

*Page 102*

PARLIAMENT  
OF KENYA  
LIBRARY



Independent Policing  
Oversight Authority



# ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017

---

### VISION

A robust civilian accountability mechanism that promotes public trust and confidence in the National Police Service.

---

### MISSION

To conduct impartial and independent investigations, inspections, audits and monitoring of the National Police Service to prevent impunity and enhance professionalism in the interest of the public.

---

### MOTTO

Guarding public interest in policing.

---

### VALUES

**Transparency:** The Authority shall be open to all, frank and honest in all the Authority's communications, transactions and operations;

**Integrity:** The Authority shall maintain honest practices when carrying out its mandate at all times;

**Independence & Impartiality:** The Authority shall remain free from outside influence and interference when it comes to the implementation of its mandate;

**Respect for Diversity:** IPOA shall uphold that every citizen and community, particularly those that have been historically disadvantaged, will have equal opportunities and protection; and


**Compassion:** The Authority shall deal with victims and survivors of police brutality and unfairness.

## THE YEAR IN NUMBERS

Activities	Numbers
Complaints received and processed	2,267
Concluded investigations during the reporting period	294
Cases currently under investigations	649
Cases awaiting commencement of investigations	1,111
Cases forwarded to ODPP	26
Cases before courts	96
New Inspections Conducted in police premises	94
Follow up inspections conducted in police premises	114
Police operations monitored	64



Paper laid on the  
Table of the House  
by the Leader of  
the Majority Party  
on Wednesday  
29<sup>th</sup> August 2018  
(Afternoon)



## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

Submitted to the Cabinet Secretary, Ministry of Interior and Coordination of the National Government in accordance with Section 38 of the IPOA Act.

## ABBREVIATIONS AND ACRONYMS

ADR	Alternative Dispute Resolution
AIE	Authority to Incur Expenditure
AP	Administration Police
APCOF	African Policing Civilian Oversight Forum
APS	Administration Police Service
CAJ	Commission on Administrative of Justice
CI	Chief Inspector of Police
CIC	Complaints Intake Committee
DIG	Deputy Inspector General of Police
EACC	Ethics and Anti-Corruption Commission
ECM	Enterprise Content Management
ERM	Enterprise Risk Management
FBI	Federal Bureau of Investigation
FIDH	International Federation for Human Rights
GoK	Government of Kenya
GSU	General Service Unit
IAU	Internal Affairs Unit
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information, Communication & Technology
IG	Inspector General of Police
IJM	International Justice Mission
IMLU	Independent Medico-Legal Unit
IPOA	Independent Policing Oversight Authority
KENAO	Kenya National Audit Office
KNCHR	Kenya National Commission on Human Rights
MOU	Memorandum of Understanding
NGO	Non-Governmental Organisation
NPS	National Police Service
NPSC	National Police Service Commission

## TABLE OF CONTENTS

Abbreviations and acronyms .....	2
Chairman’s statement .....	4
Chief Executive Officer’s statement .....	6
Executive summary .....	8
1.0 Introduction .....	9
1.7 Corporate governance .....	14
1.8 Statutory reporting .....	17
2.0 Complaints management .....	18
3.0 Investigations .....	20
4.0 Inspections of police premises .....	22
5.0 Monitoring of police operations .....	24
6.0 Outstanding Police Service Award (OPSA) .....	25
7.0 Awareness creation .....	26
8.0 Transparency and accountability .....	27
9.0 Cooperation with other agencies .....	27
10 Risk and performance management .....	28
10.6 Performance management .....	31
11.0 Institutional strengthening .....	31
12.0 IPOA recognitions .....	32
13.0 Compliance with the law, Presidential Directives and Circulars .....	32
14.0 Challenges and recommendations .....	34
Appendix 1: Recommendations made to NPS upon inspections .....	36
IPOA Financial Statement .....	41

OCPD	Officer Commanding Police Division
OCS	Officer Commanding Police Station
ODPP	Office of the Director of Public Prosecutions
OPSA	Outstanding Police Service Awards
PMF	Performance Management Framework
RCN	Rotary Club of Nairobi
SMS	Short Message Service
UNODC	United Nations Office on Drugs and Crime
URF	Usalama Reforms Forum
WPA	Witness Protection Agency



## Chairperson's Statement

On behalf of the Board, the management and staff, I am pleased to present the Authority's Annual Report and Financial Statement for the year ended June 2017.

### Overview

Being the 5<sup>th</sup> year since inception of the Authority, we reflect on the gains that the Authority has made so far. The Authority was able to accomplish a lot despite various operational challenges. IPOA was also able to make significant milestones in its police oversight role.

### Operating Environment

As stipulated in IPOA Strategic Plan, the Authority has continued to work closely and in partnership with NPS, NPSC, Ministry of Interior and Coordination of National Government, the Executive as well as the National Assembly. The consultative working relationship has benefitted all partners in guarding public interest in policing.

## Strategy

The Board has continued to monitor the implementation of the five-year Strategic Plan. The annual work plan was drawn from the strategic plan this being the fourth year and targets are geared towards realization of the organizational five outcomes.

## Risk Management

The Board is committed to ensure high standards of internal controls to safeguard the Authority's assets and stakeholders' interests. Risk management in the Authority is aligned to the principles of best practice and corporate governance. The process is also embedded in our operating systems and processes so as to have current and dynamic responses to risk.

## Corporate Governance

Strong corporate governance remains a pillar in the success of the board and in delivery of IPOA's strategy. Due to excellence in reporting the Authority participated and won the FiRE Awards in November 2016 in two categories namely; Application of International Public Accounting Standards (IPSAS) and in the Independent Offices and Commissions category. This was organized jointly by Nairobi Securities Exchange, ICPAK and Capital Markets Authority. IPOA also won a prestigious award - Ombudsman Huduma Award on 9th March 2017 for its exemplary services to the public, in the institution category.

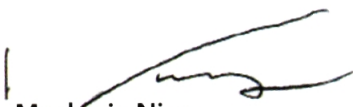
## Future Outlook

The Authority remains committed to achieve its mandate in a transparent and accountable manner. It also remains committed to a strong working relationship with stakeholders and partners. In addition, the Authority looks forward to establishing more regional offices and at the same time strengthening the three existing ones. Staff capacity will also be enhanced for effective service delivery.

## Acknowledgement

On behalf of the board and staff, I sincerely thank the Government of Kenya, Ministry of Interior and Coordination of National Government, Parliamentary Committee on Administration and National Security, The National Treasury, US Embassy, the British High Commission, the Swedish Embassy and UNODC for their enormous support. I also wish to thank my fellow Board members for their continued and invaluable contribution, support and commitment to the Authority's vision and mission. Their service is commendable.

I look forward to another fruitful year financial year 2017/2018.



**Macharia Njeru**  
Chairperson



# Chief Executive Officer's Statement

## Overview

The Independent Policing Oversight Authority has continued to carry out its mandate of conducting impartial and independent investigations, inspections, audits and monitoring the National Police Service.

During the year under review, the Authority made good progress in all the areas of operations in line with the annual work plan drawn from the strategic plan 2014-2018.

## Performance and Utilization of Funds

The Authority received and processed 2,267 complaints conducted 208 inspections (94 new inspections and 114 follow-up inspections) in police facilities and concluded 294 investigations. By close of the period, the Authority had 96 active cases in court. Since inception, the Authority

has received and processed 8042 complaints. Five hundred and ninety-three (593) consequent investigations have been concluded and 706 inspections have been conducted across the 47 counties.

During the year under review, the Authority received Kshs. 432.9m from the National Treasury and recorded 89% budget absorption.

### Institutional Strengthening

The Authority developed an online platform for conducting its businesses. The Enterprise Content Management (ECM) dubbed '*IPOA Cloud Connect*'; an online platform aiming at digitizing all the operations of the Authority. Three regional offices were also established in Kisumu, Mombasa and Garissa aimed at taking services closer to the people. More staff and particularly complaints management and investigation officers were recruited and some deployed to the regions. In addition, staff were facilitated to undertake various courses in investigations, human rights, senior management as well as strategic leadership to sharpen their skills.

### Appreciation

On behalf of the management and staff, I would like to thank the Board for its continued guidance and support throughout the period. Special thanks also go to the Government of Kenya, Ministry of Interior and Coordination of National Government and the National Treasury for their support.

Finally, may I thank the Kenyan citizens and other stakeholders for their confidence in us and assure them of our strong commitment in guarding public interest in policing.



**Dr. Joel Mabonga**  
Chief Executive Officer

## EXECUTIVE SUMMARY

In the year under review the Authority received and processed 2,267 complaints. Out of these complaints, 65% were from male while 15% were from female. Since inception, the Authority has received a total of 8,042 complaints.

The Authority concluded 294 investigations. In the same period, 26 cases were forwarded to the ODPP while 96 cases were in courts. Cumulatively, 593 investigations have been concluded.

During the reporting period, 208 inspections of police facilities were conducted out of which, 94 (45%) were new inspections while 114 were follow-up inspections. Cumulatively, 706 inspections have been conducted since inception of the authority. Sixty-four (64) police operations were monitored comprising of regular police operations, public order management, Police Operations initiated by police service and conduct of police during election process. Cumulatively, 89 police operations have been monitored.

To recognize police officers serving the public professionally, the Authority in collaboration with partners and stakeholders held the third Outstanding Police Service Awards (OPSA 2016/2017) on 5th of May 2017 in Nairobi. A total of 92 officers were awarded for outstanding performance.

During the year under review, the Authority received Kshs. 432.9m from the National Treasury and recorded 89% budget absorption. This facilitated the smooth running of the Authority's operations and establishment of three regional offices namely Mombasa, Kisumu and Garissa.

The Authority continued to strengthen its collaboration with various partners including UNODC, US Embassy, Swedish Embassy, African Development Bank, British High Commission, KNCHR, IJM, WPA and Jamii Thabiti.

In line with the challenges and concerns noted by IPOA the following is recommended:

1. The NPS leadership should provide feedback on the extent of implementation of numerous IPOA recommendations upon inspections and monitoring of police premises and operations.
2. County Commanders through the IG's office should enhance co-operation with IPOA to ease investigations, complaints handling, inspections and monitoring. They should avail Operational Orders, post mortem results and ensure notifications to the Authority of any reported deaths and injuries.
3. In order to protect citizens' rights, the NPSC should consider continuous officers' training on human rights, children rights, rights of Persons with disabilities among others.

## 1.0. INTRODUCTION

### 1.1. Background

The Authority was established on 18<sup>th</sup> November 2011 through IPOA Act No. 35 of 2011. The principal functions of the Authority, among others, are to:

- a. Investigate any complaints related to disciplinary or criminal offences committed by any member of the National Police Service, whether on its own motion or on receipt of a complaint, and make recommendations to the relevant authorities, including recommendations for prosecution, compensation, internal disciplinary action or any other appropriate relief, and shall make public the response received to these recommendations;
- b. Receive and investigate complaints by members of the Police Service;
- c. Monitor and investigate policing operations affecting members of the public;
- d. Monitor, review and audit investigations and actions taken by the Internal Affairs Unit of the Police Service in response to complaints against the Police and keep a record of all such complaints regardless of where they have been first reported and what action has been taken; and
- e. Conduct inspections of Police premises, including detention facilities under the control of NPS.

### 1.2 Vision

A robust civilian accountability mechanism that promotes public trust and confidence in the National Police Service.

### 1.3 Mission

To conduct impartial and independent investigations, inspections, audits and monitoring of the National Police Service to prevent impunity and enhance professionalism in the interest of the public.

### 1.4 Motto

Guarding public interest in policing.

### 1.5 Values

To guide its strategic direction, the Authority adopted the following five Values, in addition to those in the Constitution:

- a. Transparency: The Authority shall be open to all, frank and honest in all the Authority's communications, transactions and operations;

## IPOA Board Members



**Macharia Njeru**

*Board Chair*

Macharia is an advocate of the High Court of Kenya with 24 years law practice specializing in corporate, banking and property law. In 2009 he was a member of the National Task Force on Police Reforms that developed the program for police reforms and subsequently sat in the Police Reforms Implementation Committee where he led drafting of policing related legislation that was later enacted into law.



**Jedidah Ntoyai**

*Vice Chair & Chair Human Resource Committee*

Jedidah is a psychologist with over 25 years experience in human resource management in the public and private sectors. She holds an MA in Psychology. She has a passion for supporting organisations develop their human capital to enhance their competitive edge. She was a Commissioner with the Interim Independent Boundaries Review Commission.



**Grace Madoka**

*Chair, Communications & Outreach Committee*

Grace is a lawyer with long standing experience in legal, communications, advocacy and development work. She served in the Public Complaints Standing Committee, the precursor of the Commission on Administrative Justice. She has worked in a number of national task force committees and boards on HIV/AIDs, microfinance, pension and education.



**Rose Bala**

*Chair, Audit & Risk Committee*

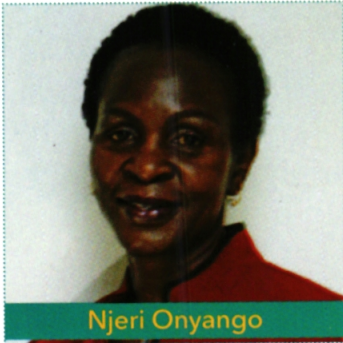
Rose is a child welfare defender known for initiating technical co-operation between the governments of Kenya and Japan which was instrumental in capacity building of children, probation and judicial officers to streamline the rehabilitation of children in the justice system. She holds an MA in Social Work and an MA in International Child Welfare.



**Fatuma Ali Saman**

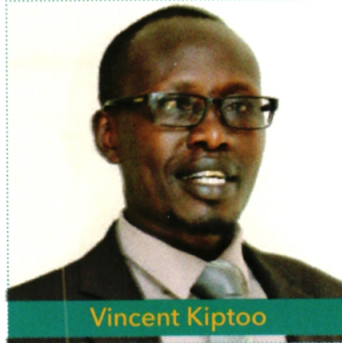
*Chair, Inspections, Research & Monitoring Committee*

Fatuma is an educationist and an advocate for women rights. She has worked with national and international faith-based organisations representing marginalised and minority communities. She represented Muslim women in the National Constitutional Conference and contributed in developing the Chapter on the Bill of Rights and Devolution.



**Njeri Onyango**

*Chair, ICT Committee*



**Vincent Kiptoo**

*Chair, Investigations & Legal Committee*



**Tom Kagwe**

*Chair, Finance & Administration Committee*

An ardent sportswoman, Njeri is an advocate of the High Court of Kenya and member of the Chartered Institute of Arbitrators. She sits on the Kenya Premier League Independent Complaints Committee, Kenya Volleyball Federation Constitutional Review Committee among other sporting bodies.

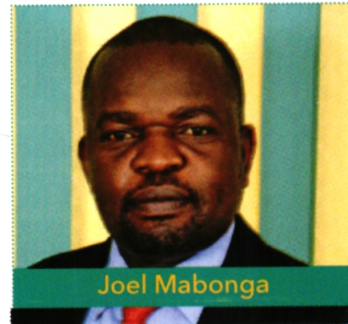
Vincent is a Valuer and Lead Environmental Impact Assessment Expert with a MSc. Urban Land Appraisal (UK), MA, Housing Administration and a BA in Land Economics. Vincent is an expert in criminal and asset tracing having worked with KACA, Anti-Corruption Police Unit, KACC and EACC for over 10 years.

Tom holds an MA in International Studies and a BA in Political Science. He is experienced in research, human rights law and practice. Tom has authored numerous papers on police reforms, and participated in the initial conceptualisation of police oversight in Kenya leading to enactment of the IPOA Act of 2011.



**Kagwiria Mbogori**

*Chair, KNCHR - Ex-officio Member*



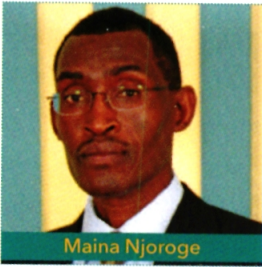
**Joel Mabonga**

*CEO / Board Secretary*

Kagwiria is an accomplished Human Rights Practitioner. Currently, she is the Chairperson, of the Kenya National Human Rights Commission. Her focus is on the promotion of a culture of respect for human rights in Kenya in keeping with the mandate of National Human Rights Institution.

Dr. Mabonga holds a Phd. (Management of Educational change), an MPhil (Educational Administration), B.Ed and other courses. Dr. Mabonga has extensive experience having served as Director Voter Education and Partnerships at (IEBC), Chief Examinations Manager and Lecturer.

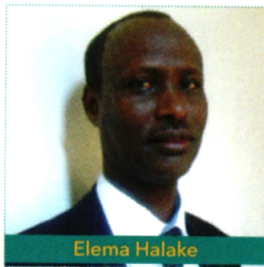
## IPOA Senior Management



**Maina Njoroge**

*Director, Business Services*

Njoroge holds an MBA in Finance, and a BCom (Accounting). He has attended the Senior Management Leadership Programme at Strathmore University and Antai College of Economics and Management (Shanghai Jiao Tong University, China).



**Elema Halake**

*Director, Investigations*

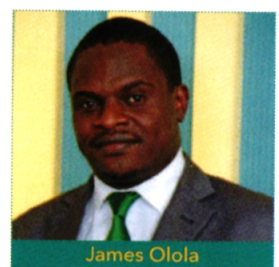
Elema holds a BA and an MA in Development studies. He is a Federal Bureau of Investigations (FBI) National Academy graduate. He has also undertaken extensive investigation and intelligence trainings in Botswana, USA and Kenya.



**Stephen Musau**

*Director, Inspections, Research & Monitoring*

Stephen holds a BA in Economics and Sociology and an MA Human Rights and Conflict Management (Italy). He also holds diplomas in International Law and Human Rights; and Organisation Development and Management.



**James Oloa**

*Director, Complaints & Legal Services*

James is an Advocate of the High Court of Kenya and has practised for 17 years. He holds an LLM Degree in Governance and Democracy and an LLB Degree from Nairobi University. He also holds a Postgraduate Certificate in Corruption Studies from Hong Kong University.

## IPOA Management



**Emmanuel Lagat**

*Head, Rapid Response*

Emmanuel holds a BSc and is currently pursuing a MA. He has extensive experience in forensics, ballistics, investigations, disaster victim identification and crime scene management. He has been trained in France, USA, Germany and locally.



**Jeremiah Arodi**

*Head, Investigations*

Jeremiah holds a BSc and is currently pursuing a MA. He has extensive experience in forensics, crime scene management, investigations, prevention interdiction and investigations on acts of terrorism. He has also been trained by the FBI.



**Gillian Mutua**

*Head, ICT*

Gillian holds a BSc in Information Technology, an MBA, a Diploma in IT and several other IT certification from various institutions. She has extensive experience in the Information Technology sector having worked in various public sector agencies.



**Hassan Kidzuga**

*Head, Risk & Audit*

Hassan holds an MBA in finance and a BCom in accounting and is a Certified Monitoring & Evaluation Expert. He has also undertaken training in Financial management & Good Governance at the Danida Fellowship Centre - Denmark.



**Rhoda Wairioko**

*Head, Human Capital*

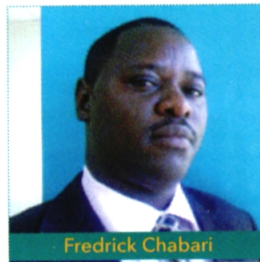
Rhoda holds an MBA and a BBM in Human Resource Management. She has more than 13 years experience in planning, recruitment, development, performance management, reward, wellness and harmonious employee relations.



**James Chemiati**

*Head, Security*

Colonel Chemiati (Rtd) has vast experience in the Security sector having previously worked with the Kenya Defence Forces (KDF) locally and internationally besides attending security training and serving in Western Sahara and South African National War College.



**Fredrick Chabari**

*Head, Procurement*

Fredrick holds an MSc in Procurement and Logistics, a BCom, a Graduate Diploma in Purchasing and Supply, an advanced Diploma in Purchasing and Supply and a Diploma in Business Management. He has 14 years experience in public and in donor funded project procurement.



**Dennis Oketch**

*Head, Communication & Outreach*

Dennis, holds a MSc and Bsc in Communication, a National Diploma in Communication and is awaiting graduation for a MSc in Communication. Dennis has attended the Senior Management Course and has spoken at forums in Sydney Australia and Kampala.



**Denis Ombuna**

*Head, Human Capital*

Denis holds an MBA in Strategic Management, BA (Sociology/Public Administration/Political Science) from Nairobi University and is Certified in Strategic Management and Leadership. Denis has extensive experience having worked in public sector before joining IPOA. He holds full membership of the Kenya Institute of Management (KIM).



**Diana Watila**

*Head, Security*

Diana, is an Advocate of the High Court of Kenya and has extensive experience in Human Rights and police reforms. She holds an LLB Degree from Nairobi University, a post graduate diploma from the Kenya School of Law and a certificate in Leadership and Integrity from the Central European University in Hungary.

- b. Integrity: The Authority shall maintain honest practices when carrying out its mandate at all times;
- c. Independence & Impartiality: The Authority shall remain free from outside influence and interference when it comes to the implementation of its mandate;
- d. Respect for Diversity: IPOA shall uphold that every citizen and community, particularly those that have been historically disadvantaged, will have equal opportunities and protection; and
- e. Compassion: The Authority shall deal with victims and survivors of police brutality and unfairness.

## 1.6 Strategic Planning

The envisaged outcomes of the Authority as stipulated in the Strategic Plan 2014-2018 are:

- a) Compliance by police to human rights standards;
- b) Restored public confidence and trust in police;
- c) Improved detention and police premises;
- d) A functional Internal Affairs Unit (IAU);
- e) A model institution in policing oversight in Africa.

## 1.7 CORPORATE GOVERNANCE

### 1.7.1 Introduction

The Board regards corporate governance as pivotal to the attainment of the Authority's core mandates and ensuring that IPOA remains effective. The Board recognizes that for governance to be effective, it must be realized through leadership and collaboration, having the Board at the helm leading by example and complimenting the senior management. This enables effective and efficient decision making and gives a structural aid for the management to discharge their duty to promote the success of IPOA while taking into account the interest of stakeholders.

### 1.7.2 The Board

The Board has a formal schedule of matters reserved for it. The directors receive appropriate and timely information so that they can maintain full and effective control over strategic, financial, operational, compliance and governance matters.

Ultimately, the board determines IPOA's strategic objectives, values, key policies and procedures in accordance with best practice. It is responsible for establishing and maintaining the overall internal controls of financial, operational and compliance functions as well as monitoring performance of the executive management.

The board has delegated the authority for day-to-day management of IPOA to the Chief Executive Officer. However, it retains overall responsibility for IPOA's financial performance, compliance with laws and regulations, and monitoring of its operations.

Under the leadership of the Chief Executive Officer, the role of corporate management is to conduct the day-to-day operations of IPOA in a way that is consistent with the strategic plans and budgets approved by the board. In this context, the CEO makes recommendations to the board with respect to matters of corporate strategy and policy. The board then makes the decisions which it deems appropriate and supervises the execution of such decisions and reviews.

### 1.7.3 Board Size and Composition

IPOA Board comprises nine members. The ninth member is an ex-officio member from the KNCHR. The Board has seven standing Committees, which meet as required. The Committees have been established with clear terms of reference to facilitate efficient and effective decision-making for the Board to discharge its duties, powers and authority.

### 1.7.4 Oversight role of the Board

The board provides strategic direction with a focus on consistent performance in an atmosphere of transparency and accountability whilst also reviewing and monitoring proper corporate governance throughout the Authority. The responsibilities of the board are clearly spelt out in both the IPOA Act and the Board Charter. The board defines the purpose of the Authority, its strategic intent, objectives and its values. It ensures that procedures and practices are in place to protect IPOA's assets and reputation.

The board retains full and effective control over IPOA and monitors management's implementation of the plans and strategies set by the board; it ensures ethical behaviour and compliance with relevant laws and regulations, audit and accounting principles, corporate policies and procedures and the Code of Ethics. It strives to act above and beyond the minimum requirements and benchmark performance against best international practices.

The Board's Code of Conduct and Ethics defines the governance parameters within which the Board exists and operates. In accordance with the principles of good corporate governance, each board member undertakes to always act in the best interest of IPOA and exercise his/her power in the execution of duties in good faith and acts with care and prudence.

Specifically, the Board is charged with the following responsibilities: -

- a) Defining the purpose of the IPOA, that is, its strategic intent and objectives, and its values which should be clear, concise and achievable;
- b) Strategy formulation and ensuring there are appropriate policies, systems and structures to effectively and successfully implement the strategies;
- c) Provide leadership within a framework of prudent and effective structures which enable risks to be assessed;
- d) Identify the opportunities as well as the principle risks in its operating environment including

the preparation of the risk policy plans/risk management policies and implementation of appropriate measures to manage such risks or anticipated impact on the operations;

- e) Review on a regular basis the adequacy and integrity of the internal controls, acquisition and divesture, management information systems including compliance with applicable laws and regulations;
- f) In stewardship and in discharging its obligations, the Board assumes responsibility in the following areas:
  - i) Retaining full and effective control over IPOA, and monitoring management in implementing Board plans and strategies;
  - ii) Ensuring ethical behaviour and compliance with relevant laws and regulations, audit and accounting principles, and IPOA's own governing documents and Code of Ethics; and
  - iii) Defining levels of materiality, reserving specific powers to the Board and delegating other matters with the necessary written authority to management and instituting effective mechanisms that ensure Board responsibility for management performance of its functions; among other mandates and responsibilities as stipulated in the IPOA Act.

### 1.7.5 Board Committees and Responsibilities

1. **Finance and Administration:** Reviews the Authority's annual budgets and procurement plans, quarterly and annual financial reports. The Committee also provides oversight on administration issues within the organization.
2. **Human Resource:** Advises the Authority on organizational structure, human resource policy and capacity enhancement/building, recruitment of senior staff ensuring that these are competitively structured, reflect face of Kenya, adhere to gender parity, and linked to performance. The Committee also makes recommendations to the Board for broad guidelines that promote operational efficiency.
3. **Investigations, Complaints and Legal:** Charged with providing oversight on the Authority investigations and complaints mandates. The Committee also advises the Authority on legal matters.
4. **Inspections, Research and Monitoring:** Provides oversight on the Authority's inspections, research and monitoring function.
5. **Communication and Outreach:** Provides oversight on communication and outreach programmes.
6. **Risk & Audit:** Works closely with the risk and audit unit and plays a critical role in reviewing financial information, and ensuring that the system of internal controls is effectively administered.
7. **ICT:** Provides oversight on the implementation of the Authority's ICT strategy, and innovation

initiatives.

### **1.7.6 Management Structure**

The Board has empowered the management and staff led by the Chief Executive Officer to facilitate execution of the above functions and achievement of the envisaged outcomes and impacts.

The Authority has four operational programmes: Complaints & Legal; Investigations; Business Services, and Inspections, Research & Monitoring. Departments include Human Capital; Communication and Outreach; Risk & Audit; Security and Procurement.

### **1.7.7 Staff**

As at 30 June 2017, the Authority had a staff count of 133, representing with 67%:33% male/female gender parity. The number of employees is projected to increase during the 2017/18 financial year to address the technical staff capacity challenges and efficiency.

## **1.8 STATUTORY REPORTING**

### **1.8.1 Performance Reports**

Section 30 of IPOA Act requires the Authority to prepare and submit a Performance Report every six months. During the reporting year, the Authority submitted to the National Assembly two performance reports for six months ended December 2015 and June 2016. Copies of the reports were also forwarded to the Inspector General (IG), NPSC, the 47 County Commanders and 47 County Assemblies through their respective Governors.

### **1.8.2 Annual Report**

Section 38 of IPOA Act requires the Authority to prepare and submit an annual report every financial year. This is the Authority's 4th annual report since inception. The report covers achievements during 2016/2017 Financial Year (1<sup>st</sup> July 2016-30<sup>th</sup> June 2017). It also contains a set of recommendations made to the NPS, among other state organs. Further, the report includes the Authority's audited financial statements for the year ended 30<sup>th</sup> June 2016.

## 2.0. COMPLAINTS MANAGEMENT

During the year, the Authority received 2,267 complaints of police misconduct. This was a decline in the number of complaints compared to 2529 received in the year 2015/2016 which could be attributed to some complainants forwarding their complaints to IAU directly. Complaints were processed through the CIC<sup>1</sup> and subsequently referred to IAU, NPSC, NPS, ODPP, EACC and also IPOA's Investigations, Inspections and Monitoring Directorates. Cumulatively since Authority's inception 8042 complaints have been received through a gradual growth except for FY 2016/2017 where there is a slight decline as in figure 1 below:

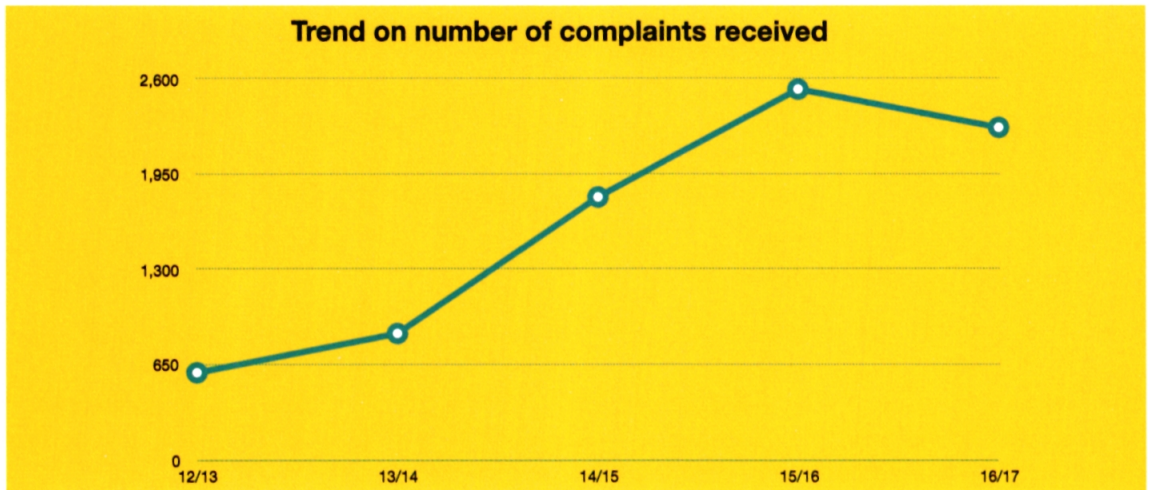


Fig 1: Trends on number of complaints

### 2.1. Source of the Complaints

During the period, complaints were received from various sources as shown in table 1 below. It is clear that the largest proportion of the complaints is directly from the public and the least (2.9%) from the police. It is worth noting that the 7.6% and 2.6 from the state and non-state agencies respectively were on behalf of aggrieved members of the public.

Source	Number	Percent
Police	65	2.9%
Public	1870	82.5%
Non-state actors	59	2.6%
State agencies	173	7.6%
Media	69	3.0%
Own Motion/Outreach	31	1.4%
<b>Total</b>	<b>2267</b>	<b>100%</b>

Figure 1: Sources of complaints

<sup>1</sup> CIC is an internal organ comprising of representatives from Investigations, Inspections and Monitoring, complaints management and Legal Directorates/Departments to review all received complaints and recommend for subsequent action.

## 2.2. Gender analysis of Complainants

Gender analysis of the 2267 complaints received at the Authority show that the male gender constituted the largest portion of complainants. This accounted for 65% (1482) of the complaints while the female complainants were 16% (351).

Three hundred and ninety-two (392), or 17%, were complaints by agencies thus not classified in any gender. In the FY 2016/2017, the percentage of female complainants increased from 12% in the FY 2015/2016 to 16%. The gender proportions are as illustrated in the pie chart below.

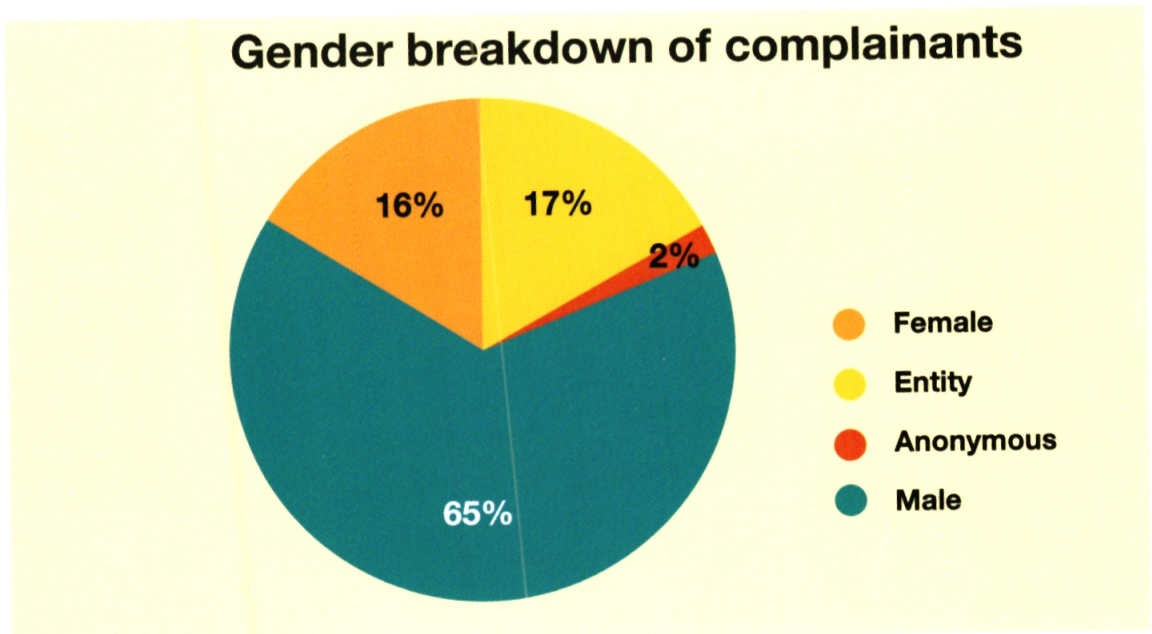


Figure 2: Proportion of complainants by gender

### 3.0. INVESTIGATIONS

During the year 2016/2017, the Authority concluded 294 investigations cases bringing the cumulative number of investigations completed since inception to 593. The 294 investigations were spread across 38 Counties but a majority were within Nairobi City County. The capital city accounted for 33.1% (97) of all the cases investigated. The spread across counties is as presented in the table below.

County	No. of Investigations	Percent	County	No. of Investigations	Percent
Nairobi	97	33.1%	Laikipia	4	1.4%
Meru	14	4.8%	Bungoma	3	1.0%
Machakos	14	4.8%	Kajiado	3	1.0%
Mombasa	13	4.4%	Embu	3	1.0%
Kiambu	13	4.4%	Kisumu	2	0.7%
Nyeri	12	4.1%	Tana River	2	0.7%
Narok	10	3.4%	Kilifi	2	0.7%
Uasin Gishu	10	3.4%	Wajir	2	0.7%
Kericho	9	3.1%	Kirinyaga	2	0.7%
Kisii	9	3.1%	Baringo	2	0.7%
Kitui	9	3.1%	Mandera	2	0.7%
Nandi	9	3.1%	Trans Nzoia	2	0.7%
Nakuru	8	2.7%	Bomet	1	0.3%
Kakamega	6	2.0%	Lamu	1	0.3%
Siaya	6	2.0%	Busia	1	0.3%
Makueni	6	2.0%	Kiambu	1	0.3%
Kisumu	5	1.7%	Kwale	1	0.3%
Isiolo	4	1.4%	Samburu	1	0.3%
Muranga	4	1.4%	Migori	1	0.3%
<b>Total Counties</b>			<b>38</b>		
<b>Total No. of Investigations</b>			<b>294</b>		

Figure 3: Distribution of investigation status across counties.

### 3.1. Outcome of Investigations

During the period, out of the 294 cases investigated, twenty-six (26) cases were forwarded to the ODPP. The nature of cases referred to ODPP included murder, assault, use of excessive force and public inquests among others. One hundred and fifty-three (153) cases were closed at the initial investigation stage owing to various reasons such as; where the matter was being

handled by another agency e.g. the NPS, EACC, NPSC, where a matter was before court, where a complainant withdrew the complaint through the Authority, uncooperative complainant and where there was insufficient evidence. Twenty-three (23) cases were finalized at the preliminary investigations stage as there was no sufficient evidence for subjecting the cases to a full investigation. Three (3) cases were resolved through alternative dispute resolution mechanisms, six (6) cases were referred to other agencies<sup>2</sup>.

### 3.2. Trend of Investigations since Inception.

The number of cases investigated by the Authority has been increasing since inception. The number has grown from 27 in FY 2013/2014 to 294 in FY2016/2017. This growth is attributed to the increase in the number of investigation officers in the Authority and improved capacity of the investigators through training.



Figure 5: Trend of investigation since inception.

### 3.3 Status of Investigated Cases as at June 2017

Status	Number
Concluded investigations	593
Cases at ODPP	26
Cases before Courts as at June 2017	96
Successful Convictions	2

Figure 6: Cumulative Status of Cases as at FY 2016/2017.

<sup>2</sup> Other agencies refer to EACC, DCI, NPSC and IAU

## 4.0. INSPECTIONS OF POLICE PREMISES

The Authority conducts inspections of police and detention facilities to assess the status of compliance with standards set by the law. This is execution of section 6(e) of the IPOA Act 2011 which mandates the Authority to conduct inspections of police premises including detention facilities and enhancing functions of the National Police Service, as defined in Sections 24, 27 and 35 of the National Police Service Act. The inspections process takes into account the international standards on the minimum rules for a detention facility.

During the year (July 2016-June 2017), a total of 208 inspections of police facilities were conducted. 94(45%) were new inspections while 114(55%) were follow-up inspections.

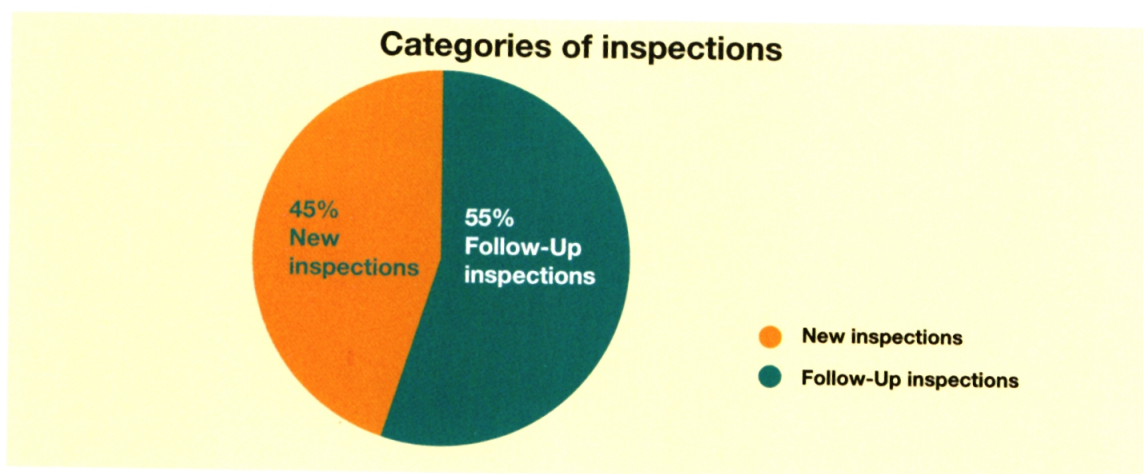


Figure 4; Categories of inspection

The 208 inspections were conducted in 39 of the 47 counties in Kenya. Kakamega County had the highest number of inspections (17) followed by Bungoma (13), Tana River (13), Machakos (12), Kwale (11), Nyeri and Narok closed the list of the counties with 10 inspections done. The need for the follow ups in these counties was informed by the previous findings that called for urgent actions and also referrals from the Authority's Case Intake Committee (CIC).

County	Inspections No.	Percentage	County	Inspections No.	Percentage
Kakamega	17	8.2%	Siaya	4	1.9%
Bungoma	13	6.3%	Kericho	4	1.9%
Tana River	13	6.3%	Lamu	3	1.4%
Machakos	12	5.8%	Homa Bay	3	1.4%
Kwale	11	5.3%	Laikipia	3	1.4%
Nyeri	10	4.8%	Nyamira	3	1.4%
Narok	10	4.8%	Makueni	3	1.4%
Bomet	9	4.3%	Baringo	3	1.4%

Uasin Gishu	8	3.8%	Muranga	2	1.0%
Nyandarua	8	3.8%	Turkana	2	1.0%
Taita Taveta	8	3.8%	Narok	2	1.0%
Kilifi	7	3.4%	Busia	2	1.0%
Embu	6	2.9%	Wajir	2	1.0%
Elgeyo Marakwet	6	2.9%	Tharaka Nithi	2	1.0%
Homa Bay	5	2.4%	Nairobi	1	0.5%
Kisii	5	2.4%	West Pokot	1	0.5%
Nakuru	5	2.4%	Migori	1	0.5%
Mombasa	4	1.9%	Vihiga	1	0.5%
Kajiado	4	1.9%	Kisumu	1	0.5%
Kirinyaga	4	1.9%			
<b>Total Counties</b>			<b>39</b>		
<b>Total Inspections</b>			<b>208</b>		

Figure 5; Distribution of inspections at county level

Out of the 17 parameters assessed during follow-up inspections, 13 (76.4%) recorded improvements around the standards of detention facilities, 2 (11.8%) maintained status quo and there was slight deterioration in 2 (11.8%).

#### 4.1. Trends of Inspections since Inception

The number of inspections of police facilities has been increasing over the years. A total of 706 inspections have been conducted since inception with the year 2015/2016 carrying the highest number at 237 followed by 2016/2017 with 208 inspections. The trend on growth of inspections numbers is as shown below.

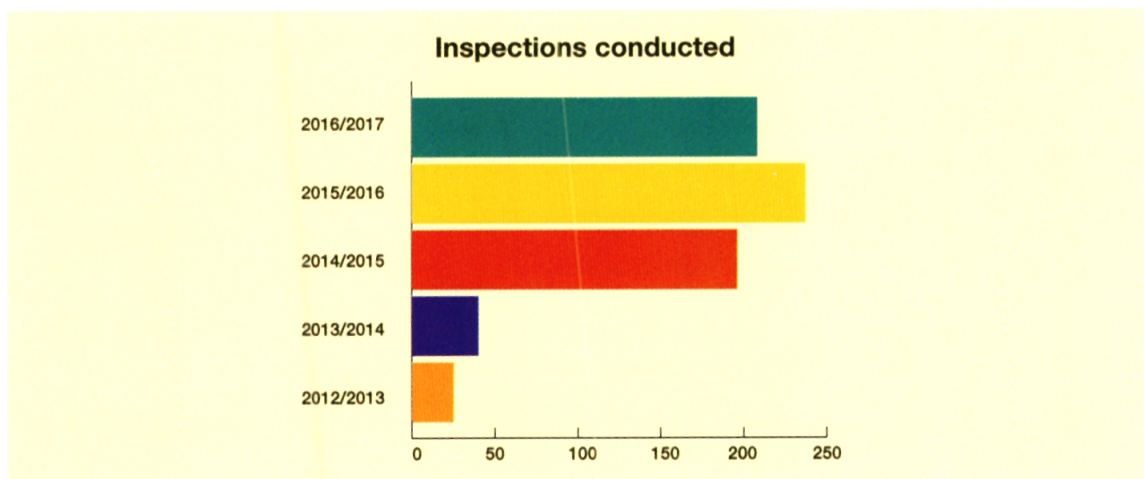


Figure 6; Trend on inspections since inception.

## 4.2. Conditions of Inspected Police Premises

The overall status of selected amenities in detention facilities seem to be a bit fair except on existence of juvenile cells in police stations where only 27% of the facilities inspected had Juvenile Cells. Notable also is the absence of separate cells for male and female detainees in 15% of the facilities inspected. This poses a risk since some detainees, especially females, have to be locked up in different place like the report office, which is not a standard lock up facility. Sample of status of the amenities is as shown below;

Amenity	Separate cells by gender	Juvenile cells	Clean cells	Clean toilets
Number of cells with selected provisions	177	56	149	131
Percentage of total	85%	27%	72%	63%

Figure 7; Status of cells inspected.

The inspection of these detention facilities and the recommendations made by IPOA have enhanced provision of amenities such as meals for those in detention, reasonable standards of sanitation, safe and clean water while in detention. Further through the impromptu inspection of police premises IPOA has increased the adherence to the 24-hour rule - the maximum period a suspect can be held by police - before being produced in a court of law.

## 5.0. MONITORING OF POLICE OPERATIONS

During the reporting period, the Authority monitored a total of 64 police operations affecting Members of the public. The monitoring activities were categorized as follows;

- Police operations organized by the Government in case of occurrences
- Public order management
- Regular Police operations
- Police operations as per CIC referrals
- Police operations during elections
- Police Constables Recruitment

The monitoring activities under Public Order management were twelve (12), twenty-five (25) monitoring exercises on regular police operations, fifteen (15) on policing during the election period and five (5) on operations initiated by government<sup>3</sup>. Monitoring was also conducted during police constables' recruitment and six (6) police operations as per CIC referrals. A graphical representation of the monitoring activities is as shown below;

<sup>3</sup> These are police operations which are sanctioned as per Section 106 of the NPS Act, 2011

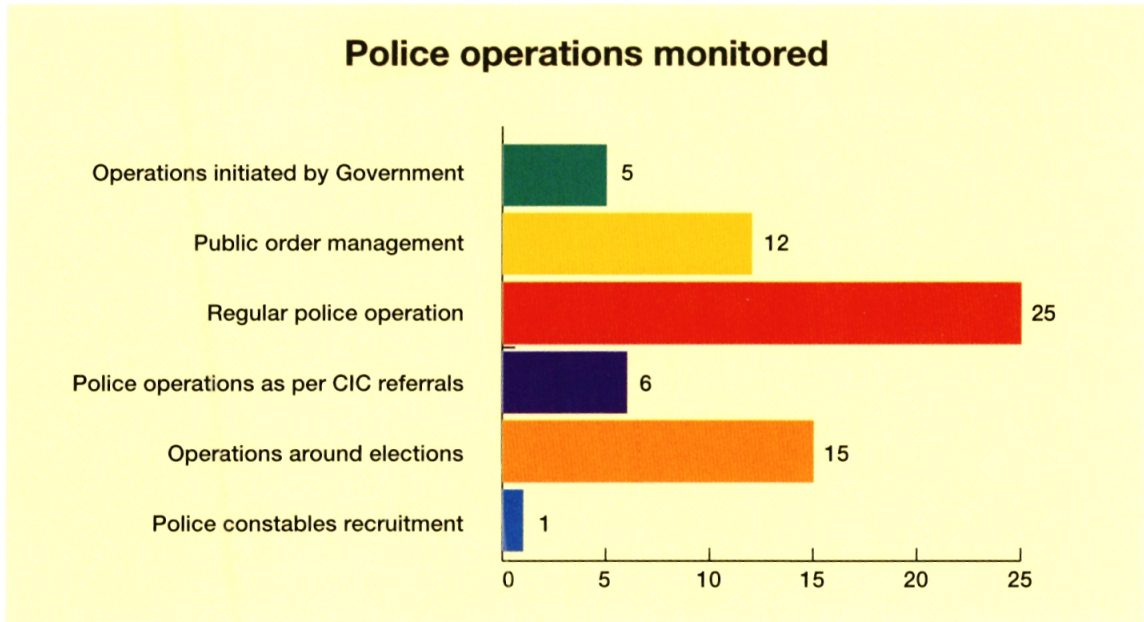


Figure 8; Categories of police operations monitored.

Specifically, IPOA has been contributing to police compliance with human rights standards through investigating deaths and serious injuries occasioned by the police, monitoring police operations and inspecting police and detention premises.

IPOA has been monitoring and documenting police conduct during public order management to ensure that police comply with this constitutional provision. Since the promulgation of the 2010 Constitution of Kenya the country has experienced increased freedom of expression by members of the public through exercising of Article 37 of the constitution. The Authority has been monitoring policing operations around public order management to ensure this right is upheld by the NPS.

## 6.0. OUTSTANDING POLICE SERVICE AWARD (OPSA)

Outstanding Police Service Awards (OPSA) is an Award Scheme aimed at motivating serving police officers to carry out their work in accordance with the principles of democratic policing, while promoting public trust and confidence in the police service. During the reporting period, the Authority coordinated and partnered with other stakeholders and institutions towards realization of the 3<sup>rd</sup> Outstanding Police Service Awards 2016/17 which was held in May 2017 in Nairobi. A total of 92 officers were awarded for outstanding performance including best individual officers i.e. 20 male and 20 female, best officers in upholding human rights (15), best detention/holding facility (4), best facility in orderliness and cleanliness (5), best facility in community policing (4), extra mile category (10) and posthumous category (14). The Chief Guest was the late Hon. Joseph Nkaisery, the then Cabinet Secretary, Ministry of Interior and Coordination of National Government. Also present was the NPS leadership led by the IG, DIG - KPS, DIG - APS and the DCI.

For the three editions of OPSA that have been conducted, one of the most competitive categories was the 'Best Detention Facility' category. This category of the award involved various aspects that were assessed to inform compliance with standards set by the constitution and the NPS Act 2011. The aspects include cleanliness of the cells, cleanliness of toilets and availability of lighting in the cells, adequate ventilation and provision of meals to detainees. As a result of this award, there was healthy competition where various police stations endeavored to emerge winners by working towards improving their detention facilities. No single detention facility won the award in consecutive editions which depicts the high competitiveness and consistent improvement of the facilities by various police stations.

### **6.1 Functional Community Policing Frameworks**

The Authority has consistently emphasized the need for Police facilities to establish functional Community Policing frameworks in compliance with Section 96 of the NPS Act. Through follow-ups by the Authority there has been an increase in Police facilities with functional community policing frameworks. This is in addition to an increase of community policing committees established within these Police facilities and documenting their meeting proceedings as stipulated by law. Furthermore, there has been an increase in structured community clusters through which grassroots involvement of the Kenyan citizens in security matters is realized.

### **6.2 Civic Education on Policing to both the Public and the Police**

The Authority through Community Outreach has consistently played the significant role of sensitizing the public on the need to collaborate with the Police to ensure there is security, law and order. Through this undertaking the Authority identified a gap in collaboration between the public and NPS that manifested itself through the adversarial relationship between the public and the Police. On its part IPOA has on several occasions discouraged the Kenyan public against attacking Police Officers but has instead recommended for sober interactions that can culminate in intelligence sharing between the Public and the Police.

## **7.0. AWARENESS CREATION**

To create awareness to the public on IPOA mandate, the Authority held outreach forums and media campaigns. Outreach forums were conducted in Nairobi, Kisumu, Mombasa, Tana River, Wajir, Lamu, Garissa, Turkana, Mandera, Marsabit and Isiolo Counties. In particular, the Authority sensitized members of the public and police in the CID Training School in Nairobi. Senior APS Officers were also sensitized at Loresho. In addition, youths in Mathare, Kibera, Huruma, Dandora, Kakuma refugees and Loreto Convent Valley Road School pupils were also sensitized. The Authority also sensitized the public during the Legal Awareness Week at Milimani Law Courts and during human rights defenders' forum at Hotel Metro in Nairobi.



*On 11<sup>th</sup> August 2016, - CID training school. The CEO IPOA sensitizing senior National Police Service officers*

## **8.0. TRANSPARENCY AND ACCOUNTABILITY**

During the year under review, the Authority received Kshs. 432.9m from the National Treasury and recorded 89% budget absorption. This facilitated the smooth running of the Authority's operations and establishment of three regional offices in Mombasa, Kisumu and Garissa.

In compliance with the Public Financial Management Act 2012, the Authority complied with the inclusion of the Treasury representative to the membership of the Risk and Audit Board Committee. Through the oversight of the board, high standards of internal controls were put in place and implemented. The Authority's risk management framework was also implemented to safeguard the Authority's assets and stakeholders' interests.

## **9.0. COOPERATION WITH OTHER AGENCIES**

As a way of boosting cooperation between the NPS and IPOA, the Authority in partnership with Jamii Thabiti held a feedback dialogue meeting with NPS station commanders in Nakuru County in June 2017. This was the first time the Authority was holding such a dialogue session with the station commanders, with a view of disseminating the inspections findings and recommendations. The Commanders were drawn from 18 police facilities in Nakuru County. A participatory discussion on 4 issues were discussed; Cooperation between IPOA and the NPS officers, uptake of IPOA findings, recommendations and implementation by the NPS Station Commanders and the challenges therein, community partnership with the police through community policing initiatives and conduct of police during the August 2017 General Election. The Authority also in line with its strategic plan continued to develop strong working relations

with partners who included the Office of the Director of Public Prosecutions, the Witness Protection Agency, the Kenya National Commission on Human Rights, International Justice Mission, Independent Medical Legal Unit (IMLU), Ethics and Anti-Corruption Commission, National Police Service Commission, Commission on Administration of Justice, Swedish Embassy, US Embassy, EU, UNODC among others.

## **10. RISK AND PERFORMANCE MANAGEMENT**

### **10.1 Risk and Audit Committee Report**

The internal audit and risk management function is a critical component in ensuring that we underpin our ability to execute and implement strategy. The principal objectives of the committee are to support the maintenance and continual upgrade of our control environment and to ensure the integrity of the financial information provided to all stakeholders within an environment where risk amelioration is maximized.

The committee seeks to not only respond to change but to support and challenge management to develop controls as they anticipate future risks and opportunities.

The committee met six times in 2016/2017, and received various reports touching on the internal control environment, risk management and corporate governance and in turn reported to the main board on its findings. In addition, the committee continually follows up to ensure all outstanding matters are properly and completely closed out.

### **10.2 Composition of the committee**

The committee is composed of Rose Bala (Chair), Fatuma Saman and Grace Madoka. In this report the Authority seek to provide an insight into the workings of the committee in the areas of internal control, risk management, corporate governance and compliance.

#### **10.2.1 The Role of the Audit & Risk Committee**

The Committee has the following responsibilities: -

1. Evaluating whether processes are in place to address key roles and responsibilities in relation to risk management.
2. Evaluating the adequacy of the control environment to provide reasonable assurance that the systems of internal control are of a high standard and functioning as intended.
3. Performing an independent review of the financial statements to ensure the integrity and transparency of the financial reporting process.
4. Monitoring the effectiveness of the Authority's performance information and compliance with the performance management framework and performance reporting requirements.
5. Evaluating the quality of the internal audit function, particularly in the areas of planning, monitoring and reporting.
6. Engaging with external audit and assessing the adequacy of management response to issues identified by audit.
7. Reviewing the effectiveness of how the Authority monitors compliance with relevant

legislative and regulatory requirements and promotes a culture committed to lawful and ethical behavior.

### 10.3 Internal Controls

The board is responsible for the system of internal control. Through the risk and audit committee, the board is committed to continuously ensure adequate and effective control procedures are in place with a view to safe guarding Authority assets and stakeholder interests. Through constant interaction with management and with the assistance of the risk and audit department, the committee is able to evaluate the effectiveness of set internal controls.

The committee continuously seeks to ensure the implementation and maintenance of adequate, effective and properly communicated internal control procedures by management. Management is also required to ensure that the processes and procedures are operating seamlessly and achieve the desired objectives.

The committee is appraised regularly in respect of weaknesses noted, the corrective actions taken and any improvement recommendations provided. Approval of the annual audit plan is a critical component in ensuring the effectiveness of internal controls and the general control environment.

In 2016/2017 FY, all internal controls were in place and functioning as required. Areas of improvements were identified and implemented. No significant control deficiencies were noted either by the external or internal auditors.

### 10.4 Risk Management

The Board has initiated and facilitated the process that will see the enhancement of risk management. The Board has an integrated risk management framework/strategy. The Board's approach to risk management is based on risk governance structures, risk management policies, risk identification, measurement, monitoring and reporting. The risk management policies and systems are reviewed regularly to ensure they are in tandem with the environment, regulatory guidelines, industry practice, as well as the services offered.

The Board recognizes the critical role the risk management will continue to play in its endeavor to carry out its operations in a dynamic environment. The Board is committed to ensure that corporate governance and risk management are deeply entrenched in the Authority's strategy and culture. An elaborate risk management strategy that will provide direction on matters of policy and guide the implementation and control has been developed.

This risk management framework captures the following among other things: -

- The Authority's risk appetite and parameters;
- The Authority's risk matrix that highlights the rating of risks;
- The structure of managing risks and accountabilities;
- The processes, procedures and reports that manage risks;
- The mitigating factors, prevention, contingency plans and controls;

The Board has the overall responsibility for the establishment and oversight of the Authority's risk management framework. The Board has delegated its risk management to the 'Risk and Audit Committee'.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to management. The responsibility is supported by the development of overall standards for the management of operational risk in the following areas: -

- Requirements for appropriate segregation of duties, including the independent authorization of transactions;
- Requirements for the reconciliation and monitoring of financial transactions;
- Compliance with regulatory and legal requirements;
- Documentation of controls and procedures;
- Requirements for the yearly assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified;
- Requirement for the reporting of operational losses and proposed remedial action;
- Development of Contingency Plans;
- Training and professional development;
- Ethical and business standards;
- Risk mitigation, including insurance where it is effective.

Operational risks are documented in the Enterprise Risk Framework and are managed by the Risk and Audit function established to spearhead and coordinate risk management activities. The measures taken include proactively identifying, analyzing and mitigating risks in all facets of the Authority.

During 2016/2017 FY, the risk management framework was finalized and implemented, risk registers completed and updated periodically and there was a significant progress in inculcating the risk management culture within the Authority.

## 10.5 Internal Audit

The Authority has a robust internal audit function headed by the Head of Risk and Audit. The members of staff in this department are qualified and highly skilled and are members of the Institute of Certified Public Accountants (ICPAK) and IIA - the institute of internal Auditors. The risk and audit department utilizes a risk based audit methodology whereby more focus is given to those areas identified as high risk, as identified by the departmental risk committees and risk registers. Internal audit programs are then designed to fully compliance test related internal checks and controls.

The department provides assurance on matters of internal control, risk and governance and also provides consultancy services on process enhancement and improvement. The department is independent and reports directly to the board risk and audit committee and has unrestricted access to all records and individuals within the Authority.

The staff in the department attend various continuous professional development (CPD) training programs to maintain their knowledge and skills related to their duties. During the year, the

internal audit department carried out internal audit engagements and follow up assignments in financial and non-financial areas of the Authority as follows: -

- Budget process and Budget Implementation;
- Assets controls, movement and valuation;
- Governance processes;
- Human resource hiring, retention and training;
- Bank reconciliations;
- ICT Service provisions;
- Procurement processes.

### 10.6 PERFORMANCE MANAGEMENT

The Authority remained on course on its performance management strategy guided by an elaborate performance management framework. During the reporting period the Authority conducted performance review sessions at the management, board committee levels, based on the analyzed performance data gathered from each of IPOA's departments. The approved annual work plan for the reporting period was effectively implemented.

### 11.0. INSTITUTIONAL STRENGTHENING

The Authority recognizes that through effective and efficient human resource services, and capacity building provided to staff, Human Capital is key in execution of its mandate to ensure enhanced productivity among its staff and institutional strengthening. Institutional strengthening through capacity building has led to increased efficiency of employees, reduced turnover, improvement in chances of obtaining promotions and better opportunities. This has also helped new employees in the organization to learn more about the authority's operational mandate.

The Authority was privileged to have an experiential learning for the staff through facilitators from UK's IPCC, which is an independent police oversight entity, recently transformed to the Independent Office for Police Conduct (IOPC).



Dec 2016: U.K's IPCC visit to IPOA

The Authority also established 3 regional offices in Garissa, Mombasa and Kisumu. The offices began operations on the 1st of March 2017 aimed at taking IPOA services closer to the people.

In an endeavor to go paperless, the Authority with support from the US Embassy developed an online platform for conducting its businesses. The Enterprise Content Management (ECM) dubbed 'IPOA Cloud Connect' is an online platform aiming at digitizing all the operations of the Authority. The system includes a Case Management System (CMS) that creates a central database for clients' information, clients and organization files and an online complaints intake site. The first four modules (Investigations, Complaints, Inspections, Research and Monitoring, and Legal) are operational, since 1st April 2017. Development of the remaining modules is ongoing.

## 12.0 IPOA RECOGNITION

During the reporting period, IPOA won a prestigious award - Ombudsman Huduma Award on 9th March 2017. The Authority was awarded for its exemplary services to the public, in the institution category.

The Authority also participated in the FiRE AWARDS organized by ICPAK. The Award was worn and awarded in November 2016 in two categories; Application of International Public Accounting Standards (IPSAS) and in the Independent Offices and Commissions category.



*Nov 2016; IPOA staff, management, Board members celebrating the FIRE Award.*

## 13.0. COMPLIANCE WITH THE LAW, PRESIDENTIAL DIRECTIVES AND CIRCULARS

The Authority complies with the Law, Circulars and Presidential Directives in all its processes.

During the period under review, the Authority complied with the Public Procurement and Disposal Act 2015 and presidential directive of 2013. Goods and services were procured as per the Authority's 2016/2017 Procurement Plan.

### 13.1. Access to Government Procurement Opportunities (AGPO)

In line with the Presidential Directive of 2013, requiring that 30% of tenders be awarded to the Youth, Women and Persons with Disabilities (PWDs); the Authority awarded tenders to youth, women and PWDs worth Kes 28,694,990 as follows;

Category	No of Firms	Amount
Women	74	14,011,625
Youth	46	14,683,365
PWD	Nil	Nil
Total	120	28,694,990

## 14.0. CHALLENGES AND RECOMMENDATIONS

### 14.1. CHALLENGES

1. Police proceeding to undertake investigations and recommending inquests before informing the Authority and thus legally barring IPOA's investigations.
2. Non-cooperation from NPS hindering execution of Authority's mandate particularly investigations, inspections and monitoring of police operations.
3. Inadequate feedback on the extent to which NPS has implemented recommendations given by IPOA upon inspection of police premises, monitoring of police operations as well as complaints referred to them
4. Withdrawal of complainants and witnesses which adversely affect investigation.
5. Failure of the police to release post mortem results to IPOA to assist in investigation.

### 14.2. RECOMMENDATIONS

#### National Police Service (NPS)

1. The NPS Act, 2011 Section 46(2) stipulates for reasonable working hours of police officers where if excessive overtime is required, officers shall be compensated with commensurate periods of rest and they shall be allowed a minimum time of rest during and in between shifts. This provision should be granted for police officers to work effectively.
2. The NPS Act, 2011 Sec. 96-100, the Service should partner with communities through operationalization of community policing initiatives in order to improve on policing. Commanders need to develop creative ways of bringing the community members aboard to enhance the fight against crime.
3. The Ministry of Interior and Coordination of National Government needs to enhance funds to the National Police Service for realisation of the Fifth Schedule to the NPS Act, 2011.
4. The NPS leadership should provide feedback on the extent of implementation of numerous IPOA recommendations upon inspections and monitoring of police premises and operations.
5. County Commanders through the IG's office should enhance co-operation with IPOA to ease investigations, complaints handling, inspections and monitoring. For instance, they should avail Operational Orders, post mortem results and ensure notifications to the Authority of any reported deaths and injuries.

#### National Police Service Commission (NPSC)

1. The NPSC Recruitment and Appointment Regulations 2015 need to be reviewed to capture what entails 1st stage, 2nd stage and 3rd stage of the Police Constables' recruitment exercise as was recommended by the report by the National Task Force

on Police Reforms (Ransley Report).

2. In order to protect citizens' rights, the NPSC should consider continuous officers' training on human rights.
3. The NPSC should find innovative ways of motivating officers for their exemplary performance such as officers identified in the OPSA awards, for other officers to collaborate.

## APPENDIX 1 : INSPECTIONS RECOMMENDATIONS MADE TO NPS

Issue	Recommendation	Action Person
<p>Conditions of cells and toilets. (33% of the cells were dirty, 48% of the toilets were dirty.)</p>	<p>The National Police Service Act (NPS Act) rightly recognizes that the detention of detainees should be carried out in accordance with the law. According to Rule 5 of the Fifth Schedule of the National Police Service Act 2011, it is the responsibility of the Officer in Charge of the station, to ensure that a lock up facility is in hygienic conditions conducive for human habitation, have adequate light, toilet and washing facilities and an outdoor area. The officers in charge of the stations and posts should ensure that they adhere to this provision of the NPS Act. These conditions do not require much effort other than the officer in charge mobilizing officers under his command to ensure that these conditions are met at all times.</p> <p>In addition, the detention facilities should have toilets within the cells to avoid detainees being given bucket toilets.</p>	<p>The Officer-in-Charge of the premises</p>
<p>Separation of detainees by gender-18% of the detention facilities had one holding cell.</p>	<p>Fifth Schedule Rule 5 (c&amp;d) states that males and females should be kept separately. The Inspector General of Police and the Cabinet Secretary Interior and Coordination of National Government should ensure that designated detention facilities are facilitated in establish male and female cells. All the cells in addition to this should be labelled accordingly.</p>	<p>IG, CS and the Officers in Charge of the station</p>
<p>Separation of detainees by age -70% of the detention facilities did not have juvenile cells.</p>	<p>Fifth Schedule Rule 5 (c&amp;d) states that juveniles shall be kept separately from adults. The inspector general of police and the Cabinet Secretary Interior and Coordination of National Government should ensure that designated detention facilities are facilitated in establishing juvenile cells.</p>	<p>IG and CS</p>

Issue	Recommendation	Action Person
<p>Community Policing Initiatives -It was observed that 70% of the Police facilities inspected had no active community policing initiatives.</p>	<p>According to Article 244(e) of the Constitution of Kenya 2010, the National Police Service should strive to foster and promote relationships with the broader society. Section 98 of the NPS Act mandates a police officer in charge of an area in consultation with stakeholders to establish community policing committee. If implemented properly, community policing leads to intelligence based policing and ensures safer neighbourhoods. The officers in charge should ensure that community policing is up and running at the station level.</p>	<p>In charges of police premises.</p>
<p>Records management.</p> <p>The crucial police records were not up to date including Cells registers, OB, Arms movement registers and Detainees property registers.</p> <p>21% of the police facilities had incorrectly filled-in Arms Movement Register, while 7% had incorrectly filled-in</p> <p>Occurrence Book. 9% Of the KPS premises had incorrectly filled-in Cell Registers. 63% of the facilities had incorrectly filled-in detainees Property Register. 53% of the facilities had their Exhibit Registers incorrectly filled-in.</p>	<p>Properly kept records determines and influences the accountability of members of the National Police Service while at the same time ensuring the rights of the detained persons are safeguarded. The officers commanding police station must ensure that proper records are kept as required by law. Section 50 (1) of the NPS Act stipulates that a police officer in charge of a police station or post, shall keep a record in such form as the IG may in consultation with the DIG direct and shall record all complaints and charges preferred, the names of all persons arrested and the offences with which they are charged. Further the 5th Schedule of the NPS Act Section 8, stipulates that a register shall be kept in police station or other place of detention in which particulars of detained persons are entered. The officers in charge should ensure that registers are correctly entered and consistently updated.</p>	<p>In charge of police premises</p>

Issue	Recommendation	Action Person
<p>Resource Allocations</p> <p>Over 50% of the premises inspected lacked sufficient stationeries and police registers.</p> <p>The vehicles and fuel allocation was not sufficient to cover their respective jurisdiction. 35% of the inspected facilities had no vehicles.</p>	<p>According to Section 116 (2) of the National Police Service Act 2011; it is the responsibility of the IG to ensure that every police station, post, outpost, unit, base, and county authority is allocated sufficient funds to finance its activities. The IG should ensure that, stationery, registers, vehicle and fuel allocation are sufficient to address the needs of the stations. The issue of lack of stationeries should be addressed.</p> <p>Further the IG should ensure that each police station/camp/post has at least a computer which is internet enabled and a printer for efficient and effective performance of police duties.</p> <p>To ensure accountability at the station level, the Inspector General of Police should ensure that the Authority to Incur Expenses (AIEs) is delegated from the OCPD's to the station Commanders' (OCS).</p>	<p>The Inspector General of Police</p>
<p>Staff Capacity and Gender balance Over 50% of NPS premises inspected were understaffed. In addition, some police stations/ posts had not adhered to the third gender rule.</p>	<p>Article 246 (3) (a) of the Constitution of Kenya gives the National Police Service Commission the mandate to recruit and appoint persons to hold or act in offices in the service, confirm appointments and determine promotions and transfers within the National Police Service. The National Police Service Commission should ensure that shortage of staff and gender balance are addressed to ensure the third gender rule, as enshrined in the constitution, is complied with. Proper redeployment of officers is also necessary to ensure that the police officers are utilized in their key functions. This will help in ensuring that shortage of officers in the stations is addressed.</p>	<p>The Chairman, National Police Service Commission</p>

Issue	Recommendation	Action Person
<p>Officers' housing and Office Space</p> <p>7% of the premises inspected had inadequate office space.</p> <p>20% of the premises inspected had insufficient housing in deplorable state.</p>	<p>To ensure efficiency in Police work, police stations should have enough office space to accommodate all its sections as this will improve service delivery.</p> <p>Article 43 (b) of the Constitution stipulates that every person has the right to adequate housing and to reasonable standards of sanitation. To address the crisis in housing, the Cabinet Secretary and the IG should facilitate for adequate housing for officers serving under the National Police Service. The IPOA's report on police housing released in February 2016 should be a yardstick in addressing police housing crisis, through giving officers decent house allowances.</p>	<p>The IG, CS and NPSC</p>
<p>Relationship between the two entities of the National Police Services</p>	<p>It was observed and officers raised concerns on the bad working relationships between APS and KPS. In some counties, officers from the two police services cited non-cooperation from each other. The IG should ensure mutual relationships are enhanced between the two services towards total integration.</p>	<p>The IG; DIGs and County Commanders</p>
<p>Transfer and promotion of police officers</p>	<p>Officers interviewed confirmed that transfers and promotions were still not conducted in a transparent and fair manner. Some claimed that they were being transferred from one operation area to another despite the non-attainment of necessary qualifications. The force standing orders stipulate that constables working in operational areas should be below 30 years of age and N.C.O's to be below 40 years. The National Police Service Commission (Transfers and Deployments) Regulations, 2015 should be reviewed to address these challenges.</p>	<p>The Chairman, National Police Service Commission</p>

Issue	Recommendation	Action Person
Ease of identification of police officers in any police operation.	In all police operations that were monitored, it was not easy to identify the officers who were deployed. This is contrary to Rule 10 of Part A to the Sixth Schedule of the NPS Act which states that "a Police officer in uniform shall at all time affix a name tag or identifiable Service number in a clearly visible part of the uniform". The Inspector General of Police should ensure that this is complied with during all police operations including public order management.	The Inspector General of Police

REPUBLIC OF KENYA



**OFFICE OF THE AUDITOR-GENERAL**

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
INDEPENDENT POLICING OVERSIGHT  
AUTHORITY**

**FOR THE YEAR ENDED  
30 JUNE 2017**

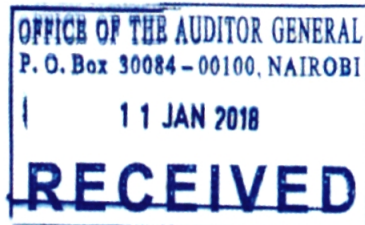
---

**INDEPENDENT POLICING OVERSIGHT AUTHORITY (IPOA)**

---

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2017**

---



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

---

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

<b>TABLE OF CONTENTS</b>	<b>Page</b>
<b>KEY ENTITY INFORMATION AND MANAGEMENT .....</b>	<b>3</b>
<b>FOREWORD BY THE CHAIRMAN .....</b>	<b>13</b>
<b>STATEMENT OF MANAGEMENT RESPONSIBILITIES .....</b>	<b>14</b>
<b>REPORT OF THE INDEPENDENT AUDITORS .....</b>	<b>15</b>
<b>STATEMENT OF RECEIPTS AND PAYMENTS.....</b>	<b>16</b>
<b>STATEMENT OF ASSETS AND LIABILITIES .....</b>	<b>17</b>
<b>STATEMENT OF CASH FLOW .....</b>	<b>18</b>
<b>SUMMARY STATEMENT OF APPROPRIATION: RECURRENT .....</b>	<b>19</b>
<b>BUDGET VERSUS ACTUAL AMOUNTS .....</b>	<b>20</b>
<b>BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES .....</b>	<b>21</b>
<b>SIGNIFICANT ACCOUNTING POLICIES.....</b>	<b>22</b>
<b>EXPLANATORY NOTES.....</b>	<b>28</b>
<b>ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE .....</b>	<b>35</b>
<b>ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES.....</b>	<b>36</b>
<b>ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER .....</b>	<b>37</b>

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

**KEY ENTITY INFORMATION AND MANAGEMENT**

**a) Background information**

**Incorporation/Objectives**

The Independent Policing Oversight Authority (IPOA) was established through Act No. 35 of 2011.

The objectives of the Authority are to:

- a) Hold the Police accountable to the public in the performance of their functions;
- b) Give effect to the provision of Article 244 of the Constitution that the Police shall strive for professionalism and discipline and shall promote and practise transparency and accountability; and
- c) Ensure independent oversight of the handling of complaints by the National Police Service.

**Principal Functions**

The principal functions of the Authority are to:

- a) Investigate any complaints related to disciplinary or criminal offences committed by any member of the National Police Service, whether on its own motion or on receipt of a complaint, and make recommendations to the relevant authorities, including recommendations for prosecution, compensation, internal disciplinary action or any other appropriate relief, and shall make public the response received to these recommendations;
- b) Receive and investigate complaints by members of the Police Service;
- c) Monitor and investigate policing operations affecting members of the public;
- d) Monitor, review and audit investigations and actions taken by the Internal Affairs Unit of the Police Service in response to complaints against the Police and keep a record of all such complaints regardless of where they have been first reported and what action has been taken;
- e) Conduct inspections of Police premises, including detention facilities under the control of the Service;
- f) Co-operate with other institutions on issues of Police oversight, including other State organs in relation to services offered by them;
- g) Review the patterns of Police misconduct and the functioning of the internal disciplinary process;
- h) Present any information it deems appropriate to an inquest conducted by a court of law;
- i) Take all reasonable steps to facilitate access to the Authority's services to the public;
- j) Subject to the Constitution and the laws related to freedom of information, publish findings of its investigations, monitoring, reviews and audits as it seems fit, including by means of the electronic or printed media;
- k) Make recommendations to the Police Service or any State organ;
- l) Report on all its functions under its Act or any written law; and
- m) Perform such other functions as may be necessary for promoting the objectives for which the Authority is established.

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

**KEY ENTITY INFORMATION AND MANAGEMENT (continued)**

**b) Board and Senior Management Staff**

**Members of the Board:**



**Macharia Njeru, Chairman**

*Mr. Njeru is the Chairman of the Independent Policing Oversight Authority. An advocate of the High Court of Kenya, and founding managing partner of Macharia-Mwangi & Njeru Advocates, he has practiced law for the past 23 years. He was a member of the National Task Force on Police Reforms (Ransley Taskforce) that developed the programme for police reforms in Kenya. He subsequently sat in the Police Reforms Implementation Committee (PRIC) where he led the drafting of policing related legislation that was later enacted into law. He has studied policing practices including experiential visits in the UK and Northern Ireland, Sweden, Botswana and South Africa and has attended a course on police accountability at the Centre for Human Rights, University of Pretoria.*



**Jedidah Ntoyai, Vice Chair**

*Jedidah, the Vice Chairperson of the Authority, is a psychologist with vast experience in human resource management. She has worked in the public sector for over 25 years and currently consults for various institutions. She holds an MA in Psychology from the United States International University (USIU). She chairs the Human Resources and Compensation Committee of the Board. Jedidah is a former Commissioner with the Interim Independent Boundaries Review Commission which determined electoral boundaries.*



**Fatuma Ali Saman**

*Fatuma holds a B.Ed and is currently undertaking an Executive MA in Policy and Leadership. She served on the devolved government taskforce and helped develop the Bill of Rights and Devolution chapter. Fatuma represented Muslim women in the National Constitutional Conference and has also worked with national and international faith-based organisations representing interests of marginalised and minority communities. She chairs the Inspections, Research and Monitoring Committee of the Board.*

## INDEPENDENT POLICING OVERSIGHT AUTHORITY

### Reports and Financial Statements

#### For the year ended June 30, 2017

---



**Grace Madoka**

*Grace is a lawyer with long standing experience in legal, communications, advocacy and development work. She served in the Public Complaints Standing Committee the precursor of the Commission on Administrative Justice (Office of the Ombudsman) before being appointed to the Independent Policing Oversight Authority in 2012. She has worked in a number of national taskforce committees and boards on HIV/AIDs, microfinance, pension and education. She chairs the Communications and Outreach Committee of the Board.*



**Rose Bala**

*Rose holds a BA (Hons) in Sociology, an MA in Social Work and another in International Child Welfare. Previously, she worked in the Children's Department of the Ministry of Home Affairs. She initiated a technical co-operation between the Government of Kenya and the Japan International Cooperation Agency (JICA), trained children officers, probation officers and judicial officers on the rehabilitation of children in the justice system. Rose also spearheaded the introduction of child protection units in police stations and the amendment of the Children Act that led to the ban on Corporal Punishment within the Children Act. Rose chairs the Adoption Case Committee at Little Angels Network. She is the Chair of the Risk and Audit Committee of the Board.*



**Tom Kagwe**

*Tom holds an MA in International Studies from the University of Nairobi and a BA (Hons) in Political Science. He has a wealth of experience in research, human rights law and practice. In addition to authoring numerous scholarly works on general reforms and police reforms in particular, Tom participated in the initial conceptualisation of a police oversight framework in Kenya, which led to enactment of the Independent Policing Oversight Authority Act of 2011. He chairs the Finance and Administration Committee of the Board.*

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---



**Vincent Kiptoo**

*Vincent is a valuer and lead environmental impact assessment expert. He holds an MSc degree in Urban Land Appraisal from the University of Reading (UK), MA Arts in Housing Administration and a BA in Land Economics both from the University of Nairobi. Vincent has extensive experience in criminal and asset tracing investigations having worked with KACA, Anti-Corruption Police Unit, KACC and Ethics and Anti-Corruption Commission for over 10 years. He has also served as a Member of the Pending Bills Closing Committee and as Council Member of the Institution of Surveyors of Kenya (ISK). He is the Managing Director, Afriland Valuers Ltd. He chairs the Investigation, Complaints, Legal and Security Committee of the Board.*



**Njeri Onyango**

*An ardent sportswoman, Njeri is an advocate of the High Court of Kenya and member of the Chartered Institute of Arbitrators. She sits on the Kenya Premier League Independent Complaints Committee, Kenya Volleyball Federation Constitutional Review Committee among other sporting bodies. In 2008/9 Njeri served as a legal consultant to the Kriegler Commission that reviewed the disputed 2007 General Elections. She is the chair of the Information, Communication and Technology Committee of the Board.*



**Dr Joel Mabonga, CEO/Board Secretary**

*Dr Mabonga is responsible for the operational management and implementation of board decisions. He holds a PhD from Kenyatta University, an MPhil from Moi University, BEd from Kenyatta University, a Strategic Leadership course from Kenya School of Government and an Executive Directorship from Strathmore University. Joel has extensive senior management experience at the Independent Electoral and Boundaries Commission (IEBC), Kenya Institute of Management (KIM) and as a Lecturer at Kenyatta University and Kenya Education Staff Institute. He also served in the Ministry of Education Science and Technology.*

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

**Senior Management Staff:**



**Dr Joel Mabonga**  
**Chief Executive Officer**

*Dr Joel Mabonga holds a Doctor of Philosophy (Management of Educational change) from Kenyatta University, a Master of Philosophy (Educational Administration) from Moi University, Bachelor Degree in Education from Kenyatta University and other Corporate Governance courses including Strategic Leadership (KSG), Executive Directorship (Strathmore University) and Quality Management Systems which focuses on business processes key to achievement of quality organisational policies and objectives.*

*Dr Mabonga has extensive experience in corporate management having served as Director Voter Education and Partnerships at the Independent Electoral and Boundaries Commission (IEBC), Chief Examinations Manager at the Kenya Institute of Management, and as a Lecturer at Kenyatta University and Kenya Education Staff Institute (KESI). He also served the Ministry of Education Science and Technology as a Senior Education Officer, Education Officer and as a high school teacher.*

*Apart from his vast experience in stakeholder partnership management and resource mobilisation, Dr Mabonga has expertise in corporate policy conceptualization and execution, public engagement programmes and organizational strategic planning.*

*He has spoken at several international workshops and seminars and undertaken international assignments in Zambia, Nigeria and Ghana. He is a member of the Kenya Institute of Management.*



**Maina Njoroge**  
**Director, Business Services**

*Mr Njoroge holds a Master in Business Administration (MBA) degree in Finance, and a Bachelor of Commerce (Accounting) degree from the University of Nairobi. He has attended the Senior Management Leadership Programme (SMLP) at Strathmore Business School (Strathmore University) and Antai College of Economics and Management (Shanghai Jiao Tong University, China). He has attended several local, regional and international training courses in finance, management and strategic leadership. He has travelled extensively on official duties and training in countries such as Burkina Faso, Uganda, Tanzania, Ethiopia, USA, China, Malaysia, Turkey, Egypt, UAE, Singapore, Thailand, Hong Kong, South Africa and Zimbabwe.*

*He is a Certified Public Accountant of Kenya, CPA (K), and a Certified Investment and Financial Analyst. He is member of the Institute of Certified Public Accountants of Kenya (ICPAK), Kenya Institute of Management (KIM), Institute of Certified Investment and Financial Analysts (ICIFA), and Institute of Directors (Kenya). He has vast experience in finance and accounting spanning over 20 years. He has a track record of accomplishment in financial management in both private and public sectors. Additionally, he has substantial*

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

*experience in human resource, strategic and administrative management, and has special interest in corporate governance and investments. He has experience in managing multi-donor grants and writing funding proposals. He has previously worked with an auditing firm, and as Senior Accountant, Chief Accountant and Finance and Administration Manager with large manufacturing and service industry firms.*

*Before joining IPOA in 2013, Mr Njoroge worked with the Kenya Institute for Public Policy Research and Analysis (KIPPR) as Finance and Administration Manager and later Finance and Investments Manager for nearly seven years where he managed a large donor portfolio, including grants from USAID, EU, ACFB, IDRC/TTI, and Brookings Institution, and several projects commissioned by local and international organizations.*

*He was IPOA's acting CEO from October 2013 to May 2014. He is currently serving as a member of the Audit Committee at the Office of the Director of Public Prosecutions (ODPP).*



**James Otieno Olola**  
**Director, Complaints Management and Legal Services**

*Mr. Olola is an Advocate of the High Court of Kenya and has practised law for the past 15 years. He holds an LL.M Degree in Governance and Democracy from the University of Nairobi and an LL.B Degree from the same University. He also holds a Postgraduate Certificate in Corruption Studies from Hong Kong University's School of Professional and Continuing Education (HKU SPACE).*

*Before joining IPOA, he was an Assistant Director, Legal Services at the Ethics and Anti- Corruption Commission [formerly Kenya Anti-Corruption Commission (KACC)] where he served in various capacities in a period spanning 7 years. He has wide-ranging experience in Civil, Criminal and Constitutional Law litigation.*

*While in private practice, Mr. Olola served as the Chair of the Rift Valley Law Society, an affiliate of the Law Society of Kenya from March 2005 to March 2007 where he pioneered in the setting up of the Rift Valley Newcastle Justice Project, a child-based Legal Aid Charity partnership program between the Newcastle Law Society of England and the Rift Valley Law Society, Kenya.*



**Elema Halake**  
**Director, Investigations**

*Elema holds a BA Development studies degree from Catholic University of East Africa (CUEA) and is currently pursuing a master's degree at the same University. He also has several Diplomas and certificates to his credit. He has a graduate certificate in Criminal justice from FBI National Academy in Virginia, USA. He has also undertaken extensive investigation trainings at International Law Enforcement Academy in Gaborone, Botswana, Georgia and Roswell in USA besides trainings in criminal intelligence, investigation and prosecution at the CID training School, and with National Intelligence Service.*

## INDEPENDENT POLICING OVERSIGHT AUTHORITY

### Reports and Financial Statements

#### For the year ended June 30, 2017

---

*He has extensive 20 years' experience in wildlife conservation and law enforcement working in various capacities across the country. His experience in law enforcement activities and coordination spans the national, regional and international levels.*

*Before his appointment, Mr Halake previously served as the Vice Chair for Interpol Wildlife Working group as well as the Chair of the Kenya/Tanzania/Uganda Wildlife enforcement officers' cross border forums. He also served as the Head of Intelligence and Investigation at KWS Hqs. He is decorated with a Silver Star (SS) of Kenya for his courage and commitment to duty. He has travelled in Africa, America and Israel for work-related purposes.*



**Stephen Wetheo Musau**

#### **Director, Inspections, Research and Monitoring**

*Mr Musau holds an MA Human Rights and Conflict Management from the School of Advanced Studies (Pisa, Italy). He also holds diplomas in International Law and Human Rights (University of Helsinki); Organisation Development and Management (Kenya Institute of Management) and Security in Peacekeeping Missions training at Centre of Excellence for Stability Police Units (CoESPU-Vicenza, Italy).*

*He also holds certificates in Peace Operations from School of Peace Operations (Netherlands); International Investigations; Proposal Writing, Logframe Analysis and Report Writing; Participatory Monitoring, Evaluation and Learning; and a Bachelors of Arts Degree (Economics and Sociology Major) from Egerton University.*

*He has sat on the Boards of several civil society organisations and worked and served in the civil society sector since 1999 in various capacities including being in the Board.*

*He has a wealth of experience in human rights; advocacy and civic engagements and networking. He has a keen interest in monitoring and documentation of human rights issues related to security and law enforcement; most recently in Cambodia with an international non-governmental organisation.*

*Mr Musau's other skills and competencies include facilitation and training on development issues such as change management; Human Rights Based Approaches (HRBA) to programming and development; conflict prevention, management and transformation; and participatory monitoring and evaluation.*

#### **c) Fiduciary Management:**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2017 and who had direct fiduciary responsibility were:

	<b>Name</b>	<b>Designation</b>
1	Dr Joel Mabonga	Chief Executive Officer/Board Secretary
2	Maina Njoroge	Director, Business Services
3	Agatha Cheruiyot	Chief Accountant

## INDEPENDENT POLICING OVERSIGHT AUTHORITY

### Reports and Financial Statements

For the year ended June 30, 2017

#### d) Fiduciary Oversight Arrangements

The Board has seven standing Committees, which meet as required. The Committees have been set up with clear terms of reference to facilitate efficient and effective decision-making of the Board in discharging its duties, powers and authorities. The Committees are aligned in accordance with the Authority's mandate and functions.

The Finance and Administration Committee reviews annual budgets and procurement plans, quarterly and annual financial reports. The Committee also provides oversight on administration issues within the Authority.

The Inspections, Research and Monitoring Committee provides oversight over the Authority's inspections, research and monitoring function.

The Human Resource and Compensation Committee advises the Board on organizational structure, human resource policy and capacity enhancement/building, reviews the salaries, benefit packages and service contracts, recruitment of senior staff ensuring that these are competitively structured and linked to performance. The Committee also makes recommendations for broad guidelines that promote operational efficiency.

The Complaints, Investigations, Legal and Security Committee is charged with the complaints and investigations mandate. The Committee also advises the Board on legal and security matters.

The Communication and Outreach Committee is charged with the Authority's communication and outreach function and programs.

The Risk & Audit Committee works closely with the internal audit unit and plays a critical role in reviewing financial information and ensuring that the system of internal controls is effectively administered. It considers significant audit findings identified by the Authority's internal and external auditors. The Committee maintains oversight on internal controls, and makes recommendations on financial information, risk management, policies and audit issues.

The ICT Committee provides oversight on the implementation of the Authority's ICT strategy.

#### **Finance & Administration Committee**

Tom Kagwe (Chair)  
Njeri Onyango  
Vincent Kiptoo  
Jedidah Ntoyai

#### **Human Resource Committee**

Jedidah Ntoyai (Chair)  
Grace Madoka  
Fatuma Saman  
Tom Kagwe  
Njeri Onyango

#### **Communications & Outreach Committee**

Grace Madoka (Chair)  
Fatuma Saman  
Vincent Kiptoo  
Rose Bala  
Njeri Onyango

#### **Inspections, Research & Monitoring Committee**

Fatuma Saman (Chair)  
Jedidah Ntoyai  
Rose Bala  
Vincent Kiptoo  
Tom Kagwe

#### **Investigations, Complaints/Legal and Security Committee**

Vincent Kiptoo (Chair)  
Njeri Onyango  
Tom Kagwe  
Rose Bala  
Grace Madoka

#### **Audit & Risk Committee**

Rose Bala (Chair)  
Fatuma Saman  
Grace Madoka  
Willis Okwachko (Treasury representative,  
appointed 24 October 2016)

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

**ICT Committee**

Njeri Onyango (Chair)  
Fatuma Saman  
Grace Madoka  
Vincent Kiptoo  
Rose Bala  
Jedidah Ntoyai

**e) Headquarters**

**ACK Garden Annex,**  
2<sup>nd</sup>/3<sup>rd</sup> Floor,  
1<sup>st</sup> Ngong Avenue,  
P O Box 23035-00100 GPO,  
**NAIROBI.**

**Contacts**

Telephone: (+254) 20 4906 000  
E-mail: [info@ipoa.go.ke](mailto:info@ipoa.go.ke)  
Website: [www.ipoa.go.ke](http://www.ipoa.go.ke)

**Regional Offices:**

**Garissa:**

IPOA House, Off Kismayu Road,  
Behind Texas Petrol Station,  
P.O Box 1261-70100, Garissa,  
Tel: 0777 040400,  
E-mail: [garissa@ipoa.go.ke](mailto:garissa@ipoa.go.ke)

**Mombasa:**

Jubilee Insurance Building (Arcade) along Moi Avenue,  
P.O Box 99758- 80107 Kilindini, Mombasa,  
Tel: 0799 019998,  
E-mail: [mombasa@ipoa.go.ke](mailto:mombasa@ipoa.go.ke)

**Kisumu:**

Central Square Building, Opposite Barclays Bank,  
P.O Box 3560-40100, Kisumu  
Tel: 0799 862244,  
E-mail: [kisumu@ipoa.go.ke](mailto:kisumu@ipoa.go.ke)

**F) Bankers**

**Central Bank of Kenya,**  
Haile Selassie Avenue Street,  
P O Box 60000, 00200 City Square,  
Tel: 2860 000,  
**NAIROBI.**

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

**National Bank of Kenya,**  
Hill Branch,  
NHIF Building,  
**NAIROBI.**

**g) Independent Auditors**

**Auditor General,**  
Kenya National Audit Office (KENAO),  
Anniversary Towers,  
P O Box 49384, 00100 GPO,  
**NAIROBI.**

**h) Principal Legal Adviser**

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

## INDEPENDENT POLICING OVERSIGHT AUTHORITY

### Reports and Financial Statements

For the year ended June 30, 2017

---

#### FOREWORD BY THE CHAIRMAN

During the 2016/17 financial year, the Authority was allocated recurrent budget estimates amounting to Kshs. 491,338,899. The budget was, however, revised downwards by Kshs. 6,406,630 to Kshs. 484,935,269 during Supplementary Estimates II. Exchequer releases during the period amounted to Kshs. 433,610,000 or 89% of the revised budget. Total expenditure during the period was Kshs. 432,955,780 of which Kshs. 222,770,601 was on compensation of employees, Kshs. 164,321,505 on use of goods and services, and Kshs. 45,863,674 on acquisition of assets. The Authority absorbed 89% of the total budget, as compared to an absorption rate of 91% recorded during the previous year.

During the year, the Authority continued to execute its mandate and implement its 4-year Strategic Plan. A mid-term review of the Strategic Plan was carried out during the period. The Authority received a total of 2,267 complaints from the public and the police, bringing the total complaints received since the Authority was established in 2012 to 8,042. However, a large proportion of the complaints continued to be outside the Authority's mandate. The Authority conducted 208 inspections of police facilities, and investigated 294 cases bring the total to 710 and 593 respectively since inception.

This is probably due to limited awareness by the public of the Authority's mandate. To address this, the Authority held 65 outreach and public activities to create awareness and to educate both the public and the police on its mandate and functions. As indicated in our previous reports, the Authority requests the National Police Service to strengthen its Internal Affairs Unit in terms of technical staff capacity and other required resources to enable it to deal with complaints referred to it by IPOA in addition to the other cases that it receives directly from the public.

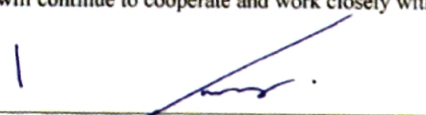
The Authority acknowledges that within the rank and file of the National Police Service, there are committed and deserving officers who have continued to serve the public diligently and with dignity, and made personal sacrifices in their duties. It is for this reason, therefore, that the Authority organized the 3<sup>rd</sup> edition of the Outstanding Police Service Awards (OPSA) in May 2017 during which 46 police officers were recognized for exemplary service to the public.

In order to bring its services closer to the public, the Authority, in March 2017, commenced implementation of its decentralization strategy by establishing the first three regional offices in Mombasa, Kisumu and Garissa. As of 30 June 2017, the three stations had recorded and acted on a significant number of complaints from the members of the public within their areas of jurisdiction.

Despite the achievements made thus far, the Authority has continued to experience challenges towards full implementation of its mandate. Some of these challenges include difficulties particularly on investigations due largely to non-cooperation by the police, and availability of critical evidence.

The Authority notes with appreciation that its budget for 2017/18 was enhanced to Kshs. 750m, of which Kshs. 150m was allocated for establishment of additional regional offices.

The Authority remains steadfastly committed to its mandate with the objective of guarding public interest in policing in the country. It will continue to carry out its work in a transparent, impartial, just and in a fair manner. IPOA will continue to cooperate and work closely with all its key stakeholders to realize this objective.

  
Macharia Njeru  
September 2017

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

**STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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

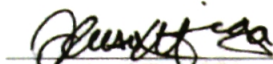
The Accounting Officer in-charge of the Independent Policing Oversight Authority (IPOA) is responsible for the preparation and presentation of the Authority's financial statements, which give a true and fair view of the state of affairs of the Authority for and as at the end of the financial year ended on June 30, 2017. 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 IPOA entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Authority; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in-charge of IPOA accepts responsibility for the Authority's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Authority's financial statements give a true and fair view of the state of IPOA's transactions during the financial year ended June 30, 2017, and of the Authority's financial position as at that date. The Accounting Officer in-charge of the Independent Policing Oversight Authority 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.

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

**Approval of the financial statements**

The Authority's financial statements were approved and signed by the Accounting Officer on *12<sup>th</sup> September 2017*.



Accounting Officer/CEO  
*Dr Joel Mabonga*

  
Director, Business Services

*Malna Njoroge, CPAK Member No. 2611*

## REPUBLIC OF KENYA

Telephone: +254-20-342330  
Fax: +254-20-311482  
E-mail: oag@oagkenya.go.ke  
Website: www.oagkenya.go.ke



P.O. Box 30084-00100  
NAIROBI

### OFFICE OF THE AUDITOR-GENERAL

#### **REPORT OF THE AUDITOR-GENERAL ON INDEPENDENT POLICING OVERSIGHT AUTHORITY FOR THE YEAR ENDED 30 JUNE 2017**

---

##### REPORT ON THE FINANCIAL STATEMENTS

##### **Opinion**

I have audited the accompanying financial statements of Independent Policing Oversight Authority set out on pages 16 to 37, which comprise the statement of assets and liabilities as at 30 June 2017, and the statement of receipts and payments, statement of appropriation-recurrent, 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. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Independent Policing Oversight Authority as at June 30, 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standard (Cash Basis) and comply with the Independent Policing Oversight Authority Act No. 35 of 2011.

In addition, as required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that public money has been applied lawfully and in an effective way.

##### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Independent Policing Oversight Authority in accordance with ISSAI 30 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.

---

*Report of the Auditor-General on the Financial Statements of Independent Policing Oversight Authority for the year ended 30 June 2017*

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Authority's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to cease operations of the Authority, or have no realistic alternative but to do so.

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.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Authority's 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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern or 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 as a going concern or to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the 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 that are identified during the audit.

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



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

**Nairobi**

**03 May 2018**

---

*Report of the Auditor-General on the Financial Statements of Independent Policing Oversight Authority for the year ended 30 June 2017*

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016/2017 Kshs.	2015/2016 Kshs.
<b>RECEIPTS</b>			
Exchequer releases	1	433,610,000	361,000,000
<b>TOTAL RECEIPTS</b>		<b>433,610,000</b>	<b>361,000,000</b>
<b>PAYMENTS</b>			
Compensation of employees	2	222,770,601	188,732,531
Use of goods and services	3	164,321,505	129,875,315
Acquisition of assets	4	45,863,674	41,240,213
<b>TOTAL PAYMENTS</b>		<b>432,955,780</b>	<b>359,848,059</b>
<b>SURPLUS/(DEFICIT)</b>		<b>654,220</b>	<b>1,151,941</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 12<sup>th</sup> September 2017 and signed by:

  
Accounting Officer/CEO  
Dr Joel Mabonga

  
Director, Business Services  
Maina Njoroge, CPAK Member No. 2611

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**STATEMENT OF ASSETS AND LIABILITIES**

	Note	2016/2017 Kshs.	2015/2016 Kshs.
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank balances	5	1,858,846	7,581,592
<b>Total Cash and Cash Equivalents</b>		<b>1,858,846</b>	<b>7,581,592</b>
Accounts Receivables -Imprests	6	72,800	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,931,646</b>	<b>7,581,592</b>
<b>LESS: FINANCIAL LIABILITIES</b>			
Accounts payables - deposits	7	1,277,426	6,429,651
<b>NET FINANCIAL ASSETS</b>		<b>654,220</b>	<b>1,151,941</b>
<b>REPRESENTED BY:</b>			
Fund balance brought forward	8	1,151,941	68,085
Adjusted for: returns to Exchequer	9	(1,151,941)	(68,085)
<b>Surplus/(Deficit) for the year</b>		<b>654,220</b>	<b>1,151,941</b>
<b>NET FINANCIAL POSITION</b>		<b>654,220</b>	<b>1,151,941</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 12<sup>th</sup> September 2017 and signed by:

  
 Accounting Officer/CEO  
 Dr Joel Mabonga

  
 Director, Business Services  
 Maina Njoroge, CPAK Member No. 2611

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**

Reports and Financial Statements  
For the year ended June 30, 2017

**SUMMARY STATEMENT OF APPROPRIATION: RECURRENT**

Receipt/Expense Item	Original Budget Kshs	Adjustments Kshs	Final Budget Kshs	Actual on Comparable Basis Kshs	Budget Utilization Difference Kshs	% of Utilization actual Kshs
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Exchequer releases from the National Treasury	491,338,899	(6,406,630)	484,935,269	433,610,000	51,325,269	89%
<b>Sub-Total</b>	<b>491,338,899</b>	<b>(6,406,630)</b>	<b>484,935,269</b>	<b>433,610,000</b>	<b>51,325,269</b>	<b>89%</b>
<b>PAYMENTS</b>						
Compensation of employees	256,742,900	(6,403,630)	250,339,270	222,770,601	27,568,669	89%
Use of goods and services	178,785,999	-	178,785,999	164,321,505	14,464,494	92%
Acquisition of assets	55,810,000	-	55,810,000	45,863,674	9,946,326	82%
<b>TOTALS</b>	<b>491,338,899</b>	<b>(6,403,630)</b>	<b>484,935,269</b>	<b>432,955,780</b>	<b>51,979,489</b>	<b>89%</b>

**Notes:**

- (a) The Authority recorded an overall 89% budget absorption during the year.
- (b) Compensation of employees absorbed 89% of the approved budget. This was due to high staff turnover. This was also due to unavoidable circumstances in replacing vacant positions, and planned recruitment of additional staff.
- (c) On use of goods, the Authority recorded a budget absorption rate of 92%.
- (d) On acquisition of assets, an absorption rate of 82% was recorded.
- (e) During the year, the Authority did not have Development Expenditure Vote.
- (f) The adjustment to the budget was a result of reduction of compensation of employees' allocation during Supplementary Estimates II.

The financial statements were approved on **12<sup>th</sup> September 2017** and signed by:

  
Accounting Officer/CEO  
Dr. Joel Mabonga

  
Director, Business Services  
Maina Njoroge, ~~CPA~~ Member No. 2611

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**BUDGET VERSUS ACTUAL AMOUNTS**

Receipt/Expense Item	Original Budget Kshs a	Adjustments Kshs b	Final Budget Kshs c=a+b	Actual on Comparable Basis Kshs d	Budget Utilization Difference Kshs e=d-c	% of Utilization Difference Kshs f=e/c %
<b>RECEIPTS</b>						
Exchequer releases from the National Treasury	491,338,899	(6,403,630)	484,935,269	433,610,000	51,325,269	11%
<b>Sub-Total</b>	<b>491,338,899</b>	<b>(6,403,630)</b>	<b>484,935,269</b>	<b>433,610,000</b>	<b>51,325,269</b>	<b>11%</b>
<b>PAYMENTS</b>						
Compensation of employees	256,742,900	(6,403,630)	250,339,270	222,770,601	27,568,669	11%
Use of goods and services	178,785,999	-	178,785,999	164,321,505	14,464,494	8%
Acquisition of assets	55,810,000	-	55,810,000	45,863,674	9,946,326	18%
<b>TOTALS</b>	<b>491,338,899</b>	<b>(6,403,630)</b>	<b>484,935,269</b>	<b>432,955,780</b>	<b>51,979,489</b>	<b>11%</b>

Notes:

- (a) Total Exchequer receipts amounted to 89% of the revised budget, or 11% budget utilization difference.  
 (b) Compensation to staff recorded a budget utilization of 11%, use of goods and services, 8%, and acquisition of assets, 18%.  
 (c) The overall 11% budget utilization difference was mainly due to staff turnover and non-completion of the procurement process especially where bids were non-responsive, particularly on acquisition of assets.

The financial statements were approved on **12<sup>th</sup> September 2017** and signed by:

  
 Accounting Officer/CEO  
 Dr Joel Mabonga

  
 Director, Business Services  
 Matina Njoroge-ICPAK Member No. 2611

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**

Reports and Financial Statements

For the year ended June 30, 2017

**BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES**

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
Programme 1: Policing Oversight Services					
Sub-Programme 1: Policing Oversight Services	491,338,899	(6,403,630)	484,935,269	432,955,780	51,979,489
<b>Total</b>	<b>491,338,899</b>	<b>(6,403,630)</b>	<b>484,935,269</b>	<b>432,955,780</b>	<b>51,979,489</b>

Notes:

- The Authority has only one Programme; Policing Oversight Services.
- The Authority's original approved budget was Kshs. 491,338,899. However, the budget was revised downwards by Kshs. 6,406,630 to Kshs. 484,935,269 during Supplementary Estimates II. The reduction affected the budgetary allocation to Personnel Emoluments (PE).
- The total expenditure during the period amounted to Kshs. 432,955,780, leaving Kshs. 51,979,489 budget utilization difference or 11% of the total revised budget.

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

**SIGNIFICANT ACCOUNTING POLICIES**

**1. Summary of Significant Accounting Policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

**a) Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with Cash Basis International Public Sector Accounting Standards (IPSAS) financial reporting under the cash basis of Accounting, as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya and set out in the accounting policy notes below. In addition, the financial statements are in compliance with the Public Finance Management Act, 2012, Public Finance Management Act Regulations, 2015, Public Audit Act, 2015, and in line with the requirements of IPOA Act, 2011.

This cash basis of accounting has been supplemented with accounting for: a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The receivables and payables are disclosed in the Statement of Assets and Liabilities. The Statement of Assets and Liabilities is not mandatory statement under the IPSAS Cash Basis but is encouraged in order to disclose information on assets and liabilities.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Authority. All values are rounded to the nearest Kenya Shilling. The Accounting policies adopted have been consistently applied to all years presented.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

**b) Reporting entity**

The financial statements are for the Independent Policing Oversight Authority (IPOA). The financial statements encompass the entity as specified under section 81 of the PFM Act 2012. The Authority did not implement any development projects during the reporting period.

**c) Recognition of receipts and payments**

**Recognition of receipts:**

- a. Receipts: The Authority recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Authority.
- b. Transfers from the Exchequer: Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the Authority.
- c. Other receipts: These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements at the time the associated cash is received.

**Recognition of payments:**

- d. Expenses: The Authority recognises all expenses when the event occurs and the related cash has actually been paid out by the Authority.
- e. Compensation of employees: Salaries and wages, allowances, statutory contributions for employees are recognized in the period when compensation is paid.

## INDEPENDENT POLICING OVERSIGHT AUTHORITY

### Reports and Financial Statements

For the year ended June 30, 2017

---

#### Use of goods and services:

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

#### Acquisition of fixed assets:

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt as a payment.

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

#### d) In-kind contributions

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

#### e) 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.

#### Restriction of cash:

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in the deposit bank account are restricted for use in refunding third party deposits. As at 30<sup>th</sup> June 2017, this amounted to Kshs. 1,277,426 compared to Kshs. 6,429,651 in prior period as indicated on Notes 5 and 7.

#### f) Accounts Receivable

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

#### g) Accounts Payable

For the purpose of these financial statements, deposits and retentions held on behalf of third parties has been recognized as accounts payable. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

**h) Non-current assets**

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

**i) Pending bills**

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

**j) Budget**

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

**k) Comparative figures**

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

**l) Subsequent events**

Events subsequent to submission of the financial year end financial statements to the National Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of the National Treasury. No material events or circumstances have arisen between the accounting date and the date of this report.

**2. Financial Risk Management Objectives and Policies**

The Authority's activities expose it to a variety of financial risks including liquidity risks. The Authority's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effects of such risks on its performance by setting acceptable level of risks. The Authority has developed an Enterprise Risk Management (ERM) Framework upon which a risk register is maintained and reviewed regularly.

The Board recognizes that management of risk is a key element of sound governance and an important strategy for the achievement of its mission and supporting objectives. The Board further recognizes that risk management is a holistic management process that is to be applied at all levels of activity across the Authority. The Authority is committed to consistent management of risk as an integral part of its operations, focusing on strategies to minimize risks towards achieving strategic goals and objectives.

The Board has the overall responsibility for the establishment and oversight of the enterprise risk management framework. The Board has delegated its risk management to the Risk and Audit Committee.

## INDEPENDENT POLICING OVERSIGHT AUTHORITY

### Reports and Financial Statements

For the year ended June 30, 2017

---

The Committee is responsible for the implementation and reporting of the framework. The Board Finance and Administration Committee is charged with management of financial risks arising from financial transactions and processes.

The following are financial management objectives and policies:

#### a) Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, and foreign exchanges rates will affect IPOA's income or value of its holding financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. The Authority's market risk is relatively low, based on its nature of business.

#### b) Credit risk

Credit risk is the risk of financial loss to the Authority if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Authority cash and cash equivalents and deposits with banks, as well as trade and other receivables. Due to the nature of business, the Authority does not have any significant concentrations of credit risk. However, the Authority assesses the credit risk quality of each client, taking into account its financial position, past experience and other critical factors. The Authority's funds received from the Exchequer are usually placed with the Central Bank of Kenya.

#### c) Liquidity risk

Liquidity risk is risk that the Authority will encounter difficulty in meeting its obligations from its financial obligations. The Authority's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when due without incurring unacceptable losses or risk of damaging its reputation. The Authority manages liquidity risk through continuous monitoring of forecasts and actual cash flows, ensuring that Exchequer release requests are made to the National Treasury on timely basis.

#### d) Capital risk

The Authority is not exposed to capital risk as it does not have share capital, being an independent State Agency.

#### e) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Authorities processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally acceptable standards.

The Authority's objective is to manage operational risks so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and to avoid any control procedures that restrict initiative and creativity in the Authority.

The primary responsibility of the development and implementation of controls to address operational risk is assigned to the Authority's management, with the overall responsibility resting with the Board. This responsibility is supported by the development of overall standards for the management of operational risks in the following areas:

- a. Requirement for appropriate segregation of duties including independent authorization and approval of transactions;

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

---

- b. Requirement for reconciliation and monitoring of transactions;
- c. Documentation of controls and procedures;
- d. Staff training and professional development;
- e. Ethical and business standards;
- f. Compliance with regulatory and other legal requirements;
- g. Requirement for periodic assessment of operational risks faced by the Authority, and adequacy of controls and procedures to address the risks identified;
- h. Requirement for the reporting of operational losses and proposed remedial action;
- i. Development of contingency plans;
- j. Risk mitigation, including insurance where this is effective; and
- k. Review of compliance with the Authority's standards is on an ongoing basis. The Authority has developed a staff code of conduct, which every employee is required to sign an integrity pact for compliance.

**f) Reputational risk**

Reputation risk is risk of failing to meet standards of performance or behaviour required or expected by the stakeholders in commercial activities or the way in which business is conducted. Reputational risk arise as a poor management of problems occurring in one or more of the primary risk areas and/or from social, ethical or environmental risk issues. All Board members and staff have a critical responsibility for maintaining the Authority's reputation through strict adherence of the highest level of personal and corporate conduct.

**g) Governance risk compliance**

Governance risk is risk that the Authority will not identify, measure, report and appropriately manage risks to achieve governance objectives with integrity and confidence. In order to mitigate governance risk, the Board ensures that it fulfils its regulatory obligations, duties and responsibilities. The Authority has developed and implemented a Board Charter, and has organized training on corporate governance for all the Board members.

**h) Compliance and regulatory risk**

Compliance and regulatory risk includes the risk of non-compliance with regulatory requirements. During the period, the Authority complied with all its statutory obligations.

**i) Legal risk**

Legal risk is the risk of unexpected loss, arising from defective transactions or contracts, claims being made or some other event resulting in a liability or the loss for the Authority, failure to protect the title to or liability control the rights to its assets, and changes in law. The Authority manages legal risk through the Risk and Audit Committee, legal department, use of effective internal controls and seeking legal opinion from the State Law Office.

**3. Taxation**

The Authority is not subject to taxation and, therefore, no provision for tax liability has been made in the financial statements.

**4. Retirement benefit obligations**

The Authority makes contributions to a statutory pension scheme, the National Social Security Fund (NSSF), for all its long-term contract employees. Contributions to the scheme are determined by statute at Kshs. 200/- per employee per month for the 12-month period ended 30 June 2017. The employees also

## INDEPENDENT POLICING OVERSIGHT AUTHORITY

### Reports and Financial Statements

#### For the year ended June 30, 2017

---

contribute a similar amount per month. The Authority's obligations to NSSF are charged to the salary costs on monthly basis.

#### 5. Staff service gratuity

IPOA employees are employed on a renewable four-year period. They are entitled to service gratuity of 31% of their monthly basic salary. The gratuity is payable whenever an employee's contract comes to an end or whenever an employee leaves employment. No provision is made for future gratuity liability, as the Authority uses the cash basis of accounting.

#### 6. Legal status/going concern

IPOA is a non-profit state agency. It was established through an Act of Parliament No. 35 of 2011. Its existence is thus anchored on this Constitutive Act. There is no legal threat or otherwise to its existence, and therefore continues to execute its mandate and functions as a going concern.

#### 7. Employees

As at 30 June 2017, the Authority had a staff compliment of 106.

#### 8. Use of funds

The Authority's management ensures that funds received from the Exchequer are utilized with utmost care, and as stipulated in the approved annual estimates. This is done with due attention to economy, efficiency, accountability, and only for the purposes for which the funding was provided.

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**EXPLANATORY NOTES**

**1. EXCHEQUER RELEASES**

	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Total Exchequer Releases for Quarter 1	94,510,000	79,000,000
Total Exchequer Releases for Quarter 2	79,900,000	90,500,000
Total Exchequer Releases for Quarter 3	102,600,000	97,000,000
Total Exchequer Releases for Quarter 4	156,600,000	94,500,000
<b>Total</b>	<b>433,610,000</b>	<b>361,000,000</b>

**2. COMPENSATION OF EMPLOYEES**

	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Basic salaries of permanent employees	133,010,853	113,764,944
Basic wages of temporary employees	1,236,019	68,141
Board monthly retainer/transport	16,640,002	17,080,000
Personal allowances paid as part of salary	52,483,424	42,945,278
Compulsory National Social Security Schemes	502,800	433,600
Compulsory National Health Ins. Schemes	2,010,950	1,692,250
Other personnel payments (service gratuity)	16,886,553	12,748,318
<b>Total</b>	<b>222,770,601</b>	<b>188,732,531</b>

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**EXPLANATORY NOTES (CONTINUED)**

**3. USE OF GOODS AND SERVICES**

	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Utilities	25,000	-
Specialized materials and supplies	210,400	137,501
Communication, supplies and services	5,858,762	4,852,355
Domestic travel and subsistence	32,206,814	24,934,097
Foreign travel and subsistence	1,553,692	2,931,073
Printing, advertising/inform supplies & services	3,669,530	3,336,535
Rentals of produced assets	38,149,317	28,517,488
Training expenses	4,078,034	4,426,676
Hospitality supplies and services	9,574,476	6,851,415
Board sitting allowances	19,890,000	19,380,000
Insurance costs	23,488,734	16,325,000
Office and general supplies and services	6,381,465	3,839,395
Other operating expenses	9,261,298	8,415,846
Routine maintenance – motor vehicles	2,760,048	2,582,334
Fuel oil and lubricants	5,016,514	2,333,254
Routine maintenance – other assets	2,197,421	1,012,346
<b>Total</b>	<b>164,321,505</b>	<b>129,875,315</b>

**4. ACQUISITION OF ASSETS**

<b>Non-Financial Assets</b>	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Refurbishment of buildings	9,602,135	-
Purchase of motor vehicles	18,590,000	33,738,994
Purchase of office furniture/equipment	14,920,176	5,424,497
Purchase of specialized plant/equipment	2,751,362	2,076,722
<b>Total</b>	<b>45,863,673</b>	<b>41,240,213</b>

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**EXPLANATORY NOTES (CONTINUED)**

**5. BANK ACCOUNTS**

Name of Bank, Account No. & currency	Type of Account	2016/2017	2015/2016
		Kshs.	Kshs.
Central Bank of Kenya, Account No. 1000181559	Recurrent	581,420	1,151,941
Central Bank of Kenya 165, Account No. 1000182717	CBK165	-	-
Central Bank of Kenya, Account No. 1000182393	Deposit	1,277,426	6,429,651
National Bank of Kenya, Account No. 01001094661400	Current	-	-
<b>Total</b>		<b>1,858,846</b>	<b>7,581,592</b>

During 2014/15 financial year, the Authority, through an approval of the National Treasury, opened a commercial bank account with the National Bank of Kenya (Account No. 01001094661400), Hill Branch, NHIF Building, Nairobi. The account remained dormant during the period with no cash balance.

**6. ACCOUNTS RECEIVABLE – OUTSTANDING IMPRESTS**

Description	2016/2017	2015/2016
	Kshs.	Kshs.
Temporary imprests	72,800	-
<b>Total</b>	<b>72,800</b>	<b>-</b>

**Note:**

All the outstanding temporary imprests were recovered during the month of July 2017.

**7. ACCOUNTS PAYABLE**

Description	2016/2017	2015/2016
	Kshs.	Kshs.
Retention – office refurbishment	64,026	64,026
IPOA Staff Welfare	208,900	80,800
IPOA Staff Sacco Society	1,004,500	-
Late Janice Misoi – service gratuity	-	1,184,825
Late Janice Misoi – group life benefits	-	5,100,000
<b>Total</b>	<b>1,277,426</b>	<b>6,429,651</b>

**Notes:**

- The Authority has established a staff welfare and a Sacco Society. The staff monthly contributions through the payroll are transferred to the Deposit Account awaiting the Welfare and the Sacco Society to open its bank account.

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**EXPLANATORY NOTES (CONTINUED)**

**8. FUND BALANCE BROUGHT FORWARD**

<i>Description</i>	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Bank accounts	7,581,592	132,111
Accounts payables	(6,429,651)	(64,026)
<b>Total</b>	<b>1,151,941</b>	<b>68,085</b>

**9. PRIOR YEAR ADJUSTMENTS**

<i>Description</i>	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>Prior Year Adjustments</b>	<b>(1,151,941)</b>	<b>(68,085)</b>

The prior year adjustments related to fund balances brought forward from the previous period and surrendered back to the Exchequer during the subsequent financial year.

**10. RELATED PARTY DISCLOSURES**

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

The following comprise of related parties to the Independent Policing Oversight Authority:

- Key management personnel that include the Accounting Officer and four directors.

**Related party transactions:**

<i>Description</i>	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Key management compensation	26,488,665	27,848,641
<b>Total</b>	<b>26,488,665</b>	<b>27,848,641</b>

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**11 OTHER IMPORTANT DISCLOSURES**

**11.1 PENDING ACCOUNTS PAYABLE (Annex 1)**

<b>Non-Financial Assets</b>	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Office partitioning project	1,095,339	-
Supply of goods	507,041	1,538,867
Supply of services	82,555	354,952
<b>Total</b>	<b>1,684,935</b>	<b>1,893,819</b>

**11.2 PENDING STAFF PAYABLES (Annex 2)**

	<b>2016/2017</b>	<b>2015/2016</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Middle Management	17,629	-
Others -Staff payroll deductions	40,123	123,884
<b>Total</b>	<b>57,752</b>	<b>123,884</b>

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**EXPLANATORY NOTES (CONTINUED)**

**10.3 PROGRESS ON FOLLOW UP OF AUDITOR'S RECOMMENDATIONS**

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

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe:</b>
1	<p>Included in the statement of receipts and payments of Kshs. 129,471,546.40 expenditure on Use of Goods and Services for the year ended 30 June 2016 was an amount of Kshs. 87,098.00 relating to Confidential Expenditure.</p> <p>The Authority did not provide justification to support the Confidential Expenditure in accordance with the provisions of section 101(6) of the Public Finance Management Regulations (2015).</p> <p>In addition, the Authority did not explain existing control measures in place to mitigate against risks of mismanaging Confidential Expenditure</p>	<p>In carrying out its investigative work, the Authority is usually faced with challenges in obtaining relevant and crucial evidence to sustain a case through to conviction. This evidence is sometimes obtained through intelligence and from witnesses, who in most cases are willing to give evidence for fear of their lives. This is because some of the cases are complex in nature and involving high-ranking police officers. In some cases, the evidence required includes video clips, photos, and other vital information to support investigations.</p> <p>The Management agrees with the audit observation on the utilization of Confidential Expenditure as per Section 101(6) of the Public</p>	Dr Joel Mabonga, Accounting Officer/CEO	Confidential Funds Management Guidelines developed and approved on 19 <sup>th</sup> July 2017.	30 June 2017

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved / Not Resolved)	Timeframe:
		<p>Finance Management Regulations. Management noted carefully the circumstances upon which Confidential Expenditure should be applied in accordance with the Regulations.</p> <p>The Authority commits that these provisions shall be adhered to in future, paying special attention to applicability and accountability requirements in every case requiring utilization of Confidential Expenditure funds.</p> <p>Going forward, Management will develop and put in place effective control measures to mitigate the risk of mismanagement of such funds by staff. Application of such funds shall thus be strictly guided by Section 101(6) of the Public Finance Management Regulations, 2015.</p>			

  
**Accounting Officer/CFO**  
**Dr Joel Mabonga**

  
**Director, Business Services**  
**Matina Njoroge, JP/PAK Member No. 2611**

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
Reports and Financial Statements  
For the year ended June 30, 2017

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

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
<b>Refurbishment of buildings</b>						
1. Aventure Limited	1,095,339	30/05/2017	-	1,095,339	-	Office partitioning project, 4th floor
<b>Supply of goods</b>						
1. Office Technologies Ltd	60,320	20/03/2017	60,320	-	-	Supply of Epson projector
2. Kenafic	1,800	30/11/2016	1,800	-	-	Withholding VAT
3. Hilton Hotel	11,255	09/03/2017	11,255	-	-	Withholding VAT
4. Kul Graphics	5,880	19/11/2016	5,880	-	-	Withholding VAT
5. Kul Graphics	3,300	19/05/2016	3,300	-	-	Withholding VAT
<b>Sub-total</b>	<b>82,555</b>		<b>82,555</b>	-	-	
<b>Supply of Services</b>						
1. Toyota Kenya	7,588	16/02/2017	7,588	-	-	Motor vehicle service
2. Koni Technologies	40,600	8/03/2017	-	40,600	-	Image transfer roller for printer
3. Hatari Security Guards	352,640	31/05/2017	352,640	-	-	Security guard services
4. Infoage Business Solution	17,719	23/06/2017	17,719	-	-	Asset tagging services
5. Miles Group	6,300	30/05/2017	6,300	-	-	Withholding VAT
6. African Touch Safaris	25,460	06/06/2017	25,460	-	-	Air ticket
7. Liquid Telecom	17,069	01/06/2017	17,069	-	-	Withholding VAT
8. Liquid Telecom	22,855	01/09/2016	22,855	-	-	Withholding VAT
	810	02/06/2017	810	-	-	Withholding VAT for service charge Kisumu Office
9. Lexis Investment						
10. Global Training Institute	16,000	07/11/2016	-	16,000	-	Staff training

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
Sub-total	507,041		450,441	56,600	-	
<b>Grand Total</b>	<b>1,684,935</b>		<b>532,996</b>	<b>1,151,939</b>	<b>-</b>	

**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
<b>Middle Management</b>							
1. Raphael Nyina	5	829	30/06/2017	829	-	-	Per diem - June 2017
2. Patrick Ronoh	5	16,800	30/06/2017	16,800	-	-	Per diem - June 2017
<b>Sub-total</b>		<b>17,629</b>		<b>17,629</b>	<b>-</b>	<b>-</b>	
<b>Others (Payroll deductions)</b>							
1. Mwalimu National Sacco Society		20,450	31/05/2017	20,450	-	-	Staff deduction May 2017
2. Pan Africa Life Assurance Limited		14,673	31/05/2017	14,673	-	-	Staff deduction May 2017
3. CIC Insurance		5,000	23/06/2017	5,000	-	-	Staff deduction June 2017
<b>Sub-total</b>		<b>40,123</b>		<b>40,123</b>	<b>-</b>	<b>-</b>	
<b>Total</b>		<b>57,752</b>		<b>57,752</b>	<b>-</b>	<b>-</b>	

**Notes:**

The pending bills were mainly caused by the following, and not by lack of budgetary provisions or exchequer releases:

- Suppliers' invoices were received after the IFMIS commitments module was closed on 31<sup>st</sup> May 2017.
- The payments were processed on time but the transactions failed on the Central Bank of Kenya's Internet Banking system, and thus reversed after 30<sup>th</sup> June 2017.
- The pending bills were within the Authority's budgetary provisions for the year.

**INDEPENDENT POLICING OVERSIGHT AUTHORITY**  
Reports and Financial Statements  
For the year ended June 30, 2017

**ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost 2016/17 Kshs'000	Historical Cost 2015/16 Kshs'000
Office refurbishment (2 <sup>nd</sup> and 3 <sup>rd</sup> Floors, ACK Garden Annex, 1 <sup>st</sup> Ngong Avenue, Nairobi)	76,451,520	66,849,385
Motor vehicles	101,906,318	83,316,318
Office equipment, furniture and fittings	26,432,892	11,512,717
ICT equipment, software and other ICT assets	8,169,506	5,418,143
<b>Total</b>	<b>212,960,236</b>	<b>167,096,563</b>



Independent Policing  
Oversight Authority



**Guarding  
Public  
Interest in  
Policing**



Independent Policing  
Oversight Authority

The Independent Policing Oversight Authority  
1st Ngong Avenue, ACK Garden Annex,  
2nd floor P.O. Box 23035-00100  
T: +254-20-4906000 / 792-532-626 / 773-999-000 / 772-333-000  
W: [www.ipoa.go.ke](http://www.ipoa.go.ke) | E: [info@ipoa.go.ke](mailto:info@ipoa.go.ke)