b>The Attorney General</b></p> 	<p>AG. Paul Kihara is the Attorney General of the Republic of Kenya</p> <p>Prior to his appointment he was the President of the Court of Appeal. He holds a Bachelors of Law Degree (LLB) from the University of Nairobi. He has vast experience as an advocate of the High Court having practiced Law for many years. Hon. Kihara has also served as a judge of the High Court and Court of Appeal of Kenya. He has also served in various judicial committees.</p> <p><b>The Alternate to the Attorney General is Ms. Regina Nderitu.</b></p>
<p>13</p>	<p>Mr. Hillary Nzioki Mutyambai,ndc (AU)</p> <p><b>The Inspector General of Police</b></p> 	<p>Mr. Mutyambai is the Inspector General of the National Police Service</p> <p>He is a trained police officer with a vast experience on security and intelligence matters. He has previously worked as a Superintendent of Police and the Deputy Director in charge of Counter-Terrorism in the National Intelligence Service. Mr. Mutyambai holds a bachelor degree in Information from the University of Nairobi and a Masters of Arts in National Security from Australia International University.</p> <p><b>The Alternate to the Inspector General is Mr Julius Muthama Kitili.</b></p>
<p>14</p>	<p>Mr. George Njao,MBS</p> <p><b>Director General</b></p> 	<p>Mr. Njao is the Director General and he is responsible for the implementation of the policies, programmes and objectives of the Authority. Mr. Njao has over 15 years' experience in the transport sector specifically in safety management in both private and public sector. He holds a Master's degree and a Bachelor of Science degree from Central Missouri State University, USA.</p>

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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15	<p>Mr. Lawrence Kibet</p> <p><b>Corporate Secretary</b></p> 	<p>Mr Lawrence Kibet is the corporate secretary representing Image Registrars Limited; the body corporate contracted for secretarial services. Mr. Kibet is a member of ICPSK .</p> <p>Image Registrar is not a member of the Board but a consultant engaged to provide secretarial services to the Board.</p>
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### 3. Management Team

	<b>NAME</b>	<b>POSITION</b>
1	<p>Mr. George Njao, MBS</p> 	<p><b>Director General</b></p> <p>Mr. Njao is the Director General and is responsible for the implementation of the policies, programmes and objectives of the Authority. Mr. Njao has over 15 years' experience in the transport sector specifically in safety management in both private and public sector. He holds a Master's degree and a Bachelor of Science degree from Central Missouri State University, USA.</p>
2	<p>Mr Christopher Kinyua Wanjau</p> 	<p><b>Director, Registration and Licensing</b></p> <p>Mr Wanjau is the Director Registration and Licensing thus responsible for registration and licensing of motor vehicles, regulation of public service vehicles, and oversight of training, testing and licensing of drivers in the country.</p> <p>Mr Wanjau holds two Masters in Public Administration (Moi University) and Business Administration Strategic Management (Catholic University). He also holds a BA degree in Political Science from UON and Public Administration coupled. Mr Wanjau is currently a PhD candidate in Strategic Management at Karatina University. He has done several professional, management and leadership courses and trainings including Public Administration and also Information Management System, IMIS (UK) and is a member of Institute of Management Information Systems (UK)</p>
3	<p>Eng. Gerald Wangai</p> 	<p><b>Director Motor Vehicle Inspection &amp; Safety Audits</b></p> <p>He is Director Technical Services and holds a Bachelor of Science Degree (Mechanical Engineering) from the University of Nairobi. He has vast experience spanning 28 years in the Public Service.</p>

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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4	<p>Mr.Badu Sora Katelo</p> 	<p><b>Director Corporate Support Services</b></p> <p>Mr Katelo was the Director, Corporate Support Services during the FY2021-22 and is in charge of oversight of Human resources and Administration and Finance departments. He also served as the Director Road Safety before moving to Corporate Support Services.</p> <p>He holds a Master of Arts degree from Fletcher school of Law and Diplomacy, Tufts University from the United States of America (USA) and a Bachelor of Education (Honors) in Economics and Accounting from the University of Nairobi.</p> <p>Mr. Katelo is a seasoned public servant with extensive experience in the Public Service and has previously worked with different ministries, which include Interior, Mining, East African Community, Agriculture and National Gender and Equality Commission in various capacities. He is a full member of the Kenya Association for Public Administration and Management (KAPAM).</p>
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*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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**OTHER KEY MANAGEMENT STAFF**

1	Mr. Wycliffe Wasike	Deputy Director, Finance
2	Mr. Robert Ngugi	Deputy Director, Legal Services
3	Mr. Naashon Kondiwa	Deputy Director, Information Communication Technology
4	Mr. Cosmas Ngeso	Deputy Director, Licensing
5	Ms. Margaret Kabochi	Deputy Director, Human Resource Management & Admin
6	Mr. Shem Shalakha	Deputy Director, Supply Chain Management
7	Mr. Duncan Kibogong	Deputy Director, Road Safety Strategies
8	Mr. Hared Hassan	Deputy Director, Registration -Upto January 2022
9	Mr. Wilson Tuigong	Deputy Director, Safety Compliance, Driver Training & Testing
10	Eng. Christine Ogut	Deputy Director, Safety Audits
11	Ms. Dido Guyatu	Deputy Director, Corporate Affairs & Communications
12	Ms. Miriam Njoroge	Deputy Director, Internal Audit
13	Eng. Joel Akomo Opere	Deputy Director, Motor Vehicle Inspection
14	Ms. Beatrice Olwa	Deputy Director, Corporate Strategy and Planning
15	Aden Miller	Ag. Deputy Director, Registration -February 2022-June,2022

#### **4. Chairperson's Statement**

On behalf of the NTSA Board of Directors, I am honored to present to you the Annual Report and Financial Statements of the National Transport and Safety Authority (NTSA) for the Fiscal Year ended 30<sup>th</sup> June, 2022.

##### **Operating Environment**

The Authority was established under the NTSA Act No.33 of 2012 with the main mandate of facilitating road safety on the roads in the country. The main function of the Authority is to plan, advise, implement and make recommendations on matters relating to road transport & safety.

Further, I wish to affirm the Authority's commitment to continuous improvement, policy formulation and management of road transport safety. We will focus our efforts towards implementation of the revamped strategic plan. Our new vision is to provide "efficient, reliable and safe roads in Kenya." This statement clearly spells out our aspiration and purpose of our existence as anchored on serve to the citizen of Kenya and all those who are within its borders. We do that by understanding the transport needs of the general public and offering innovative competitive products and services that meet those needs. By ensuring efficiency, safety and reliability of our road transport, we are connecting families, communities and economies to each other and those collective connections are what make this a great nation.

##### **Strategic Environment**

We are committed to working with various stakeholders in amending and formulating policies that enhance road transport & safety. The Covid-19 pandemic has posed various challenges in the general operation of various processes for many entities. It has equally presented many opportunities in growing and improving business efficiency and service delivery among them is the use of technology and reduction of human interface in service delivery. To this end, the Authority has commenced the process of revamping its Transport Integrated Management System (TIMS) to enable users and beneficiaries of NTSA services access the same from the comfort of their homes through technological advancement. The Authority, being a responsible entity has undertaken this measure as a mitigation towards the spread of the Covid-19 pandemic by hinging its operations on automation of the processes and operations. This has in effect improved service delivery and enhanced efficiency which is a key focal point.

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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In addition, we will strive to conclude the implementation of pending projects, including the 2nd generation number plates and smart driving licenses. The Authority in partnership with its development partners is also planning to expand and increase its capacity to inspect motor vehicles and to increase public awareness on road safety. This will be done through the upgrade of the Likoni Motor Vehicle Centre and making the Thika Motor Vehicle Inspection Centre as a Centre of excellence in driver testing. The Authority will also increase sensitization and awareness programs on road safety through the Usalama Barabarani.

As I conclude, I wish to remind all road users that road transport safety is not solely an NTSA affair but rather every individual's responsibility. Therefore, all road users, including pedestrians, should play a part in ensuring safe use of road infrastructure in order to reduce road carnage and save loss of innocent lives.



**Mr. Aden Noor Ali**

**BOARD CHAIRPERSON**

## **5. Report of the Director General**

It is my pleasure to present to you the National Transport and Safety Authority's (NTSA) Annual Report and Financial Statements for the year ended 30th June 2022.

During the year under review, NTSA continued with its transformation of the transport sector through automation, behaviour change and mainstreaming of road safety in line with the Authority's Strategic Plan (FY2019/20-2021/22).

### **Financial Performance:**

The Authority relies on government support through the Exchequer/ grants appropriated by Parliament through the parent Ministry as Appropriations in Aid to carry out its operations. During the year under review, additional revenue was sourced externally from development partners with support from the National Treasury in accordance with the Constitution of Kenya (2010). The main internal sources of revenue for NTSA are fees from the inspection of motor vehicles, sale of road service licenses, sale of number plates, driving test application fees, foreign motor vehicle permit and sale of PSV badges. The Authority also generates revenue directly to the Exchequer through motor vehicle registration and licensing services.

During the year ended 30th June, 2022, the Authority raised Kshs. 1.725 Million as revenue from its internal sources. This represented a 3% or Kshs.60 Million decline in comparison to the previous year's performance. A total of Kshs 489.6Million was also received as development and recurrent grant from the State Department of Interior and Coordination of National Government. In addition, The World Bank and The European Union remitted an additional Kshs. 314.8Million as grants to support The Horn of Africa Gateway Development. Project and the Usalama Barabarani Projects respectively

The Authority's main expenditure are related to road safety interventions; technical operations; maintenance of assets; procurement of specialized supplies for registration; licensing and inspection of vehicles; staff costs and other administrative operational costs. The overall cost of NTSA operations for the year under review was Kshs 2.8 Billion.

### **Operational Performance:**

Road Safety Mainstreaming is a multi-sectoral approach aimed at ensuring road safety becomes an integral part of all government programs. The overall goal is to reduce the burden and severity of Road crashes and fatalities in Kenya. NTSA implemented road safety mainstreaming as a cross-cutting Performance Contract target for all

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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Government Ministries, Departments and Agencies (MDAs) during the year. A total of 325 MDAs participated in road safety mainstreaming implementation out of which we had 24 ministries, 205 state Agencies and 96 tertiary institutions.

A total of 464,68 Motor Vehicles were Inspected during the year vis-à-vis 456,854 in the previous year representing a 16% increase. This reflected the Authority's efforts in spearheading automation are bearing fruit in light of the challenges brought about by the Covid-19 Pandemic. Further, a total of 16 Road Safety Audits were conducted and 33,118 accident Inspections were completed.

Registration of diplomatic Motor Vehicles Registration module was completed in the Authority's business system, and in the Transport Integrated Management System (TIMS) during FY 2021/22. This ensures that all diplomatic Motor vehicle registrations, re-registrations, and transfers are available online.

In Licensing of Passenger Service Vehicles (PSV's) during the year, the Authority introduced Virtual PSV badges for conductors and drivers as well as a PSV system compliance tool which automatically flags out non-compliant operators in the system. This has seen a tremendous increase in PSV compliance levels.

The traffic (Driving Schools, Driving Instructors & Driving Licence) Rules 2020 were gazetted in March 2020. Pursuant to these rules was the delinking of the Driving Test Unit from the National Police Service to NTSA and the revalidation of all driving schools and driving school Instructors. Prior to gazette of these rules, the driver test function in other regions other than Nairobi, Thika and Machakos was being undertaken by Driver Test Examiners from the National Police Service. A total of 626 schools were revalidated during the year.

In the year under review the Authority continued its focus on Automation through increasing its availability of online Services, creating a Secure and Safe ICT infrastructure, and having a Flexible innovation platform in TIMS. This entailed creating a secure and reliable Cloud based regional offices connectivity, to ensure all regional office connections have 99% services availability. The Implementation of a Network Access Control solution which ensures every single device connected to the Authority's network is known and TIMS replatforming, to deliver a flexible environment for new innovations, integrations, and new services in line with implementation of new business processes.

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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In addition to the new look TIMS system interface the Authority completed the technical implementation of the Data Recovery and Enhanced security of the Authority Data Centre. This has led to more stable services which has improved service delivery and reduced downtimes and consequently led to reduction of queues at NTSA offices due to improved availability of the services.

This was a challenging year for the Authority. The COVID-19 pandemic has transformed the way we offer services to the public which emphasizes minimal human interactions, the way PSV's operate due to social distancing and the enforcement of traffic rules on our roads. Despite these challenges, our collective efforts to reduce deaths and injuries on our roads will be approached with the same sense of urgency and commitment.

#### Summary of Achievements during the year

During the year under review, the Authority made the following milestones:

- 1) Mainstreaming of Road Safety as a key performance indicator in the National Government Performance Contract.
- 2) Launching of the European Union funded Usalama Barabarani project in all the six pilot counties of Nairobi, Makueni, Nakuru, Kericho, Kisumu and Kakamega.
- 3) Mobilization of funds from World Bank for the Horn of Africa Gateway Development Project following the signing of the Financing Agreement between the World Bank and the National Treasury.
- 4) Commencement of the replatforming of the Transport Integrated Management System to make it more user friendly and customer oriented.

Overall, the number of fatalities and injuries index increased by 5.49% with the pedal cyclist leading with an increase of 13.7%. The pedestrian road users reported the lowest increase of -32.69%. The decrease was mainly caused by reduced operations due to the impact of the Covid-19 pandemic.

The above achievements were not devoid of challenges. As previously mentioned, the Authority was equally challenged by the effects of worldwide Covid 19 pandemic which necessitated reduction in operations and focus on essential services only as was directed by the Ministry of Health. The directive also affected the enactment of legislations that were proposed by NTSA, planned stakeholder engagements, and reallocation of funds to take care of emergent expenditures. Nevertheless, we are looking forward to better performance in the following year

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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**Appreciation**

I would like to thank our clients and the Board of Directors for their support as well as the dedicated staff for their efforts in making sure that the Authority achieves its goals and objectives. I also appreciate our service providers, the national & regional Governments and all other stakeholders for their respective contributions to the Authority during the year.

I look forward to your continued support in the realization of a safe road environment.



**George Njao, EBS**  
**DIRECTOR GENERAL**

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

**6. Statement of Performance against Predetermined Objectives for FY 2021/22**

National Transport & Safety Authority has four strategic pillars and objectives within its Strategic Plan for the FY 2019/20- 2021/2022. These strategic pillars are as follows:

- 1) Pillar 1: Service Re-orientation
- 2) Pillar 2: Internal Business Processes
- 3) Pillar 3: People
- 4) Pillar 4: Financial Sustainability

The Authority develops its annual work plans based on the above four pillars and this forms the basis for the assessment of the Board's performance which is done on a quarterly basis. The performance against the targets set for the FY 2021/2022 for the four strategic pillars, is as indicated in the table below:

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Main Activities/ initiatives</b>	<b>Achievements</b>
<b>Pillar 1:</b> Service Reorientation	To reduce annual fatalities and injuries arising from road crashes by 6% and 4% respectively	Fatalities and Injuries indices	<ul style="list-style-type: none"> <li>• Develop/ review Traffic Act and related policy</li> <li>• Enhance compliance and enforcement of traffic legislations</li> <li>• Improve operations</li> <li>• Implement road safety programmes</li> <li>• Conduct research and promote innovation</li> </ul>	<ul style="list-style-type: none"> <li>• The fatality index is 12.39 per 10,000 vehicles. The injuries index is 40.66 per 10,000 vehicles.</li> <li>• Developed road safety policy guidelines for both PSV and Heavy commercial vehicles</li> <li>• Trained 210 SACCOS on the development and implementation of internal road safety policies</li> <li>• 16 road safety audits were conducted</li> <li>• 395,597 smart driving licenses were issued</li> <li>• Developed Motorcycle safety action</li> <li>• Developed Boda Boda management system</li> <li>• Licensed 10 motorcycle riding training schools</li> </ul>

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

				<ul style="list-style-type: none"> <li>inspected 609 driving schools</li> <li>inspected a total of 432001 vehicles</li> <li>Carried out a survey on drivers' perception on safety &amp; security of the Northern corridor</li> </ul>
<b>Pillar 2:</b> Internal Business Processes	To realize 100 per cent operational efficiency level	Level of efficiency	<ul style="list-style-type: none"> <li>Advance customer experience</li> <li>Leverage on Technology</li> <li>Supply chain Management</li> <li>Preventive Audit</li> <li>Strategic Planning</li> <li>Evaluate and manage risks</li> <li>Collaborate in development of standards and implement operating standards</li> </ul>	<ul style="list-style-type: none"> <li>All complaints were resolved within timelines</li> <li>All relevant information was disclosed through the Authority's website</li> <li>NTSA service charter reviewed and displayed</li> <li>Integrated TIMS to KRA and insurance integrators.</li> <li>Disaster Recovery Site completed</li> <li>A total of Kes. 92,077,690.23 was awarded to special group, and Kes. 6,590,083.24 was awarded to the PWDs</li> <li>Revised Strategic Plan was printed and distributed to staff</li> <li>Risk Management framework was developed and approved by the Board</li> </ul>
<b>Pillar 3:</b> People	To realize 80% value proposition for employees	Level of employee proposition	<ul style="list-style-type: none"> <li>Corporate change management</li> <li>Enhance staff capacity</li> <li>Improve work environment</li> </ul>	<ul style="list-style-type: none"> <li>A total of 53 interns were engaged</li> <li>A grants manager was recruited in the period</li> <li>Staff were offered CPD trainings</li> <li>Staff were sensitized on disability mainstreaming</li> <li>Staff were trained on gender mainstreaming</li> </ul>

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

<b>Pillar 4:</b> Financial Sustainability	To enhance growth in Appropriation in Aid by 20% annually	Growth in A-in A	<ul style="list-style-type: none"> <li>• Enhance A- in – A from existing and new sources</li> <li>• Mobilise resources externally</li> <li>• Ensure cost effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>• Collected Ksh. 1622.5B from internal streams</li> <li>• Absorbed 137Million from World Bank project ( East Africa trade) of externally mobilised</li> </ul>
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## **7. Corporate Governance Statement**

The Authority has adopted high standards and applies strict rules of conduct, based on the best corporate practices. As part of this commitment, the Board adheres to good corporate governance by embracing the following principles: -

- a) To observe high standards of ethical and moral behaviour;
- b) To act in the best interests of the organization,
- c) To remunerate and promote fairly and responsibly.
- d) To recognize the legitimate interests of all stakeholders; and
- e) To ensure that the organization acts as good corporate citizen.

In general, Board members shall act in the best interest of the organization and uphold their fiduciary responsibilities and duty of care. This involves not disclosing confidential information, avoiding real and perceived conflicts of interest, and favouring the interests of the organization over other interests. They will act honestly and in good faith so as to create a culture built on principles of integrity, accountability and transparency

### **Appointment and Vacation of Office**

The Chairman and the members of the Board are appointed in accordance with Section 6 (f) and (g) of the NTSA Act, 2012 through by a Gazette notice.

The office of the chairperson or a member of the Board shall however become vacant as stipulated in Section 10 of the Act and shall be executed through a Gazette notice.

### **Remuneration of the Board**

Members of the Board are paid remuneration, fees and allowances as provided for under Section 8 of the NTSA Act, 2012.

### **Board Responsibilities**

Due care is taken by the Directors in managing affairs of the Authority. In recognition of their ultimate responsibility, the Directors focal point to guide their decisions and actions is based on a foundation of good governance and on our core values which are integrity, accountability, courteous service, professionalism, stewardship and efficiency.

The Board Charter and the Mwongozo Code sets out the Directors' roles and responsibilities as summarized below:

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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- a) Formulation and approval of the Authority's vision, mission and core values and formulation & approval of the Corporate Strategy, business plan and principles of technical operations.
- b) Approval of annual budget and the financial statements.
- c) Performance and approval of risk management strategy.
- d) Approval of major restructuring.
- e) Settlement of major litigation/claims.
- f) Approval of banking/authority levels, policies, procedures and manuals.
- g) Periodic formulation and review of ICT policies, procedures, strategies and work plans.

Section 12 of the NTSA Act, 2012 stipulates that the Board shall establish such committees as it may consider necessary for the performance of its functions and the exercise of its powers under the Act. To this end, The Board has established four committees that meet regularly under well-defined terms of reference set by the Board:

They include;

- I. Finance, Human Resource & Strategy Committee,
- II. Transport & Technical Committee,
- III. Road Safety & Communication Committee and
- IV. Audit, Risk & Governance Committee.

**National Transport & Safety Authority  
Annual Report and Financial Statements for the year ended June 30, 2022.**

The following is a summary of Board membership and average attendance in each committee during the financial year ended 30th June 2022

Directors Name	Designation	Full Board/Special		Adhoc Meetings		FHS Meetings		TTC Meetings		RSC Meetings		A&RC Meetings	
		No. of Meetings Attended	No. of Meetings	No. of Meetings Attended	No. of Meetings	No. of Meetings	No. of Meetings	No. of Meetings	No. of Meetings	No. of Meetings	No. of Meetings	No. of Meetings	No. of Meetings Attended
Agnes Odhiambo	N C	15	15	12	0	13	0	0	0	0	0	11	0
Alex Mbuvi	AD(AG)	15	2	12	0	13	0	4	2	4	1	11	1
Regina Nderitu	AD(AG)	15	10	12	0	13	0	4	2	4	0	11	0
Moses Nderitu	D	15	13	12	12	13	0	4	2	4	1	11	4
Ibrahim Abdi	AD (MoTIHUD)	15	14	0	0	13	13	4	1	4	0	11	0
Joseph Kimemia	AD (NT)	15	7	12	0	13	0	4	0	4	0	11	6
Catherine Waweru	D	15	14	12	12	13	13	4	1	4	4	11	0
Alice Chesire	D	15	11	12	0	13	0	4	2	4	0	11	10
Francis Mwongo	D	15	13	12	0	13	11	4	3	4	1	11	0
Meshak Kidenda	D	15	13	12	0	13	2	4	1	4	3	11	0
Julius Kitili	AD(IG)	15	12	12	12	13	0	4	0	4	4	11	0
Wilfred Okemwa	D	15	14	12	12	13	2	4	1	4	3	11	10
Wilson Njega	AD(MICNT)	15	4	12	0	13	2	4	0	4	0	11	0
Festus Mutugi	SCAC	15	1	12	0	6	3	4	1	4	1	11	0
Mithamo Muchiri	SCAC	15	1	12	0	13	0	4	0	4	0	11	5

**Key:**

- C-Chairperson
- DG-Director General
- AD (NT)- Alternate Director to the PS National Treasury
- AD (MoTIHUD)- Alternate Director to The PS Ministry of Transport, Infrastructure, Housing, Urban Development & Public Works
- AD (MoIS&CNG)- Alternate Director to The PS Ministry of Internal Security & Coordination of National Government
- AD (AG)- Alternate Director to The Attorney General
- AD (IG)- Alternate Director to The Inspector General

**Board Committee Performance**

Details of the committees are as given below:

**Finance, Human Resource & Strategy Committee (FHS)**

Director's Name	No. of Meetings Held	No. of Meetings Attended	%Attendance
Mr. Francis Kiriinya Mwongo	13	11	85
Hon.Catherine Waweru	13	13	100
Mr.Ibrahim Abdi	13	13	100
Mr.Wilson Njega	13	2	15
Eng.Meshak Kidenda	13	2	15
Mr.Wilfred Okemwa	13	2	15

**Transport & Technical Committee (TTC)**

Director's Name	No. of Meetings Held	No. of Meetings Attended	%Attendance
Dr. Alice Chesire	4	2	50
Eng.Meshak Kidenda	4	1	25
Mr. Francis Kiriinya Mwongo	4	3	75
Mrs. Regina Nyaga	4	2	50
Mr. Alex Mbuvi	4	1	25

**Note: There was a reshuffle in membership of various committees during the financial year. Ended 30<sup>th</sup> June 2022.**

**Road Safety & Communication Committee (RCC)**

Director's Name	No. of Meetings Held	No. of Meetings Attended	%Attendance
Eng.Meshak Kidenda	4	3	75
Hon.Catherine Waweru	4	4	100
Mr.Wilfred Okemwa	4	3	75
Mr. Julius Kitili	4	4	100
Mr. Francis Kiriinya Mwongo	4	1	25
Mr. Moses Nderitu	4	1	25

**Audit & Risk Committee (ARC)**

Director's Name	No. of Meetings Held	No. of Meetings Attended	%Attendance
Mr. Wilfred Okemwa	11	10	91
Mr. Mithamo Muchiri	11	5	45
Mr. Joseph Kariuki Kimemia	11	6	55
Dr. Alice Chesire	11	10	91
Mr. Alex Mbuvi	11	1	9

## 8. Management Discussion and Analysis

### A) The Authority's Operational and Financial Performance

During the period ended 30th June, 2022, the Authority's continued with operations geared towards meeting its mandate despite the significant strides made by the National Government in mitigating the challenges occasioned by the impact of the Covid-19 pandemic. The Road Crash fatalities were as below:

#### 1) Road Crash Fatalities and Injuries

In the period ended 30th June, 2022, a total of 21,645 fatalities and injuries were recorded compared to 19,219 fatalities and injuries reported in a similar period in the FY 2020/2021 representing an increase of 12.62%

a) Table 1 Comparative Fatalities for the period ended 30th June, 2022

	FY2020-21	FY2021/2022	VAR	% VAR
FATALITIES	4,477	4,723	246	5.49
SERIOUSLY INJURED	9,418	10,148	730	7.75
SLIGHTLY INJURED	5,324	6,774	1,450	27.24
<b>TOTAL</b>	<b>19,219</b>	<b>21,645</b>	<b>2,426</b>	<b>12.62</b>

b) Table 2 Comparative Fatalities By Categories of Victims

CATEGORY OF VICTIMS	FY2020-21	FY2021/2022	VAR	% VAR
PEDESTRIANS	1,502	1,667	165	10.99
MOTOR CYCLISTS	1,275	1,285	10	0.78
PASSENGERS	697	793	96	13.77
DRIVERS	444	431	- 13	-2.93
PEDAL CYCLISTS	104	70	- 34	-32.69
PILLION PASSANGERS	455	477	22	4.84
<b>TOTAL</b>	<b>4,477</b>	<b>4,723</b>	<b>246</b>	<b>5.49</b>

## 2) Milestones

### a) Road Safety Mainstreaming in Ministries, Departments & Agencies (MDAs)

Road Safety Mainstreaming is a multi-sectoral approach geared towards ensuring that road safety becomes an integral part of all Government programmes. The overall goal is to substantially reduce the burden and severity of road crashes and fatalities in Kenya, currently estimated at annual loss is 3,000 lives and 10,000 injuries, and a corresponding equivalent loss of 5% of GDP

Following the successful entrenchment of the Road Safety Mainstreaming as a key Performance indicator for Performance Contract for Mainstreaming in Ministries, Departments & Agencies (MDAs). Road Safety Mainstreaming is a multi-sectoral approach aimed at ensuring road safety becomes an integral part of all Government programmes. The overall goal is to substantially reduce the burden and severity of road crashes and fatalities in Kenya.

During the period under review, the Authority undertook the following activities towards ensuring compliance with this thematic area;

- i. Vetting of planned road safety activities in MDAs Performance Contracts;
- ii. Training for members of Road Safety Units/Committees/Champions formed by MDAs as per the road safety policy guidelines;
- iii. Majority of MDAs are implementing their planned road safety activities as agreed in their signed Performance Contracts;
- iv. Monitor and evaluate performance through the quarterly reports from MDAs.

### b) Safety Compliance

The Authority continued with the Traffic Violations and speed monitoring to enhance compliance and improve road safety in the Kenya roads. In this regard, several transport operators were summoned to explain the cause of breach and violation of various regulations.

### c) Driver Training and Testing

The Authority is responsible for testing of eligible drivers through the driver examiners spread across the country. During the period ended 30<sup>th</sup> June,2022, the Authority tested 93,916 drivers trainees with an estimated 81% of the trainees passing the test.

**Table 3. Number of licenses Issued during the period commencing 1<sup>st</sup> July 2021 to 30<sup>th</sup> June,2022**

S/No.	Period	Total Drivers Examined	Successful Drivers (Pass)	Unsuccessful Drivers (Fail)	%Pass Rate
1	July 2021	17,176	13,859	3,317	81
2	August 2021	18,340	14,578	3,762	79
3	September 2021	17,100	13,680	3,420	80
4	October 2021	14,627	12,042	2,585	82
5	November,2021	13,813	10,954	2,859	79
6	December 2021	12,860	10,912	1,948	85
7	January,2022	10,541	8,982	1,559	85

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

8	February,2022	6,343	5,348	995	84
9	March,2022	0	0	0	0
10	April,2022	0	0	0	0
11	May,2022	18,518	15,701	2,817	85
12	June,2022	30,200	25,071	4,968	83
	<b>Total</b>	<b>159,518</b>	<b>131,127</b>	<b>28,230</b>	

**Status of Implementation of Traffic (Driving Schools, Driving Instructors and Driving License) Rules, 2020**

Following the petition lodged in court by the Kenya Driving School Association claiming that The Traffic (Driving Schools, Driving Instructors and Driving Licenses) Rules, 2020 were enacted in violation of certain Articles of the Constitution and sections of the Statutory Instruments Act. 2013 and is inconsistent with the Traffic (Amendment) Act. 403, 2012, Sections 3(1), 3(2) and 3(3); and 73 and therefore void. A court order was issued on 28th January 2022 that stayed and suspended the Rules pending consideration by the two houses of parliament.

Based on internal legal advisory, the Authority immediately stopped offering the following services:

- a) Registration and renewal of Driving School licenses
- b) PDL Booking
- c) Issue of driver instructor licenses and renewal
- d) Driver testing
- e) Any other associated services issued under the Rules except the issuance of driving licenses as this is provided for in the Traffic Act.

Further, the Authority through the ICT department disabled the services on the 13th February, 2013 and has since appeared before Parliamentary Committee on Delegated Legislation twice, on 3rd and 17th March, 2022 in an effort to address the impasse. Moreover, efforts have also been made to engage the Senate committee on the same and an initial scheduled engagement was postponed. Arrangements are in progress to Fasttrack the same.

It is worth noting that the Authority has since received a letter dated 24th March 2022 from the Parliamentary Committee on Delegated Legislation communicating the resolution of the committee. The letter contains a directive to the Authority to open the Driving Schools Portal and the same is being analysed internally through the legal department before an appropriate action is taken.

**d) Training of Driving Instructors**

The training of new driving school instructors commenced on the 1st July, 2021 in order to meet the demand in the country and a total of one hundred and twenty (120) instructors were registered. The second cohort of instructors sat their exams in January, 2022.

**e) Licensing of Driving Schools**

There are one thousand and thirteen (1,013) registered driving schools and branches in the country which have undergone through the revalidation process as required by the Traffic (Driving Schools, Driving Instructors and Driving Licenses) Rules, 2020. Following the suspension of the Traffic (Driving Schools, Driving Instructors and Driving Licences) Rules, 2020 by the Nairobi High Court petition No. E251 of 2020 on 27th January 2022, the Authority halted the driving school licence renewal/revalidation services in compliance with the court order which suspended the Traffic (Driving Schools, Driving Instructors and Driving Licenses) Rules, 2020 with effect from 13<sup>th</sup> February, 2022.

**f) Driving Schools Quality assurance checks**

The department undertook period two quality assurance checks on seventy-five driving schools (75) across the country. The findings of the assurance checks indicated that sixty-nine driving schools were compliant and recommended the schools to continue training. The remaining six schools were found to have violated some provisions of the Traffic (Driving Schools Driving Instructors and Driving Licences) Rules, 2020.

The Authority was however unable to perform quality assurance checks in the quarter ended 30<sup>th</sup> June 2022 following the suspension of the Traffic (Driving Schools, Driving Instructors and Driving Licences) Rules, 2020 by the Nairobi High Court petition No. E251 of 2020 on 27<sup>th</sup> January, 2022.

**g) Stakeholders' engagement**

The following stakeholder engagements were undertaken in the 9months period ended 30<sup>th</sup> June 2022 been done;

- i. The Authority entered into a partnership with VIVO Energy on the children safety campaign. Under the slogan; **Look Out Tuvuke Salama Children Road safety campaign**. The campaign which commenced in Nairobi, Nyeri, Embu, Nakuru and Kericho has been extended to other regions including Mombasa, Machakos, Makueni, Kiambu and Kirinyaga.
- ii. A stakeholder meeting with proposed new instructor training TIVETs was held on 10<sup>th</sup> November,2021 in order to accredit more training institutions.
- iii. There was a stakeholder meeting between NYS and the Authority held on 16<sup>th</sup> November,2021 on implementation of the National Boda Boda training program
- iv. Driving schools' virtual stakeholders engagement meeting was held on 16<sup>th</sup> December,2021 which discussed amongst other issues on enhancing road transport safety in the country

There was also a consultative meeting with driving schools on sixteen (16) contentious issues following a Parliamentary Committee on Delegated Legislation findings held on 21<sup>st</sup> March, 2022 at NTSA headquarters ground floor board room on the Traffic (Driving Schools, Driving Instructors, Driving License) Rules, 2020.

**h) World Day of Remembrance of Road Traffic Crash Victims (WDoR) 2021**

The World Day of Remembrance for Road Crash Victims (WDoR) was commemorated on 21<sup>st</sup> November 2021 in all our regions.

WDoR is observed worldwide on every 3rd Sunday in November. This is a day set aside by the UN General Assembly to remember the many millions of people killed and injured in road crashes. It is an

opportunity to increase public awareness on the road safety challenge and encourage safe road user behavior.

This year's theme was "Act for Low Speeds/Act for Low Speed".

Key activities included:

- 1) Speed check clinics along major highways
- 2) Public sensitization on road safety
- 3) Cycling activities and walks
- 4) Prayers and donations of assistive devices to victims

#### **i) European Union Usalama Barabarani Project**

The overall objective of the European Union Usalama Barabarani grant is to contribute towards enhancing road traffic safety in Kenya through road safety programmes and projects that will see a reduction in the number of fatalities per inhabitant due to road traffic crashes by 15%.

#### **Summary of Overall Project Performance:**

The project is in the second year of implementation and activities undertaken during the period under review were targeted towards the achievement and performance of outputs, outcomes, and impacts.

During the period under review the budget performance was 65% for both counterpart funding and foreign grants. The cumulative performance to date is 41% where foreign grants stood at 49% whereas counterpart funding was 7%.

During the period under review, the project undertook various media campaigns aimed at educating and creating public awareness on road safety. The campaigns included radio, TV and digital campaigns over different periods during the Financial Year such as the festive and back to school periods. Various sensitization workshops targeting vulnerable groups such as school children and motorcyclists were also undertaken in the six pilot counties under the project.

The procurement process for various consultancies under the project was also initiated during the period and are ongoing with a view to onboarding most of the consultants during the first quarter of the next Financial Year.

Five road safety audits were also conducted during the period under review. The reports were also finalized and submitted to the respective road agencies for corrective action with an aim to reduce road fatalities and crashes.

The absorption rate for the project was 1% for FY 2019/20, 64% for the FY 2020/21 and 21% for the FY 2021/22.

**Project Implementation Challenges**

- (i) Delayed approval of the project addendum that changed the mode of implementation of the project. This meant that the consultancies under the project could not commence until the addendum was fully approved and signed.

**Way Forward**

- (i) Ensure project is adequately provided for in the Budget through early engagement with the State Department for Interior and The National Treasury.

**Summary of Project Compliance:**

In the period under review there were no cases of non-compliance with applicable laws and regulations, and essential external financing agreements/covenants,

**Progress on attainment of Strategic development objectives**

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

Project	Objective	Outcome	Indicator	Performance
Safe Roads/Usalama Barabarani	contribute to strengthen the National Transport and Safety Authority in implementing policies related to road safety and ensuring the provision of safe, reliable and efficient road transport.	Improved capacity of the NTSA staff as a solid foundation for sustainable Road Transport system in Kenya	% of trained staff	During the FY no staff were trained.  The procurement process for the consultancy to carry out the skills gap analysis and training needs assessment commenced during the last quarter of the FY.

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

Project	Objective	Outcome	Indicator	Performance
		Enhanced operations of County Transport and Safety Committees (CTSCs) in the 6 pilot counties	% progress of equipping CTSCs	In the FY 2021/22 furniture to support the pilot counties was procured
			No. of draft County Road Safety Action Plans completed	4 draft CRSAPs complete.
		Increased public education and awareness on road safety	% of school curriculum on road safety developed	Approval on direct award to KICD issued by development partner and procurement process is ongoing.
			No. of road safety campaigns conducted	Three main campaigns were conducted during the FY.
			No of sensitization workshops held	6 workshops held in the pilot counties
		Improved driver training and testing	% completion of automation for driver testing and training	Procurement process initiated during the FY. Target to be implemented in the next FY

*National Transport & Safety Authority  
Annual Report and Financial Statements  
for the year ended June 30, 2022.*

Project	Objective	Outcome	Indicator	Performance
		Road safety audits and road safety improvement programmes	No. of road safety audits conducted	During the FY five RSAs were conducted.

**Sensitization/Launch Events**



*The Director General NTSA, Senator Johnson Sakaja and the EU Deputy Ambassador Katrin Hagemann during the Nairobi sensitization event and launch at the Children's Park on 9th December*



*Kakamega County, Kakoyi Primary school school children sensitization and distribution of safety materials on 16<sup>th</sup> November 2021.*

*Bodaboda sensitization in Kakamega 16<sup>th</sup> November 2021*



*Demonstration by NTSA Director Christopher Wanjau on children safety and crossing on 16<sup>th</sup> Nov., 2021.*      *Lions primary School Nakuru County sensitization on 16<sup>th</sup> November 2021*

### **j.) World Bank Horn of Africa Gateway Development Project**

The strategic goal of the project is to strengthen the Institutional Capacities of National Transport and Safety Authority (NTSA)

The project management aims to achieve the Strategic goals through the following means:

- (i) Upgrading and reconfiguration of the Transport Integrated Management System (TIMS)
- (ii) Automation of motor vehicle inspection centers and a driving school.
- (iii) Carrying out research on road safety management (safe systems approach) to establish baseline data on road safety performance indicators in Kenya.
- (iv) Strengthening of NTSA management information systems and building NTSA's institutional capacity in monitoring, evaluation, and learning.
- (v) Enhancing NTSA capacity in: carrying out road safety audits, evaluation of road designs, identification of hazardous locations based on crash data, recommending remedial measures appropriate for hazards, and post audit evaluation of hazardous locations; (ii) facilitating NTSA contribution in harmonization of safety regulations among similar agencies in East Africa and Horn of Africa and in development of specific road safety rules and regulations for transit traffic within the region and specifically for the transport of hazardous materials on regional road corridors; and (iii) undertaking public sensitization and awareness on road safety matters and design of improved protocols/guidelines for emergency response.

The project was formed to intervene in the following areas:

- (i) Enhancing an Efficient Road Management System and Road User Behaviour. This will be achieved by:
  - a) Enhancing an efficient Road Data Management system through implementation of Smart Road Project for an Integrated Smart Road System.
  - b) Implementation of a reliable and secure ICT infrastructure for efficient service delivery.

- c) Research, Policy Formulation and Reporting.
  - d) Capacity Building, Partnership Development, Monitoring and Evaluation.
  - e) Regional Benchmarking and Pilot data collection for the Africa Road Safety Observatory.
  - (ii) Enhancing an Efficient and Safer Vehicles Management System. This will be achieved by:
    - a) Automation of Motor Vehicle Inspection Centres
  - (iii) Enhancing an Efficient, Safer Roads and Mobility. This will be achieved by:
    - a) Conducting Road Safety Audits
  - (iv) Enhancing and Efficient Post-Crash Response system. This will be achieved by:
    - a) Design of improved protocols, guidelines for emergency response, implementation of improved emergency coordination system.
    - b) Training for emergency response personnel.
- Acquisition of equipment to facilitate the work of road crash emergency personnel from Mandera, Isiolo, Wajir & Meru Counties.

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

##### **Summary of Overall Project Performance:**

- i) The Project activities are in various stages of implementation. There are some which are yet to commence, others are in procurement process while others are nearing completion. Specific status is as detailed under *Statement of Performance against Project's Predetermined Objectives (Number 2. Of Table of Contents)*
- ii) The value-for-money has been achieved through the activities that have been carried out so far
- iii) The absorption rate for the current Financial Year was 58% against 6.3% in FY 2020/21
- iv) Implementation challenges includes interdependency of various activities whereby a challenge that leads to delay of the activity will result in delay of another activity(s)

##### **Summary of Project Compliance:**

No issues of non-compliance has been encountered so far.

#### **k.) The National Technical Stakeholders Conference on Improving Road Transport Safety**

The National Technical Stakeholders Conference on Improving Road Transport Safety in Kenya is a conference that was held from 7th June 2022 to 9th June 2022 in Mombasa. The conference was a joint venture between the National Transport and Safety Authority (NTSA) and the Kenya Roads Board (KRB). The objective of this conference was to bring together multi-sectoral stakeholders in road transport and safety

to deliberate and enhance on partnerships in road safety. The conference brought together 300 stakeholders consisting of duty bearers, experts in road safety from different Government Agencies, international agencies, civil society organizations, donors and the private sector to achieve Road Safety.

Road transport system is the most patronized mode of transport in our country, and its role on our country's socio-economic development cannot be over-emphasized. However, road safety remains a serious challenge to our country in spite of the Country's continued effort to develop this infrastructure. Over 3,000 people die annually as a result of road crashes in Kenya, with a corresponding economic cost estimated at 3.5% of the GDP per year or Kshs.300 Billion. This is a huge loss to the country. Human behaviour - inappropriate speed accounts for over 80% of the road deaths in Kenya. This is further compounded by reckless driving, mechanical and environmental related road traffic challenges. This calls for a concerted, sustainable and multidisciplinary response to address this challenge. All stakeholders both Government and Non-Governmental organizations need to collaborate in development and implementation of actions towards improving road safety in the country. This Conference provides us a unique opportunity and a position to generate strategies that will improve road safety in our country. The focus of the Conference was targeted to accelerate implementation of the 2nd UN Decade of Action Plan 2021-2030, which we have domesticated in our National Road Safety Action Plan 2021-2025.

### **Objectives of the Conference**

- a) To discuss and adopt the multi-sectoral collaboration and partnership framework across government agencies, international agencies, development partners and the private sector to achieve sustainable road Safety
- b) To deliberate on emerging policy options at national and county levels to with a view of recommendations of adoption (e.g. 30 km/h speed limits in urban areas, road safety audits etc.)
- c) To identify proven road safety measures and accelerate actions on to save lives.
- d) To identify and discuss road safety funding/financing mechanisms to ensure sustainable road safety programs.

### **3) Challenges facing Road Safety**

#### **(a) Low levels of Road Safety Awareness**

- Fairly Low levels of Road Safety Awareness amongst road users especially pedestrians and motor cyclists in Kenya. This is demonstrated by careless behavior on the road, drunk driving, speeding, jay walking etc. This is also demonstrated by increase in motor cyclists and commercial vehicles involved in crashes.

**(b) Road engineering challenges (Development and Maintenance of Safer Roads)**

- Poor facilities for pedestrians, non-motorized & intermediate means of transport this can be indicated by the increase in pedestrians' deaths this year
- There are many crashes occurring on high-speed rehabilitated roads because of lack of consideration for infrastructure for safe pedestrian crossings are not provided as part of road of road infrastructure. This is based on the number of crashes that occur in Nairobi County.

**(c) Additional Driver Test Examiners**

The Directorate of Road Safety has fully delinked all the fourteen (14) driver test units across the country and are currently managed by NTSA driver test examiners.

The number of new driver trainees seeking testing continues to increase as driving skills has been identified as a key competence among the job seekers at all levels.

The table below shows the driver testing statistics during the FY 2021/2022

**Table 3. Driver Test Statistics for the period commencing 1<sup>st</sup> July 2021 to 30th June 2022**

S/No	Month	Total	Pass	Fail	% Pass Rate
1	July 2021	17,176	13,859	3,317	81
2	August,2021	18,340	14,578	3,762	79
3	September,2021	17,100	13,680	3,420	80
4	October,2021	14,627	12,042	2,585	82
5	November 2021	13,813	10,954	2,859	79
6	December 2021	12,860	10,912	1,948	85
7	January 2022	10,541	8,982	1,559	85
8	February 2022	6,343	5,348	995	84
9	March 2022	0	0	0	0
10	April 2022	0	0	0	0
11	May 2022	18,518	15,701	2,817	85
12	June, 2022	30,039	25,071	4,968	83
	<b>Totals</b>	<b>159,357</b>	<b>131,127</b>	<b>28,230</b>	

**4) Registration & Licensing**

During the period ended 30<sup>th</sup> June,2022, the Authority undertook the following activities with respect to Licensing:

**Table 4. Number of licenses Issued during the period commencing 1<sup>st</sup> July 2021 to 30th June 2022**

S/No	License Type	No, Issued
1	PSV Badges	100,994

**Table 5. Number of PSV Drivers, Conductors, Taxi, Tour & Institution Driver approved during the period commencing 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022**

Period	PSV Drivers	Conductors	Taxi Drivers	Tour Drivers	Institution Drivers	TOTAL
July 2021	2,766	979	1952	296	537	6,530
August 2021	4,221	1580	2370	381	638	9,190
September 2021	4,421	1787	2602	385	724	9,919
October 2021	4,371	1,652	2,138	252	686	9,099
November,2021	5,613	1,885	2,448	286	932	11,164
December 2021	3,902	1,141	2,000	235	752	8,030
January, 2022	4,220	1,455	2,468	130	1,093	9,366
February 2022	3,840	1,619	2,205	199	1,001	8,864
March 2022	3,986	1,578	2,366	253	892	9,075
April,2022	2,254	1,001	1,493	161	740	5,649
May,2022	2,818	1,135	1,935	191	906	6,985
June 2022	2,818	985	2169	289	862	7,123
<b>Total</b>	<b>45,230</b>	<b>16,797</b>	<b>26,146</b>	<b>3,058</b>	<b>9,763</b>	<b>100,994</b>

During the period ended 30<sup>th</sup> June,2022 the Authority also approved 100,994 drivers and conductors in various categories as analyzed in the table above.

## **B) COMPLIANCE WITH STATUTORY REQUIREMENTS**

During the period ended 30<sup>th</sup> June,2022 under review, there was no major non-compliance issue that may expose the Authority to potential contingent liabilities.

## **C) KEY PROJECTS/INVESTMENT DECISIONS THE AUTHORITY IS IMPLEMENTING**

### **Smart Driving License Project**

During period ended 30<sup>th</sup> June,2022, the Authority continued with efforts towards the migration of drivers' licenses from the manual hard copy to the Smart Card Driving License. As a result, the Authority facilitated the generation of Kshs 758Million (cumulative Kshs.2,768.3Million since inception) exchequer revenue which was essential in financing key government programmes. To this end, a total of 311,511cards were issued as summarized below:

**Table 5. Monthly Summary of Smart Driving Licenses Issued in the period commencing 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022**

<b>Smart DL Report for the Period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June, 2022</b>		
<b>S/No.</b>	<b>Month</b>	<b>No. of Applications</b>
1.	July,2021	32,367
2.	August,2021	30,594
3.	September,2021	27,099
4.	October,2021	24,037
5.	November,2021	30691
6.	December,2021	22,793
7.	January,2022	26,965
8.	February,2022	24,933
9.	March,2022	26,717
10	April,2022	16,041
11	May,2022	21,079
12	June,2022	28,195
<b>TOTAL</b>		<b>311,511</b>

## **5. Motor Vehicle inspection and Safety Audits**

The Authority continued carrying out motor vehicle inspection in accordance with the NTSA Act,2012 in the period ended 30<sup>th</sup> June,2022. In effect, a total of 464,581 vehicles were inspected.

## **6. Revenue Performance**

During the period ended 30<sup>th</sup> June,2022 under review, the Authority generated a total of Kshs. 1,725Million as Appropriation in Aid (AIA) against a budget estimate for the for the period of Kshs. 2,010Million representing a shortfall of Kshs 285Million or 14% Included in the AIA revenue was Kshs.21Million consisting of Kshs.20Million from Kenya Roads Board and Kshs.500,000 each from the Kenya National Highway Authority & Kenya Urban Roads Authority as financial support towards the Road Safety Stakeholders conference held in Mombasa in June 2022.

The Authority was also able to generate Kshs3,325.4Million as Exchequer revenue through the various services it rendered. The government on the other hand remitted Kshs.425Million as GoK Grant comprising of Kshs 325Million as recurrent and Kshs.100Million for development grant. The development partners remitted a total of Kshs. 314Million consisting of Kshs. 128Million for European Union Usalama Barabarani and Kshs186Million for the World bank Horn of Africa Gateway development Project.

#### **D) Major Risks facing the Authority**

The Authority's activities exposes it to a variety of financial risks including credit and liquidity risks. Risk management is carried out by the management under policies approved by the Board of Directors. Management identifies, evaluates and where appropriate, hedges financial risks.

##### **i) Credit Risk**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Authority.

The credit risk on bank balances and short-term deposits is limited because the counterparties are banks with high credit ratings assigned by the banking regulatory authority. The Authority was not exposed to any credit risks during the period ended 30<sup>th</sup> June,2022.

##### **ii) Liquidity Risk**

Liquidity risk is the risk that the Authority will encounter difficulty in meeting obligations associated with financial liabilities. The board has developed a risk management framework for the management of the Authority's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due. The Authority manages liquidity risk by continuously reviewing forecasts and actual cash flows.

#### **E) Material arrears in Statutory/Financial Obligations**

The Authority has no material arrears in statutory/financial obligations such as loan default, tax default, outstanding staff and pension obligations/actuarial deficit on pension schemes, non-payment of dividends and loan redemption to the National Exchequer.

#### **F) The Authority's Financial Probity and Serious Governance Issues**

There are no any major financial improbity that has been reported by internal audit/Board audit committee, external auditors. There is also no other serious governance issues among the Board or member of the Board and top management including conflict of interest.

### **9. Environmental and Sustainability Reporting**

National Transport & Safety Authority 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 organisation's policies and activities that promote sustainability.

To enhance environmental sustainability, the Authority has undertaken greater measures in automation of its processes to mitigate against environmental degradation.

**i) Sustainability strategy and profile**

The Authority has put in place a robust strategic plan with key focal pillars geared towards achievement of its mandate and set up programmes that will facilitate sustainability along various thematical areas including finance. Over time, the plan has enabled the Authority to get into strategic partnership with various stakeholder to actualize its sustainability. This includes development partners various player in both the transport and security sectors.

Most programmes currently being undertaken by the Authority are hinged on this strategic plan. However cognisant of the dynamic and changing trends, a review of the Strategic Plan has been initiated to align it to the current situation. The Authority is optimistic that these changes and review will go a long way in transforming the Authority and the safety in roads across the whole country.

**ii) Environmental performance**

The Authority is a responsible entity and is committed to ensuring a safe and clean environment devoid of all forms of pollution. During the period ended 30<sup>th</sup> June 2022, the Authority undertook a tree planting exercise in selected regional offices and regions to promote tree planting and inculcate the culture of afforestation among its key player commonly known as Public Service vehicle.

To address reduction of carbon emission by unroadworthy vehicles, the Authority with support from key development partners which include the World bank and the European Union has commenced and partially rolled out within its inspection centres, a component of assessing the level of carbon emission for vehicles under inspection. It is anticipated that as this initiative will go along way in mitigating the air pollution and in effect contribute to environmental preservation and sustainability.

**iii) Employee Welfare**

The Authority's hiring process is guided by the Human Resource Policies & Procedure manual which in itself is aligned to the Public Service Polices and Employment Act,2007. Moreover, the Authority has in place the Gender & Disability Mainstreaming policies and committees which is used to promote affirmative action on matters Gender and disability in recruitment.

Members of staff are eligible and are in fact trained as part of career progression and capacity building. The Authority has put in place a Career Progression Manual which informs actions taken under the staff progression and rewards system. Further, appraisals are done semi-annual and the same has continuously been used as basis for promotion.

As a matter of compliance, the Authority has in place a fully trained committee to deal with matters occupational safety & health at the workplace in accordance with the Occupational Safety and Health Act of 2007, (OSHA.)

**iv) Market place practices-**

The organisation should outline its efforts to:

**a) Responsible competition practice.**

The Authority being a regulatory institution infers its functions and mandate from the legal instrument that forms it and as such does not engage in any form of competition.

**b) Responsible Supply chain and supplier relations**

The Authority is compliant and cognisant of the aspirations of the Public Procurement & Disposals Act, Regulations and requirements. To this end, the Authority endeavoured to enhance the Access to Government Procurement Opportunities (AGPO) through affirmative action and awarded several tenders and supply contracts to this category of suppliers.

**c) Responsible marketing and advertisement**

The Authority is responsible for promoting safety and safety driving on the roads. The Authority ensured to promote behavioural changes through targeted publicity and advertising through all major media platform including social media.

**d) Product stewardship**

To safeguard consumer rights and interests, the Authority has set up virtual desk through which all her customer needs and concerns can be addressed. Owing to the huge number of customers served by the Authority, efforts have been made to reach out to customers concerns through available channels. The Department of Corporate Communication has been put in place to ensure customer needs are attended to appropriately.

**e) Corporate Social Responsibility / Community Engagements**

Corporate Social Responsibility (CSR) is the integration of social and environmental concerns in the Authority's operations. It comprises of voluntary activities undertaken by NTSA to operate in an economic, social, and environmentally sustainable manner.

During the financial year 2021/2022 in line with the Performance Contract target, the Authority undertook tree planting as its CSR initiative to promote environmental conservation.

The exercise was undertaken in Nairobi area and other NTSA regional offices with the involvement of members of staff, clients, and various stakeholders. The Authority kicked off the exercise in the second quarter of the year targeting the rainy season and covered the Likoni Road Motor Vehicle Inspection centre in Nairobi, Mombasa, Kericho and Machakos Counties. In support of the initiative, some of the stakeholders who participated in the exercise were, the Tana Athi River Development Authority (TARDA) and Kenya Forest Service (KFS).

Additionally, during the Third Quarter of the year under review, the Authority planted trees at the site for the upcoming NTSA Centre of Excellence that will host motor vehicle inspection and driver testing services. Stakeholders who participated in the exercise included representatives from the Kiambu County Government, National Police Service (NPS) and Kenya Forestry Service (KFS).





## **10. Report of the Directors**

The Directors submit their report together with the unaudited financial statements for the year ended June 30, 2022, which show the state of the Authority's affairs.

### **i) Principal activities**

The principal activities of the National Transport and Safety Authority (NTSA) whose functions as outlined under Section 4 of the Act are:

- (i) Advise and make recommendations on matters relating to road transport and safety;
- (ii) Implement policies relating to road transport and safety;
- (iii) Plan, manage and regulate the road transport sector in accordance with the provisions of the Act;
- (iv) Ensure the provision of safe, reliable and efficient road transport service; and
- (v) Administer the Act of Parliament set out in the First Schedule and any other written law

### **ii) Results**

The results of the Authority for the year ended June 30, 2022, are set out on page 1-8

### **iii) Directors**

The members of the Board of Directors who served during the year are shown on page vii-xii. During the year 2021-2022 one director retired and the rest were reappointed with effect from 4th February 2022 with two new members were appointed with effect from May 2022..

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

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**iv) Surplus Remission**

During the year FY 2020-2021, the Authority did report a surplus of Kshs Nil as and hence no remittance was made to the Consolidated Fund.

**v) Auditors**

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

By Order of the Board

.....  

**Name**

**Corporate Secretary**



## **11. Statement of Directors Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and Section 51 of the National Transport and Safety Act, 2012 require the Directors to prepare financial statements in respect of the Authority, which give a true and fair view of the state of affairs of the Authority at the end of the financial year/period and the operating results of the Authority for that year ended June 30, 2022. The Directors are also required to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy the financial position of the Authority. The Directors are also responsible for safeguarding the assets of the Authority.

The Directors are responsible for the preparation and presentation of the *Entity's* financial statements, which give a true and fair view of the state of affairs of the Authority for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Authority; (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 Authority; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Authority's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and The National Transport & Safety Authority Act, 2012. The Directors are of the opinion that the Authority's financial statements give a true and fair view of the state of Authority's transactions during the financial year ended June 30, 2022, and of the Authority's financial position as at that date.

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

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

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

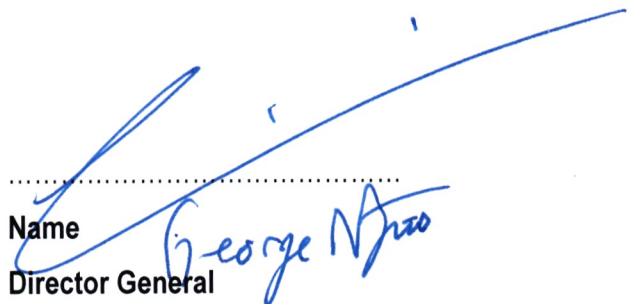
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**Approval of the financial statements**

The Authority's financial statements were approved by the Board on 29th Sept: 2022 and signed on its behalf by:



.....  
Name Aden Nour Ali  
Chairperson of the Board



.....  
Name George Njoo  
Director General

# REPUBLIC OF KENYA

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*Enhancing Accountability*

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## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL TRANSPORT AND SAFETY AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2022**

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### **PREAMBLE**

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Transport and Safety Authority set out on pages 1 to 34, which comprise of the statement of financial position

as at 30 June, 2022 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.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Transport and Safety Authority as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

## **Basis for Qualified Opinion**

### **1. Non-Maintenance of Retentions Payable Bank Account**

As disclosed in Note 18(ii) of the financial statements, the statement of financial position reflects Kshs.44,533,933 in respect of retentions payable. However, Management did not maintain a separate bank account to cater for payment of retentions at the end of the defects-liability period.

In the circumstances, the contractual obligations on the payable amount of Kshs.44,533,933 could not be confirmed.

### **2. Unexplained Reduction in E-Sticker Fees**

Note 7 (i) to the financial statements show that there was a notable decrease in revenue from sale of sticker from Kshs.112,666,100 collected in the year 2020/2021 to Kshs.56,232,450 collected in 2021/2022 representing 50% decrease. Although Management has explained that there was a possibility that some of the revenue earned may have been remitted to the exchequer account instead of the Authority's account and that the Management has escalated the matter to The National Treasury for further analysis and ascertainment of the actual amount involved, no evidence has been provided to show that there was communication between the Authority and The National Treasury or explanation relating to the drop in revenue.

In the circumstances, the accuracy and completeness of E-sticker fees amounting to Kshs.56,232,450 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Transport and Safety Authority Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

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

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under 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, the Management had not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board template.

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance on whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities which 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 matter described in the basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **Audit Committee and Internal Audit Function**

As reported in the previous year, the Authority does not have an approved internal audit charter despite existence of an Audit Committee of the Board and a functional Internal Audit unit. Although the Internal Audit Charter together with Audit Committee Charter, Internal Audit Manual and Standard Operating Procedures were presented to the Audit Committee through MIN.229/NTSAAC/2022 for review and onward approval, the same were not approved.

In the circumstances, risk management processes and governance checks might not have been adequately addressed during the year.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, 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 the Board of Directors**

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 control as Management determines is necessary to enable the preparation of financial statements which are free from material misstatement, whether due to fraud or error, and for assessment of the effectiveness of the internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Authority's ability to sustain its services, disclosing as applicable matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Authority or to cease operations.

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

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

The Board of Directors is responsible for overseeing the Authority's financial reporting process, reviewing the effectiveness of how the 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 overall

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control which might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level, the risk that misstatements caused by error or fraud in amounts which would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence which is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions which may cast significant doubt on the Authority's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Authority to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner which achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Authority to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

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

**Nairobi**

**28 March, 2023**

**National Transport & Safety Authority**  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

**13. Statement of Financial Performance for the year ended 30 June 2022**

	Note	2021-2022	2020-2021
<b>Revenue from Non-Exchange Transactions</b>		<b>Kshs</b>	<b>Kshs</b>
Transfers from Ministry - Grants and other Authorities	6	324,600,000	213,000,000
WB-HOGDP-Grant Transferred through the State Dept. of Interior & Coordination of National Government	6(ii)	2,576,188	-
EU Grant Transferred through the State Dept. of Interior & Coordination of National Government	6(ii)	62,377,537	14,309,975
		<b>389,553,725</b>	<b>227,309,975</b>
<b>Revenue from Exchange Transactions</b>			
Rendering of services	7 (i)	1,724,688,063	1,785,011,841
		<b>1,724,688,063</b>	<b>1,785,011,841</b>
Receipts for Smart Driving License Expense	7 (ii)	-	55,011,348
		-	<b>55,011,348</b>
<b>TOTAL REVENUE</b>		<b>2,114,241,788</b>	<b>2,067,333,164</b>
<b>Expenses</b>			
Use of Goods & Services	8	251,913,036	182,014,250
Employee Costs	9(ii)	1,159,775,786	1,087,249,344
Depreciation & Amortization expense	10	424,320,003	278,278,011
Repairs & Maintenance	11	23,822,309	69,812,655
Donor Funded Usalama Barabarani Expenses	12	62,377,537	14,309,975
Donor Funded HOAGDP Expenses	12	2,576,188	-
General Expenses (Operating Expense)	13(i)	920,739,213	980,320,631
Remuneration of Directors (Board Expenses)	14	35,642,712	21,178,452
<b>TOTAL EXPENSES</b>		<b>2,881,166,784</b>	<b>2,633,163,318</b>
Surplus/(deficit) for the period		(766,924,997)	(565,830,154)
Balance as at 1st July 2021		(1,024,390,453)	(458,560,299)
Less: Adjustment for Revenue Receivable from Exchange Transactions		(32,469,685)	-
<b>Balance as at 30th June 2022</b>		<b>(1,823,785,135)</b>	<b>(1,024,390,453)</b>

National Transport & Safety Authority  
**Annual Report and Financial Statements**  
for the year ended June 30, 2022.

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The notes set out on pages 9 to 32 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 8 were signed on behalf of the Board of Directors by:

Director General

Name:

Date

*George Afari*

Head of Finance

Name

ICPAK Member Number:

Date

*Wycliffe Wasike*

*WYCLIFFE  
WASIKE*

*4267*

*6<sup>th</sup> March 2023*

Chairperson of the Board

Name:

Date

*Aden Nasir Ali*

*Aden Nasir Ali*

*6/03/2023*

**National Transport & Safety Authority**  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

**14 Statement of Financial Position as at 30 June 2022**

<b>ASSETS</b>	<b>Note</b>	<b>2021-2022</b>	<b>2020-2021</b>
<b>Current Assets</b>		<b>Kshs</b>	<b>Kshs</b>
Cash and Cash Equivalents	15	168,536,574	155,693,272
Receivables from Exchange Transactions	16	19,123,710	97,815,326
Deposits	17	26,674,315	26,174,315
Prepayments & Advances	19	38,138,828	26,267,623
Inventory	20	400,111,709	457,499,791
Staff Debtors	21	7,747,922	2,602,130
		<b>660,333,058</b>	<b>766,052,457</b>
<b>Non Current Assets</b>			
Property, Plant and equipment	22	1,030,124,535	1,083,123,454
Intangible Assets	23	-	143,769,671
		<b>1,030,124,535</b>	<b>1,226,893,125</b>
<b>TOTAL ASSETS</b>		<b>1,690,457,593</b>	<b>1,992,945,582</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Staff Gratuity	24(i)	41,709,094	14,608,538
Retention Payable	18(ii)	44,533,933	29,202,557
Creditors	24(ii)	422,581,502	317,941,385
Provision for Contingent Liabilities-Legal	25	28,034,043	28,034,043
		<b>536,858,573</b>	<b>389,786,523</b>
<b>TOTAL LIABILITIES</b>		<b>536,858,573</b>	<b>389,786,523</b>
<b>NET ASSETS</b>			
Capital Reserves	26	1,094,454,005	844,619,362
Government Reserve	27	1,811,811,903	1,711,811,903
Revaluation Reserve	28	71,118,247	71,118,247
Accumulated surplus		(1,823,785,135)	(1,024,390,453)
		<b>1,153,599,021</b>	<b>1,603,159,059</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>1,690,457,593</b>	<b>1,992,945,582</b>

The financial statements set out on pages 1 to 8 were signed on behalf of the Board of Directors by:

.....  
 Name *George Njiru*  
 Director General

.....  
 Name *Wycliffe Wasike*  
 Head of Finance  
 ICPAK Member Number: *4267*

.....  
 Name *Aden Nur Ali*  
 Chairperson of the Board

Date

Date *6th March 2023* Date

*National Transport & Safety Authority*  
Annual Report and Financial Statements  
for the year ended June 30, 2022.

15 Statement of Changes in Net Assets for the year ended 30 June 2022

	Capital Reserves Kshs	Government Reserves Kshs	Revaluation Reserves Kshs	Accumulated Surplus Kshs	TOTAL Kshs
<b>Balance as at 1st July, 2020</b>	789,624,531	1,661,811,903	71,118,247	(458,560,299)	2,063,994,382
<b>ADD</b>					
Donations-Dev't Partners Projects	84,197,388	-	-		84,197,388
Transfer of Development Funds from Ministry-State Dept. of Interior & Co-ordination of National Government		50,000,000			50,000,000
Transfer from Retention Fee	(29,202,557)				(29,202,557)
Surplus/(deficit) for the period				(565,830,154)	(565,830,154)
<b>Balance as at 30th June 2021</b>	<b>844,619,362</b>	<b>1,711,811,903</b>	<b>71,118,247</b>	<b>(1,024,390,453)</b>	<b>1,603,159,060</b>
<b>Balance as at 1st July, 2021</b>	<b>844,619,362</b>	<b>1,711,811,903</b>	<b>71,118,247</b>	<b>(1,024,390,453)</b>	<b>1,603,159,060</b>
<b>ADD</b>					
Donations-Development Partners Projects	249,834,643				249,834,643
Transfer of Development Funds from Ministry-State Dept. of Interior & Co-ordination of National Government		100,000,000			100,000,000
Adjustment for Revenue Receivable from Exchange Transactions				(32,469,685)	(32,469,685)
Surplus/(deficit) for the period				(766,924,997)	(766,924,997)
<b>Balance as at 30th June 2022</b>	<b>1,094,454,006</b>	<b>1,811,811,903</b>	<b>71,118,247</b>	<b>(1,823,785,135)</b>	<b>1,153,599,021</b>

*National Transport & Safety Authority*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2022.**

**16. Statement of Cash Flows for the year ended 30 June 2022**


	Note	2021-2022	2020-2021
Cash flows from Operating Activities		Kshs	Kshs
<b>Receipts</b>			
Government Grants and Subsidies	6	324,600,000	213,000,000
Recurrent Receipts for EU-Usalama Barabarani Project	7(ii)	62,377,537	14,309,975
Recurrent Receipts for WB HoAGD Project	7(ii)	2,576,188	-
Revenues through Direct Deposit, KRA & e-Citizen	7(iii)	1,738,440,309	1,779,764,590
		<b>2,127,994,034</b>	<b>2,007,074,565</b>
<b>Payments</b>			
Use of Goods	8	249,929,083	180,279,233
Compensation of Employees	9(ii)	1,108,176,778	1,034,335,711
Donor Funded Usalama Barabarani Expenses	12	62,377,537	14,309,975
Donor Funded WB-HOAGDP Expenses	12	2,576,188	-
General Expenses	13(ii)	805,212,928	620,581,496
Board Expenses	14	35,642,712	21,178,452
Staff Debtors	21	7,747,922	2,602,130
Contingent Liabilities-Legal Settled	25	-	39,475,000
Other Expenses	29	23,822,309	67,529,684
		<b>2,295,485,458</b>	<b>1,980,291,681</b>
<b>Net cash flows from Operating Activities</b>		<b>(167,491,424)</b>	<b>26,782,885</b>
<b>Cash flows from Financing Activities</b>			
State Dept. of Interior & Co-ordination of National Government	6	100,000,000	50,000,000
Development Receipts for EU-Usalama Barabarani Project	26	123,480,436	84,197,388
Development Receipts for WB-HoAGD Project	26	126,354,207	-
<b>Net Cash flows used in Financing Activities</b>		<b>349,834,643</b>	<b>134,197,388</b>
<b>Cash flows from Investing Activities</b>			
Purchase of Property, Plant & Equipment	30	169,499,918	149,638,739
<b>Net Cash flows used in Investing Activities</b>		<b>169,499,918</b>	<b>149,638,739</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>		<b>12,843,302</b>	<b>11,341,533</b>
Cash and Cash equivalents as at 1 July 2021		155,693,272	144,351,739
<b>Cash and Cash Equivalents as at 30 June 2022</b>		<b>168,536,574</b>	<b>155,693,272</b>


National Transport & Safety Authority  
Annual Report and Financial Statements  
for the year ended June 30, 2022.

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The financial statements set out on pages 1 to 8 were signed on behalf of the Board of Directors by:

  
Name: George Jones  
Director General

  
Name: WYCLIFFE  
Head of Finance WASIKE  
ICPAK M/No: 4267  
Date: 6<sup>th</sup> March 2023

  
Name: Aden Noor Ali  
Chairperson of the Board  
Date: 6/03/2023

*National Transport & Safety Authority*  
Annual Report and Financial Statements  
for the year ended June 30, 2022.

17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2022

	Original budget 2021-22 Kshs	Adjustments 2021-22 Kshs	Final budget 2021-22 Kshs	Actual on comparable basis 2021-22 Kshs	Performance difference 2021-22 Kshs	% Variance 2021-22 Kshs
<b>Revenue</b>						
Government grants and subsidies	294,600,000	130,000,000	424,600,000	424,600,000	-	-
Rendering of services	2,009,800,000	20,500,000	2,030,300,000	1,724,688,063	(305,611,937)	15
Grants from Dev't Partners	445,286,320	500,000,000	945,286,320	314,788,368	(630,497,952)	67
<b>Total income</b>	<b>2,749,686,320</b>	<b>650,500,000</b>	<b>3,400,186,320</b>	<b>2,464,076,431</b>	<b>(936,109,889)</b>	<b>28</b>
<b>Expenses</b>						
Compensation of employees	1,093,849,739	43,261,000	1,137,110,739	1,159,775,786	(22,665,047)	(2)
Goods and Services	913,548,054	194,957,166	1,108,505,220	1,232,117,271	(123,612,051)	(11)
Other payments	742,288,527	412,281,834	1,154,570,361	177,415,622	977,154,739	85
<b>Total Expenditure</b>	<b>2,749,686,320</b>	<b>650,500,000</b>	<b>3,400,186,320</b>	<b>2,569,308,679</b>	<b>830,877,641</b>	<b>24</b>
<b>Surplus for the period</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>(105,232,248)</b>	<b>(105,232,248)</b>	

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

<b>RECONCILIATION STATEMENT</b>	
<b>Particulars</b>	<b>Total (Kshs)</b>
Reported Surplus as per Statement of Budget as at 30 June 2022	(105,232,248)
<b>Add Back</b>	
Capital Expenditure in Statement of Budget	177,415,622
<b>Adjusted Surplus</b>	<b>72,183,374</b>
<b>Less: Non-Cash Transactions in the Statement of Performance</b>	
Depreciation charge & Amortization expense	424,320,003
<b>Total Non-Cash Transactions</b>	<b>424,320,003</b>
<b>Adjust for Development Grant</b>	
Development Partner funding	314,788,368
Grant from State Dept. of Transport	100,000,000
<b>Total Development Grant</b>	<b>414,788,368</b>
<b>Sub-Total Non-Cash and Total Development Grant</b>	<b>839,108,371</b>
<b>Surplus for the period as per Statement of Performance as at 30 June 2022</b>	<b>(766,924,997)</b>

## **18. Notes to the Financial Statements**

### **1. General Information**

National Transport & Safety Authority is established by and derives its authority and accountability from NTSA Act,2012. The Authority is wholly owned by the Government of Kenya and is domiciled in Kenya. The Authority's principal activity is to advise and make recommendations on matters relating to road transport and safety; implement policies relating to road transport and safety; plan, manage and regulate the road transport sector in accordance with the provisions of the act; ensure the provision of safe, reliable and efficient road transport service; and administer the Act of Parliament set out in the First Schedule and any other written law

### **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 Authority'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 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Authority's

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the NTSA Act,2012 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**Notes to the Financial Statements (Continued)**

**3. Adoption of New and Revised Standards**

The Authority did not adopt any New, Amended or & Revised Standards during the financial year under review. There was no early adoption of standards as well.

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Fees, taxes and fines**

The Authority recognizes revenues from fees, taxes and fines 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. 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 Authority and the fair value of the asset can be measured reliably.

**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 Authority and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realized in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

**Rendering of services**

The Authority recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. In this context, NTSA revenues consist of the following government approved Appropriation in Aid (AIA) revenue streams including actual receipts during the financial year 2021/2022 as below:

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

<b>S/No.</b>	<b>Revenue Stream</b>	<b>Total Receipts (Kshs)</b>
1.	Road Service License	202,123,100
2.	Sale of Number Plates	560,090,264
3.	Driver Test Booking	247,337,475
4.	Motor Vehicle Inspection	464,581,170
5.	Foreign Motor Travel Permits	76,694,604
6.	Sale of PSV Badges.	95,132,200
7.	e-Sticker (RFID)	56,232,450
8.	Donations from KRB, KURA & KENHA	21,000,000
9.	Other Revenues-Speed Limiter, Insurance Integrators & Body Builders License	1,496,800
	<b>TOTAL REVENUE</b>	<b>1,724,688,063</b>

These are generated by rendering the services of motor vehicle inspection, sale of Road Service Licenses, sale of number plates, test booking of prospective drivers & instructors, sale of PSV badges, e-Stickers, new curriculum and charges for foreign travel permits.

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

**Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery 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 Authority.

**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.

The Authority realised no interest income in the financial year ended 30<sup>th</sup> June, 2022.

**ii) Revenue from exchange transactions**

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Authority's right to receive payments is established.

**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.

The Authority had no rental income earned in the year ended 30<sup>th</sup> June, 2022.

**b) Budget information**

The original budget for FY 2021-2022 was approved by the National Assembly on 30th June 2022. 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 Authority upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Authority recorded a reduction in appropriations of Kshs. 312.7 Million on the 2021-2022 budget following the governing body's approval.

The Authority'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 were also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Budget information (continued)**

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented together with the Statement of Comparison of Budget with Actuals as read together with Note 4b(ii);

**i) EXPLANATORY STATEMENT ON BUDGET CHANGES**

	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Remarks</b>
Rendering Services	2,009,800,000	20,500,000	2,030,300,000	The increase was to provide for counter part components for both the EU-Usalama Barabarani & WB-HOAGDP
Grants from Dev't Partners	<b>445,286,320</b>	500,000,000	<b>945,286,320</b>	The increase in allocation was due increased activities in the HOADP during the period
Total Expenditure	<b>2,749,686,320</b>	<b>650,500,000</b>	<b>3,400,186,320</b>	The increase was in line with projected revenue from Development Partners. and collection of AIA

**ii) EXPLANATORY NOTES ON DIFFERENCES BETWEEN ACTUAL AND BUDGETED AMOUNTS (OVER/UNDER 10%)**

	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Performance Variance</b>	<b>Remarks</b>
Rendering Services	2,030,300,000	1,724,688,063	(305,611,937)	The under collection was mainly caused by the impact of the Covid -19 pandemic and mitigation measures put in place.
Grants from Development Partners	945,286,320	314,788,368	(630,497,952)	The under disbursement was occasioned by non-reflection of all items in the final National Treasury Budget.
Goods and Services	1,108,505,220	1,232,117,271	123,612,051	The over absorption was occasioned by the onboarding of fixed term contract staff into the medical scheme.
Other Payments	1,154,570,361	177,415,622	977,154,739	The under absorption was occasioned by delayed certification of on-going projects during the FY due to Covid -19 restrictions. It was also occasioned by inadequate funding for the projects.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (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 Entity 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.

**d) 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 Authority 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. The rate used to depreciate the assets during the year was as summarised below:

<b>Asset</b>	<b>Depreciation Rate</b>
Buildings	2.5%
Motor Vehicles	25%
Computer Equipment	33.333%
Intangible Assets	33.333%
Furniture, Fixtures & Fittings	12.5%
Other Assets	12.5%

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**e) Leases**

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

**f) 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.

**g) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Authority.

**h) Provisions**

Provisions are recognized when the Authority 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.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

Where the Authority 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

**i) Contingent liabilities**

The Authority does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

The Authority was exposed to contingent liability arising from its mandate and these are expected to materialise as and when the cases are heard and determined.

The Authority did not make any provision for the contingent liabilities in the financial statement in the year under review.

**j) Contingent Assets**

The Authority 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 Authority 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.

The Authority discloses that it is currently undertaking motor vehicle inspection in seventeen (17) centres across the country which were handed over to NTSA in December 2013. Despite initiating the process of acquisition, titles for these parcels have not been received to confirm ownership

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**k) Nature and purpose of reserves**

The Authority creates and maintains reserves in terms of specific requirements. The Authority maintains the following reserves:

- a) Capital Reserves
- b) Government Reserves
- c) Revaluation Reserves and
- d) Accumulated Surplus

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

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

**m) Employee Benefits**

**Retirement Benefit Plans**

The Authority provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Authority pays fixed contributions of 15% of the employees basic pay into a separate Authority while the employees contribute 7.5%. The National Transport & Safety Authority-Staff Retirement Benefit Scheme (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.

**n) 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.

The revenue received in foreign currency were translated at the closing rate at the end of every month.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**o) Related Parties**

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

**p) Cash and Cash Equivalents**

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

The NTSA bank accounts in existence are shown below:

Ref	Account Name	Account No.	Opening Date	Bank
1	NTSA-KCB Operations Account	1141386534	12 <sup>th</sup> July, 2013	KCB
2	NTSA-KCB Capital Account	1180379527	7 <sup>th</sup> April, 2016	KCB
3	NTSA-KCB Revenue Account	1206870842	6 <sup>th</sup> March, 2017	KCB
4	NTSA-KCB USD Account	1216217998	5 <sup>th</sup> September, 2017	KCB
5	NTSA-EU Project Account	1266570756	1 <sup>st</sup> November, 2019	KCB
6	NTSA-NBK Traffic Fines, Revenue Account	01060202394100	30 <sup>th</sup> October 2017	NBK
7	NTSA-NBK Cash Bail Deposit Account	01060202394300	30 <sup>th</sup> October 2017	NBK
8	NTSA-WB HoAGDP A/C	1282371665	19 <sup>th</sup> January 2021	KCB

An adjustment was made correct a long outstanding book entry in the Authority's KCB Operations account.

**q) Comparative figures**

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

**r) 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, 2022.

## **Notes to the Financial Statements (Continued)**

### **Significant Judgments and Sources of Estimation Uncertainty (Continued)**

#### **5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Authority '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 assumptions made:

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Authority 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 Authority. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

#### **Useful lives and residual value**

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

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

#### **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 10.

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.

National Transport & Safety Authority  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

		2021-22	2020-21
6	Transfers Ministries, Department & Agencies	Kshs	Kshs
	Operational Grant- Ministry/State Department of Interior	324,600,000	213,000,000
	Development Grant from Ministry/State Dept of Interior	100,000,000	50,000,000
(ii)	Receipts for EU Usalama Barabarani Project	62,377,537	14,309,975
	Receipts for WB HoADP Project	2,576,188	-
	<b>Total Government Grants</b>	<b>489,553,725</b>	<b>277,309,975</b>
7	<b>Rendering of Service</b>		
(i)	Road Service License	202,123,100	195,423,960
	Driver Test		
	Booking	246,952,600	218,724,300
	Instructor Test Booking	384,875	136,550
	Motor Vehicle Inspection Fee	464,581,170	456,854,710
	PSV Badges	95,132,200	86,042,800
	E-Sticker Fees	56,232,450	112,666,100
	Number Plate	560,090,264	638,832,610
	Application for FMVP	76,694,604	74,403,410
	Other Revenues-, Body Builders License, Speed Limiter & Support from other Agencies	22,496,800	1,927,401
		<b>1,724,688,063</b>	<b>1,785,011,841</b>
(ii)	<b>Other Income</b>		
	Receipts for Smart Driving License Expense	-	55,011,348
	<b>Total Other Income</b>	<b>-</b>	<b>55,011,348</b>
	<b>Total Revenue</b>	<b>1,724,688,063</b>	<b>1,840,023,189</b>
	<b>Rendering of Service-Cash Flow</b>		
(iii)	Revenue collected through KRA:	1,724,688,063	1,785,011,841
	Less: Accrued Revenue Receivable	(19,123,710)	(65,345,641)
	Add:2020/21 Revenue Received	32,875,956	60,098,390
	<b>Cash inflow</b>	<b>1,738,440,309</b>	<b>1,779,764,590</b>
8(i)	<b>USE OF GOODS &amp; SERVICES</b>		
	Electricity & Water-Utilities supplies & services	19,534,695	17,929,911
	Contracted Guards & Cleaning Services	57,787,601	49,155,155
	Contracted Professional Services	28,732,691	34,589,229
	Membership Fees & Subscription	2,812,251	2,838,619
	Travel, Accommodation, Subsistence and Other Allowances	143,045,799	77,501,336
	<b>Total Use of Goods &amp; Services Expense</b>	<b>251,913,036</b>	<b>182,014,250</b>
	Total Use of Goods & Services Expense	251,913,036	182,014,250
	Less: Accrued Costs	(7,050,016)	(5,066,063)
	Add:2020-21 FY Creditors settled	5,066,063	3,331,046
(ii)	<b>Total Cash Expense on Use of Goods &amp; Services</b>	<b>249,929,083</b>	<b>180,279,233</b>

National Transport & Safety Authority  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

9	EMPLOYEE COSTS	Kshs	Kshs
	Salaries and Wages(Cash)	938,301,964	943,363,603
	Employee related costs - Contribution to pension costs	127,591,114	71,923,656
	Gratuity accrued to contracted staff	29,850,258	7,343,504
		1,095,743,336	1,022,630,763
	Accrued - Staff Costs	64,032,450	64,618,581
	<b>Total Staff Costs</b>	<b>1,159,775,786</b>	<b>1,087,249,344</b>
(i)	<b>Total Employee Costs</b>	<b>1,159,775,786</b>	<b>1,087,249,344</b>
	<b>Total Staff Costs</b>	<b>1,159,775,786</b>	<b>1,087,249,344</b>
	Less: Accrued Costs & Gratuity	(93,882,708)	(70,675,004)
	Add:2019/20 FY Creditors settled	42,283,700	17,761,371
(ii)	<b>Total Cash Employee Costs</b>	<b>1,108,176,778</b>	<b>1,034,335,711</b>
<b>10</b>	<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>		
	<b>Description</b>		
	Property, Plant & Equipment	280,550,332	134,508,340
	Intangible Assets	143,769,671	143,769,671
	<b>Total Depreciation &amp; Amortization Expense</b>	<b>424,320,003</b>	<b>278,278,011</b>
<b>11</b>	<b>Repairs and Maintenance</b>		
	Vehicles	7,043,409	6,822,669
	Repairs & Maintenance of Smart Driving License	7,915,704	55,011,348
	Office Furniture & Equipment,maintenance of Computer, Softwares & networks	8,863,196	7,978,638
	<b>Total Repairs &amp; Maintenance</b>	<b>23,822,309</b>	<b>69,812,655</b>
	Less: Accrued Vehicles		-
	Accrued Office Furniture & Equipment,maintenance of Computer,softwares & networks expenses		-
	<b>Total Repairs &amp; Maintenance</b>	<b>23,822,309</b>	<b>69,812,655</b>
<b>12</b>	<b>Donor Funded Usalama Barabarani &amp;HOAGDP Expenses</b>		
	EU Usalama Barabarani-Compensation to Employees	13,895,091	10,149,941
	HOAGDP-Purchase of Goods & Services	2,576,188	-
	EU-Purchase of Goods & Services	48,482,446	4,160,034
	<b>Total Donor Funded Usalama Barabarani Expenses</b>	<b>64,953,725</b>	<b>14,309,975</b>

National Transport & Safety Authority  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

13(i)	General Expenses	2021-22	2020-21
		Kshs	Kshs
	<b>a.) Technical Operational Costs</b>		
	Smart-Card Driving License Expense	111,515,940	146,512,800
	Printing of Number Plates	321,192,168	352,146,702
	Printing of Third License Stickers	30,113,595	45,981,970
	Specialised Materials & Supplies	31,378,355	58,381,391
	<b>b.) Administrative Costs</b>		
	Rents & Rates (Non-Residential)	119,206,778	130,550,983
	Medical Insurance & Group Life	156,812,628	90,455,425
	Refined Fuels and Lubricants	11,867,584	9,013,817
	Motor Vehicle Insurance & Other Assets Insurance	829,103	5,624,828
	Internet, Telephone & Postal Services	66,510,806	40,882,234
	<b>c.) Other Operational Costs</b>		
	Conference, Hospitality, Suppliers & Services	29,218,605	16,851,372
	County Committees & Safety Strategies Expenses	-	-
	Training Expense	270,983	38,195,331
	Bank Service and Commission Charges	2,006,531	1,918,532
	Publicity, Printing, Advertising & Information Supply Services	9,486,360	5,037,712
	Legal Fees	5,395,941	7,186,635
	General Office Supplies (Operations)	24,933,836	29,493,587
	Write off of spoilt RFID Stickers & PSV Badges	-	2,087,314
	<b>Total General Expenses</b>	<b>920,739,213</b>	<b>980,320,631</b>
(ii)	<b>Total Cash Flow Movement</b>		
	Total General Expenses	920,739,213	980,320,631
	Less: Creditors & Stores Movement	(491,063,816)	(499,132,901)
	Add:2020/21 FY Creditors settled	375,537,530	139,393,766
	<b>Cash Payments</b>	<b>805,212,928</b>	<b>620,581,496</b>

National Transport & Safety Authority  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.

Notes to the Financial Statements (Continued)

14	BOARD EXPENSES	2021-22	2020-21
(i)	REMUNERATION OF DIRECTORS	Kshs	Kshs
	Chairman's Honoraria & related expenses	960,000	960,000
	Directors Emoluments	22,607,131	14,642,413
	Other Allowances (Travel & Subsistence)	8,391,102	2,011,532
	<b>Total Directors Emoluments</b>	<b>31,958,233</b>	<b>17,613,945</b>
(ii)	<b>OTHER DIRECTORS' COSTS</b>		
	Training expenses	572,800	1,737,600
	Conferences & seminars	3,111,679	1,826,907
	<b>Total</b>	<b>3,684,479</b>	<b>3,564,507</b>
	<b>Total Board Expenses</b>	<b>35,642,712</b>	<b>21,178,452</b>
15	<b>Cash and Cash Equivalents</b>		
	KCB Operations	3,147,259	17,659,099
	KCB Capital A/C	241,803	45,832,460
	KCB Revenue A/C	181,384	49,974
	KCB Dollar A/C	911	823
	KCB EU A/C	164,478,749	49,006,924
	KCB WB HoAGDP A/C	301,211	43,023,201
	NBK-Traffic Fines Revenue A/C	221	221
	NBK-Cash Bails Deposit A/C	85,004	94,544
	Cash-on-hand	100,032	26,026
	<b>Total Cash and Cash Equivalents</b>	<b>168,536,574</b>	<b>155,693,272</b>
16	<b>Receivable from Exchange Transactions</b>		
	June, 2022 Revenue collections due from KRA	14,825,014	92,832,995
	Receivable from Non- Exchange Transactions	-	225,000
	Revenue from Exchange Transactions Written Off	(32,469,685)	-
	Revenue collection through e citizen	36,768,381	4,757,331
	<b>Receivable from Exchange Transactions</b>	<b>19,123,710</b>	<b>97,815,326</b>
17	<b>Deposit</b>		
	KCB -Vivo Enegy Ltd	500,000	-
	Rental Deposit-Deposit for operational lease relates to deposit on Leasehold property of Hill Park Building,Hifadhi and Kenstreal in Mombasa	26,174,315	26,174,315
		<b>26,674,315</b>	<b>26,174,315</b>

National Transport & Safety Authority  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

18(i)	RETENTION FEE	Kshs	Kshs
	<b>Balance as at 1/7/2021</b>	0	<b>30,855,884</b>
	Nelliwa Builders & Civil Engineers Ltd	-	(2,109,980)
	National Bank of Kenya	-	2,282,971
	Daya	-	(1,997,352)
	Delman	-	171,035
	Transferred to Capital Reserve	-	(29,202,557)
	<b>Total</b>	<b>0</b>	<b>0</b>
18(ii)	<b>RETENTION PAYABLE</b>		
	<b>Balance as at 1/7/2021</b>	<b>29,202,557</b>	<b>30,855,884</b>
	Nelliwa Builders & Civil Engineers Ltd	-	(2,109,980)
	National Bank of Kenya	3,193,367	2,282,971
	Mymac	(263,030)	
	Daya	-	(1,997,352)
	Resjos Enterprises Ltd	5,411,811	-
	Corporate Consultants	786,132	-
	Juniper Intakes	4,087,463	-
	Techminds Technologies Ltd	2,286,668	-
	Delman	(171,035)	171,035
	<b>Total</b>	<b>44,533,933</b>	<b>29,202,557</b>
19	<b>PREPAYMENTS &amp; ADVANCES</b>		
	<b>Balance as at 1/7/2021</b>	26,267,623	34,003,218
	Britam General Insurance Company Ltd	(22,767,682)	0
	Daya	-	(1,655,235)
	National Oil	2,000,000	(1,600,000)
	Liason Group (I.B) Limited	-	(689,268)
	Consolidated Insurance Brokers Limited	-	(144,477)
	Pelican Insurance Brokers (K) Ltd	-	(3,646,615)
	Data Integrated Ltd	16,530,182	
	Juniper Intakes-WB HOAGDP	16,108,705	-
	<b>Total Prepayments &amp; advances</b>	<b>38,138,828</b>	<b>26,267,623</b>
20	<b>INVENTORY</b>		
	Number Plates	13,793,328	7,112,424
	Specialised Materials	386,318,381	450,387,367
		<b>400,111,709</b>	<b>457,499,791</b>
21	<b>STAFF DEBTORS</b>		
	Outstanding Imprest	7,747,922	2,602,130
		<b>7,747,922</b>	<b>2,602,130</b>

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**  
**22 Property, Plant and Equipment**

	BUILDINGS	M/ VEHICLES	COMPUTER & OTHER EQUIPMENTS	INTANGIBLE ASSETS	OTHER	FURNITURE & FIXTURES	WORK IN PROGRESS	TOTAL
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
<b>COST OR VALUATION</b>								
At 1 July 2020	193,127,678	258,440,721	383,502,230	431,309,013	107,292,522	274,851,945	461,437,646	2,109,961,756
Additions	18,527,524	28,108,000	123,359,781	-		5,383,249	28,211,083	203,589,636
Revaluation								-
Disposals								-
Transfers/Adjustments	93,327,243		368,110,403				(461,437,646)	-
At 30 June 2021	304,982,445	286,548,721	874,972,414	431,309,013	107,292,522	280,235,194	28,211,083	2,313,551,392
Additions			73,603,150			14,111,625	142,444,988	230,159,763
Revaluation								-
Disposals								-
Transfers/Adjustments							(2,608,350)	(2,608,350)
Balance as at 30/06/22	304,982,445	286,548,721	948,575,563	431,309,013	107,292,522	294,346,819	168,047,720	2,541,102,805

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
for the year ended June 30, 2022.

	BUILDINGS	M/ VEHICLES	COMPUTER & OTHER EQUIPMENTS	INTANGIBLE ASSETS	OTHER	FURNITURE & FIXTURES	WORK IN PROGRESS	TOTAL
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Depreciation and impairment								
<b>As at 1.7. 2020</b>	<b>4,828,192</b>	<b>197,879,262</b>	<b>326,113,892</b>	<b>143,769,671</b>	<b>41,601,812</b>	<b>94,187,427</b>	<b>-</b>	<b>808,380,256</b>
Charge for the year	4,906,261	32,810,000	48,811,855	143,769,671	13,395,304	34,584,920		278,278,011
Disposal								-
Transfers/Adjustments								-
<b>As at 1.7. 2021</b>	<b>9,734,453</b>	<b>230,689,263</b>	<b>374,925,747</b>	<b>287,539,342</b>	<b>54,997,116</b>	<b>128,772,346</b>	<b>0</b>	<b>1,086,658,267</b>
Charge for the year	7,624,561	33,259,292	190,303,129	143,769,671	13,307,630	36,055,719	0	424,320,003
Disposal								-
Transfers/Adjustments								-
<b>Balance as at 30/06/22</b>	<b>17,359,014</b>	<b>263,948,555</b>	<b>565,228,876</b>	<b>431,309,013</b>	<b>68,304,746</b>	<b>164,828,065</b>	<b>0</b>	<b>1,510,978,270</b>
<b>NET BOOK VALUE</b>								
<b>At 30th June 2022</b>	<b>287,623,430</b>	<b>22,600,167</b>	<b>383,346,687</b>	<b>0</b>	<b>38,987,776</b>	<b>129,518,754</b>	<b>168,047,720</b>	<b>1,030,124,535</b>
<b>At 30th June 2021</b>	<b>295,247,992</b>	<b>55,859,459</b>	<b>500,046,667</b>	<b>143,769,671</b>	<b>52,295,407</b>	<b>151,462,848</b>	<b>28,211,083</b>	<b>1,226,893,125</b>

National Transport & Safety Authority  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

		2021-22	2020/21
23	INTANGIBLE ASSETS	Kshs	Kshs
	Balance b/d from previous years	143,769,671	-
	Smart-Card Driving License-Components	(143,769,671)	143,769,671
	<b>Total</b>	<b>-</b>	<b>143,769,671</b>
24	<b>TRADE &amp; OTHER PAYABLES FROM EXCHANGE TRANSACTIONS</b>		
(i)	<b>Gratuity Accrued to Staff on Contract</b>		
	Balance b/d from previous years	14,608,538	7,265,034
	Accrued for the year	29,850,258	7,343,504
	Gratuity paid	(2,749,701)	-
	<b>Total</b>	<b>41,709,095</b>	<b>14,608,538</b>
(ii)	<b>Other Current Liabilities</b>		
	Accrued Salaries	97,475,561	64,618,581
	Creditors	325,105,941	253,322,804
	<b>Total</b>	<b>422,581,502</b>	<b>317,941,384</b>
25	<b>Provision for Contingent Liabilities-Legal</b>		
	Provision for Contingent Liabilities-Legal	28,034,043	67,509,043
	Contingent Liability Realised		(39,475,000)
	<b>Total</b>	<b>28,034,043</b>	<b>28,034,043</b>
26	<b>CAPITAL RESERVES</b>		
	Balance b/d	844,619,362	789,624,531
	World Bank - HOAGD Projects.	126,354,207	-
	EU - Usalama Barabarani Projects	123,480,436	84,197,388
	Transfer from Retention Fees	-	(29,202,557)
	<b>Total</b>	<b>1,094,454,005</b>	<b>844,619,362</b>

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

		2021-22	2020-21
27	GOVERNMENT RESERVE	Kshs	Kshs
	Balance b/f	1,711,811,903	1,661,811,903
	Transfer of Development funds from Ministry-State Dept of Interior & Coordination of National Government	100,000,000	50,000,000
	<b>TOTAL</b>	<b>1,811,811,903</b>	<b>1,711,811,903</b>
28	<b>REVALUATION RESERVE</b>		
	Revaluation of Motor Vehicle	71,118,247	71,118,247
	<b>Total Revaluation Reserve</b>	<b>71,118,247</b>	<b>71,118,247</b>
29	<b>COMPUTATION OF CASH EXPENDITURE FROM OTHER EXPENSES</b>		
	<b>Other Expenses</b>		
	Repairs & Maintenance of Vehicles & Equipment (Note 11)	15,906,606	14,801,307
	Repairs & Maintenance of Smart-Card DL Costs	7,915,704	52,728,377
	<b>TOTAL</b>	<b>23,822,310</b>	<b>67,529,684</b>
30	<b>CASH FLOW ON ACQUIRED NON-CURRENT ASSETS</b>		<b>2020/21</b>
	<b>Total Additions During the Year</b>		<b>Kshs</b>
	Work In Progress (WIP)	115,724,605	28,211,083
	Furniture & Fittings	14,111,625	5,383,249
		<b>129,836,230</b>	<b>33,594,331</b>
	Motor Vehicles	0	28,108,000
	Buildings	0	30,260,255
	Computer & Other Equip.	39,663,687	57,676,153
	<b>Cash purchases(Cash flow)</b>	<b>169,499,918</b>	<b>149,638,739</b>

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

**32 Financial Risk Management**

The Authority's activities expose it to a variety of financial risks including credit and liquidity. Risk management is carried out by the management under policies approved by the board of directors. Management identifies, evaluates and where appropriate, hedges financial risks.

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

**i) Credit risk**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Authority.

The credit risk on bank balances and short term deposits is limited because the counterparties are banks with high credit ratings assigned by the banking regulatory authority. The carrying amount of financial assets recorded in the financial statements that represents the Authority's maximum exposure to credit risk obtained is as follows:

	<b>Fully performing</b>	<b>Past due</b>	<b>Impaired</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>At 30<sup>th</sup> June 2022</b>				
Trade receivables	19,123,710	NIL	Nil	<b>19,123,710</b>
Bank balances	168,536,574	Nil	Nil	<b>168,536,574</b>
<b>At 30<sup>th</sup> June 2021</b>				
Trade receivables	65,345,641	32,469,685	Nil	<b>97,815,326</b>
Bank balances	155,693,272	Nil	Nil	<b>155,693,272</b>

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 Authority has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

**ii) Liquidity Risk Management**

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

The table below represents cash flows payable by the Authority under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	<b>Less than 1 Month</b>	<b>Between 2-3 Months</b>	<b>Over 12 Months</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>At 30<sup>th</sup> June 2022</b>				
Trade Payables	143,056,877	36,291,856	145,757,208	<b>325,105,941</b>
Payroll deductions	61,934,386	0	4,302,997	<b>66,237,383</b>
Death Benefits Payable	0	0	29,674,984	<b>29,674,984</b>
Staff Imprests & claims	1,563,194	0	0	<b>1,563,194</b>
Retention payable	15,331,376	0	29,202,557	<b>44,533,933</b>
Gratuity Payable	0.	29,850,258	11,858,836	<b>41,709,094</b>
<b>Total</b>	<b>221,885,833</b>	<b>66,142,114</b>	<b>220,796,582</b>	<b>508,824,529</b>
<b>At 30<sup>th</sup> June 2021</b>				
Trade Payables	20,458,563	215,537,245	17,326,995	253,322,803
Payroll deductions	39,257,493	1,867,972	3,273,116	44,398,581
Death Benefits Payable	20,220,000	0	0	20,220,000
Retention	0	29,202,557	0	29,202,557
Gratuity Payable	611,959	6,731,545	7,265,033	14,608,537
<b>Total</b>	<b>80,548,015</b>	<b>253,339,319</b>	<b>27,865,144</b>	<b>361,752,478</b>

- 1) *The death benefits of Kshs. 29,674,984 for the late Dr. Fernando Wangila, and the late Robert Musembi remain outstanding pending receipt of the administrator/ beneficiary appointed by the courts to facilitate payment.*
- 2) *With the exception of staff gratuity which is paid at the end of the contract and an ongoing project account transaction, the Authority paid all outstanding creditors in full within the FY2021-22*

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Notes to the Financial Statements (Continued)**

**33 Related Party Disclosures**

**Nature of Related Party Relationships**

Entities and other parties related to the Authority 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 Authority, holding 100% of the Authority's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Authority, both domestic and external. Other related parties include:

- i) The National Government.
- ii) The Parent Ministry
- iii) Key Management
- iv) Board of Directors

**b) Related Party Transactions**

<b>Particulars</b>	<b>2021-2022 Kshs</b>	<b>2020-2021 Kshs</b>
Transfers from related parties	324,600,000	263,000,000
European Union & World Bank (HoAGDP) Project Funds Transferred through the State Department of Interior & Co-ordination of National Government	314,788,368	98,527,363
<b>Total</b>	<b>639,388,368</b>	<b>361,527,363</b>

As part of related party transactions, the Authority received Kshs.20Million from Kenya Roads Board (KRB) and a further Kshs 500,000 from The Kenya National Highway Authority (KeNHA) and Kenya Urban Roads Board Authority (KURA) respectively towards the support of The National Technical Stakeholders Conference held in June 2022..

**34 Contingent Assets and Contingent Liabilities**

There were no contingent liabilities or assets that were reported in the financial year ended 30<sup>th</sup> June 2022.

**Notes to the Financial Statements (Continued)**

**35 Surplus Remission**

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

The Authority did not make any surplus during the year (FY 2021-22 Nil) and hence no remittance to the Consolidated Fund.

**Surplus Remission Payable**

The was no surplus remission payable carried forward from previous periods.

**36 Events after the Reporting Period**

Except for a long overdue receivable of Kshs.32,469,685 which was written off and a cashbook book entry variance corrected, there were no material adjusting and non- adjusting events after the reporting period.

**37 Ultimate And Holding Entity**

The Authority is a Semi- Autonomous Government Agency under the Ministry of Interior & Co-ordination of National Government. Its ultimate parent is the Government of Kenya.

**38 Currency**

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

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**19. Appendix**

**Appendix 1: Implementation Status of Auditor-General's Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
<b>FY2019-20</b>	Contracts of service or service agreements signed between service providers and the Authority for collection of revenues from rendering services.	Management has executed the Memorandum of Understanding (MoU) with the two entities namely;The National Treasury(Government Digital Payment-e-citizen) & The Kenya Revenue Authority. The MoU are currently with the two entities for review and execution. Copies of the MoUs have been annexed herein for information & Reference	Resolved	
	Unsupported revenues from Foreign Motor Vehicle Permit License Fees	Management is in discussions with KRA on streamlining the collection and administration of the FMVP License fees which has been incorporated in the MoU between the two parties.	Resolved	
	Long outstanding receivable of Kshs.32.5Million	Management has received the approval of both the Board and The National Treasury to write off the amount from the books and executed the same in the financial statements for the FY2021-22	Resolved	30 <sup>th</sup> June 2022
<b>FY2020-21</b>	Derived value for money in the receipt and continued	Management has engaged the supplier who has agreed to replace the entire batch of	Not Resolved	30 <sup>TH</sup> June 2023

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	storage of the obsolete Smart Driving Licenses valued at Kshs 91.1Million	the 296,000 blank smart cards under the new arrangement of the Public Private Partnership which is at the final stages of execution.		
<b>FY2020-21</b>	Lack of approved Audit Committee & Internal Audit Charters	Management has already presented both the Audit Committee Charter and the Audit Charters to the committee for review and subsequent approval by the Board. The process is still in progress.	Not approved	30 <sup>th</sup> June 2023

.....  
 Director General

Date:

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Appendix II: Projects implemented by National Transport & Safety Authority**

Projects implemented by the National Transport & Safety Authority

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)
Smart Driving License		GoK	5Year		NO	NO
Usalama Barabarani Project		European Union	3.5Years		YES	YES
HoAGDP		World Bank	7Years		YES	YES

**Status of Projects completion**

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Smart Driving License	Ksh.2.1B	Kshs.1,072M	51%		Kshs.55M	GoK
2	Usalama Barabarani Project	Kshs.671M	Kshs.36.4M	5%	Kshs.100M	Kshs.35.8M	European Union
3	HoAGDP	Kshs.2.7B	Kshs.6.4M	2%	Kshs.50.5M	Kshs.6.4M	World Bank

*National Transport & Safety Authority*  
**Annual Reports and Financial Statements**  
**for the year ended June 30, 2022.**

**Appendix IV: 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 - KES	Where Recorded/recognized					Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Interior & Co-ordination of National Government	Various	Recurrent	324,600,000	324,600,000	0	0	0	0	0
Ministry of Interior & Co-ordination of National Government	Various	Development	100,000,000	0	100,000,000	0	0	0	0
<b>EUROPEAN UNION</b>	24-May,2021	Donor Fund	185,857,973	62,411,137	123,446,836	0	0	0	0
Ministry of Interior & Co-ordination of National Government	N/A	Direct Payment	NIL	NIL	0	NIL	NIL	NIL	NIL
<b>WORLD BANK</b>	17-June,2022	Donor Fund	128,930,395	2,576,188	126,354,207.	NIL	NIL	NIL	NIL
Ministry of Interior & Co-ordination of National Government	N/A	Direct Payment	NIL	NIL	0	NIL	NIL	NIL	NIL
<b>Total</b>			<b>739,388,368</b>	<b>389,587,325</b>	<b>349,801,043</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**National Transport & Safety Authority  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

**Appendix V- Inter-Entity Confirmation Letter**

The National Transport & Safety Authority wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by ( National Transport and Safety Authority -NTSA)) as at 30 <sup>th</sup> June 2022									
Reference Number	Date Disbursed	Amounts Disbursed by Ministry of Interior as at 30 <sup>th</sup> June 2022			Development GoK/Donor (Project) (ksh) b	Inter- Ministerial (ksh) c	Total (ksh) D=(a+b+c)	Amount received by (NTSA) as at 30 <sup>th</sup> June 2022 (ksh) e	Differences (Ksh) =( d-e)
		Recurrent GoK Donor (Ksh) a	GoK/Donor (Project) (ksh) b	Inter- Ministerial (ksh) c					
FT21215J5F41	03/08/2021	48,650,000.00		0	0	48,650,000.00	48,650,000.00	0	
FT2129261ZMS	19/10/2021	48,650,000.00		0	0	48,650,000.00	48,650,000.00	0	
FT21231BJQ67	19/08/2021		50,000,000.00	0	0	50,000,000.00	50,000,000.00	0	
FT2203942Z85	08/02/2022	48,650,000.00		0	0	48,650,000.00	48,650,000.00	0	
FT22045HOJ3X	14/02/2022		48,925,738.65	0	0	48,925,738.65	48,925,738.65	0	
FT2206964T19	10/03/2022		185,857,973.35			185,857,973.35	185,857,973.35	0	
FT22109PX8XY	19/04/2022	48,650,000.00		0	0	48,650,000.00	48,650,000.00	0	
FT22109QBD38	19/04/2022		50,000,000.00	0	0	50,000,000.00	50,000,000.00	0	
FT22118M5RL4	28/04/2022	30,000,000.00		0	0	30,000,000.00	30,000,000.00	0	
FT2221815NPC5	30/06/2022	100,000,000.00		0	0	100,000,000.00	100,000,000.00	0	
FT22171L2TJF	20/06/2022		80,004,656.70	0	0	80,004,656.70	80,004,656.70	0	
<b>TOTAL</b>		<b>324,600,000.00</b>	<b>414,788,133.70</b>			<b>739,388,368.70</b>	<b>739,388,368.70</b>		

I confirm that the amounts shown above are correct as of the date indicated

Head of Accounts, State Department for Interior and Citizen Services

Name: JAMES K KAPPA

Signature: [Signature]

Date: 21/7/2022.

Head of Accounts & Finance, National Transport and Safety Authority

Name: Wycliffe S. Wasike

Signature: [Signature]

Date: 21/7/2022

