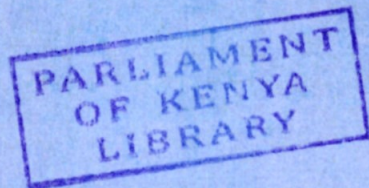


REPUBLIC OF KENYA




REPORT
OF
THE AUDITOR-GENERAL

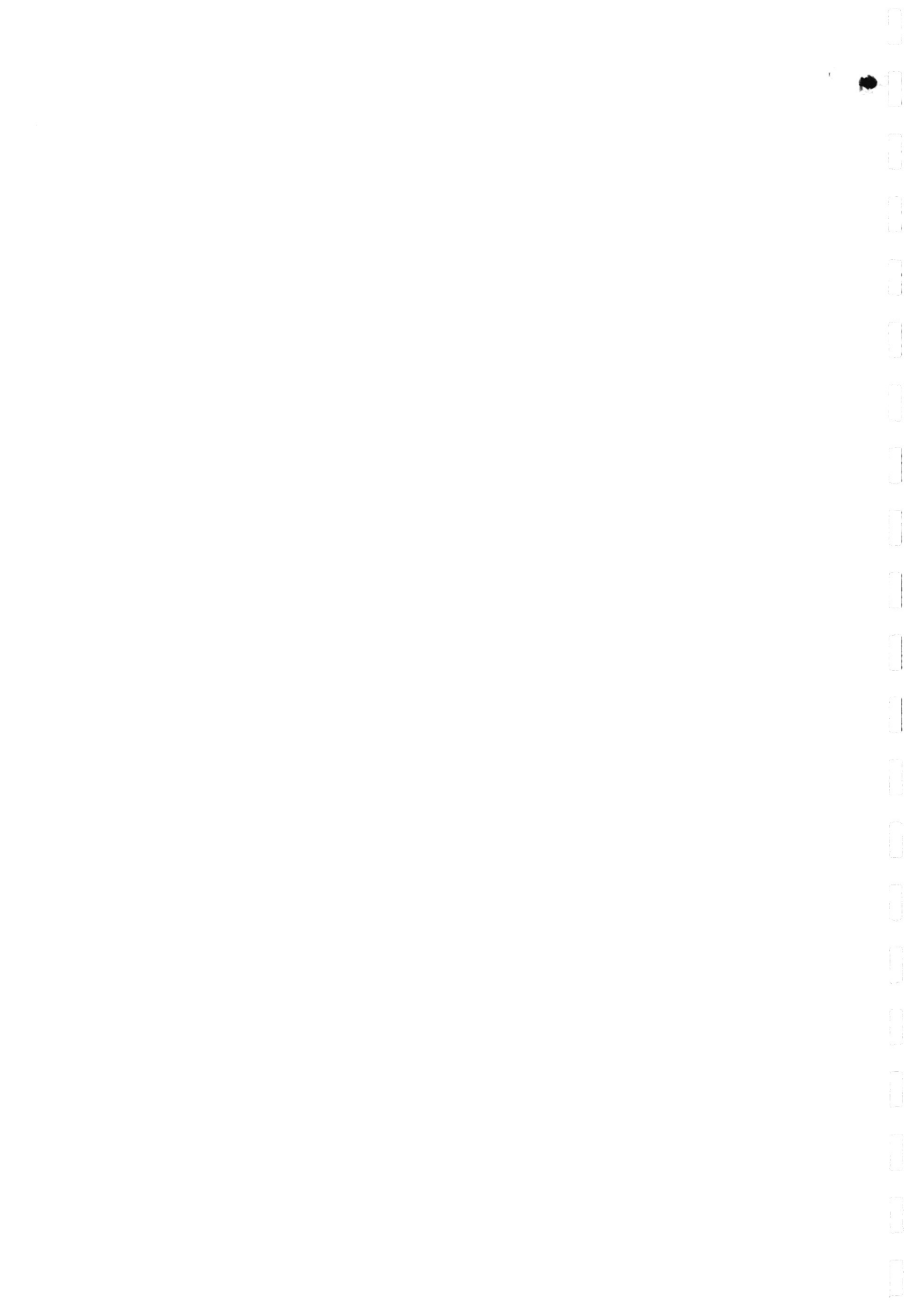


ON

KENYA LAW REFORM COMMISSION

FOR THE YEAR ENDED
30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 28 APR 2026	
DAY: TUE	
TABLED BY:	HON. NAOM WADO MP DEPUTY MAJORITY PARTY WHIP
CLERK-AT THE-TABLE:	BENSON INZOFU HSC





OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
RECORDS OFFICE
30 OCT 2025
RECEIVED



KENYA LAW REFORM COMMISSION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2025

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

**Kenya Law Reform Commission
Annual Report and Financial Statements
for the year ended June 30, 2025.**

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1. Acronyms and Definition of Key Terms

A: Acronyms

CEO	Chief Executive Officer
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KLRC	Kenya Law Reform Commission
LSK	Law Society of Kenya
MSMEs	Micro, Small and Medium Enterprises
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
SCAC	State Corporations Advisory Committee
SRC	Salary Remuneration Committee

B: Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

The Commission was established under the Kenya Law Reform Commission Act, Cap 3 on 25th January 2013.

Principal Activities

The core mandate of the KLRC is to keep all the law under continuous review and to make recommendations to ensure that the law systematic, fair, modern, responsive, and aligned with the Constitution of Kenya.

Our Mandate:

In particular, the KLRC mandate is set out in Section 6 of the Act and includes the requirement to:

- a) keep under review all the law and recommend its reform to ensure —
 - i) that the law conforms to the letter and spirit of the Constitution;
 - ii) that the law systematically develops in compliance with the values and principles enshrined in the Constitution; that the law is, among others, consistent, harmonized, just, simple, accessible, modern and cost-effective in application;
 - iii) the respect for and observance of treaty obligations in relation to international instruments that constitute part of the law of Kenya by virtue of Article 2(5) and (6) of the Constitution;
 - iv) keep the public informed of review or proposed reviews of any laws; and
 - v) keep an updated date of all laws passed and reviewed by Parliament;
- b) work with the Attorney-General and the Commission for the Implementation of the Constitution in preparing for tabling in Parliament the legislation and administrative procedures required to implement the Constitution;
- c) provide advice technical assistance and information to the national and county governments with regard to the reform or amendment of a branch of the law;
- d) upon request or on its own motion, undertake research and comparative studies relating to law reform;
- e) formulate and implement programmes plans and actions for the effective reform of laws and administrative procedures at national and county government levels

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- f) consult and collaborate with State and non-State organs, departments or agencies in the formulation of legislation to give effect to the social, economic and political policies for the time being in force;
- g) formulate by means of draft Bills or otherwise any proposals for reform of national or county government legislation;
- h) upon request or on its own motion, advise the national or county governments on the review and reform of their legislation;
- i) undertake public education on matters relating to law reform; and
- j) Perform such other functions as may be prescribed by the Constitution this Act or any other written law.

Vision:

A dynamic and responsive agency for progressive law reform,

Mission:

To provide leadership in law reform through the continuous review of the law, ensuring its systematic development and reform in conformity with the Constitution,

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Key Management

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

(i) Secretary/Chief Executive Officer.

No.	Designation	Name
1.	Secretary/ CEO	Mr. Joash Dache, MBS
2.	Ag. Secretary/ CEO	Mr. Peter Musyimi, HSC

(ii) Management.

No.	Designation	Name
1.	Secretary/ CEO	Mr. Joash Dache, MBS
2.	Ag. Secretary/ CEO	Mr. Peter Musyimi, HSC
3.	Deputy Director Legislative Services.	Ms. Mercy Muthuuri
4.	Head of Human Resource	Dr. Felistus Kabiru
5.	Head of Administration	Ms. Susan Kuria
5.	Head of Administration	Ms. Joyce Murage
6.	Head of Accounts	Ms. Margaret Githae
7.	Head of Supply Chain	Ms. Lucy Mutua
8.	Head of Finance	Mr. Cornelius Musangi
9.	Head of ICT	Mr. James Ruteere
10.	Head of Internal Audit	Mr. James Kahunyo
11.	Head of Internal Audit	Mr. Dan Omondi

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(a) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Secretary/ CEO	Mr. Joash Dache, MBS
2.	Ag. Secretary/ CEO	Mr. Peter Musyimi, HSC
3.	Deputy Director Legislative Services.	Ms. Mercy Muthuuri
4.	Head of Human Resource	Dr. Felistus Kabiru
5.	Head of Administration	Ms. Susan Kuria
5.	Head of Administration	Ms. Joyce Murage
6.	Head of Accounts	Ms. Margaret Githae
7.	Head of Supply Chain	Ms. Lucy Mutua
8.	Head of Finance	Mr. Cornelius Musangi
9.	Head of ICT	Mr. James Ruteere
10.	Head of Internal Audit	Mr. James Kahunyo
11.	Head of Internal Audit	Mr. Dan Omondi

Key Entity Information and Management (continued)

(b) Fiduciary Oversight Arrangements

i) Finance, Human Resource, and General Purposes Committee

The Finance, Human Resource, and General Purposes Committee is mandated to oversee the development and implementation of policies and strategies relating to the prudent management of the resources of the Commission. Some of the salient terms of reference include but not limited to:

- a) oversee the development and implementation of policies and strategies relating to the prudent management of the resources of the Commission and establish policies and procedures to guide the provision of support services in the Commission;

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- b) receive and review financial statements and reports to ensure they provide adequate information to enable the Commission make informed decisions; are appropriate for submission for auditing and related purposes; and identify trends and recommend corrective and other appropriate measures to the Commission;
- c) review the Commission's planning and budgeting processes to ensure that they promote efficiency, accountability and prudent financial management;
- d) review the Commission's budget to ensure that it supports the strategic priorities and programmes of the Commission through optimal allocation of resources and make appropriate recommendations;
- e) regularly review the extent of compliance with budgetary levels and utilization of allocated funds and make appropriate recommendations;
- f) review the asset base and sources of revenue and funding to ensure that the Commission has sufficient financial resources to support its operations and recommend resource mobilization strategies to enable the Commission achieve its mandate;
- g) regularly review the Commission's human resource policies and manuals to ensure they are aligned to prevailing guidelines on human resource management for the public service and make appropriate recommendations; and
- h) perform any function as may be assigned by the Commission from time to time.

ii) Law Reform Committee

This Committee oversees research, policy and legislative development and public education with regard to the law reform mandate of the Commission and advises and makes recommendations to the Commission. The Committee is mandated to:

- a) Develop and establish policies and procedures of the Commission to guide the review and reform of law and the provision of technical services, and information for the effective reform of laws in line with the mandate and functions of the Commission;
- b) Develop and periodically review the policies and procedures of the Commission relating to legal and regulatory reform and development, legal and policy research

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and comparative studies, public education and knowledge management with regard to the reform of law;

- c) Regularly review reports from the secretariat with regard to the implementation of the programmes, plans and actions to discharge of the law reform mandate of the Commission and make recommendations;
- d) Identify, establish and maintain linkages with key stakeholders and partners for effective performance of the law reform mandate of the Commission;
- e) Perform any function as may be assigned by the Commission from time to time.

iii) Audit, Compliance, and Risk Management Committee



This Committee is responsible for monitoring the efficiency of processes and controls in the Commission and establishing systems for identification and management of risks. The mandate includes but not limited to the below as indicated in the Committee Charter:

- a) Oversee the development and regular review of the Commission's overall risk management framework and strategy, principles and policies in line with regulatory and corporate governance best practice;
- b) review the implementation of the Commission's risk management framework on a quarterly basis and advise the Commission as appropriate;
- c) obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably;
- d) provide an independent review of the commission's reporting functions to ensure the integrity of financial reports; monitor the effectiveness of the Commission's performance management and performance information;
- e) provide strong and effective oversight of the commission's internal audit function;
- f) provide oversight of the implementation of external audit recommendations; and



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- g) ensure that the Commission effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behavior
- (c) **Commission Headquarters**
P.O. Box 34999-00100
Kenya Reinsurance Plaza
Taifa Road
Nairobi, KENYA
- (d) **Commission Contacts**
Telephone: (254) 20 2241201
E-mail: info@klrc.go.ke
Website: www.klrc.go.ke
- (e) **Commission Bankers**
Co-operative Bank of Kenya
Uchumi House. Aga Khan Walk
P.O. Box 20218, GPO 00100
Nairobi, Kenya
- (f) **Independent Auditor**
Auditor-General
Office of the Auditor General
Anniversary Towers, University Way
P.O.Box 30084
GPO 00100
Nairobi, Kenya
- (g) **Principal Legal Adviser**
The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya



3. The Commission

Ref	Directors	Details
1.	 <p data-bbox="367 907 646 974">Ms. Christine Anyango Agimba, Chairperson.</p>	<p data-bbox="774 571 1476 1198">Ms. Christine A. Agimba, born on 4th April 1963, holds a Bachelor of Laws (LL. B) degree from the University of Nairobi and a Master`s degree in Law in Development from the University of Warwick, England. She also holds a Diploma in Law from the Kenya School of Law and is an Advocate of the High Court of Kenya. She is a Member of the Chartered Institute of Arbitrators, (Kenya Chapter) and is a Certified Public Secretary, Kenya (CPS-K). She has previously served as a Deputy Solicitor-General at the Office of the Attorney-General and Department of Justice. Ms. Agimba has served on the boards of various government agencies, including the Council of Legal Education, the Anti-Money Laundering Advisory Board and the National Council of Law Reporting (Kenya Law). She was appointed on 1st August 2022 for a period of six (6) years.</p>
2.	 <p data-bbox="367 1568 718 1668">Dr. Mary Wangechi Gaturu, HSC, Member</p>	<p data-bbox="774 1198 1476 1803">Dr. Mary Gaturu, HSC, born on 11th November 1963, holds a Doctor of Philosophy in Education Administration, Masters of Education in Administration, and a Bachelor of Education Science all from Kenyatta University. She has over 35 years` experience in the education sector where she has served in different capacities including as a Director of Quality Assurance and Standards in the State Department of Early Learning and Basic Education. She has been a council /board member in various State Corporations and Universities namely: Kenya National Examination Council, Kenya Institute of Curriculum Development, Kenya National Qualification Authority, University of Kabanga, Laikipia University, Kenyatta University and Mount Kenya University. She was appointed on 1st August 2022 for a period of five (5) years</p> <p data-bbox="774 1803 1476 1870">She serves as a member of the Law Reform and Audit committees.</p>



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<p>3.</p>	 <p>Rose Janet Ayugi Member.</p>	<p>Ms. Rose Janet Ayugi, born on 20th November 1966, holds a bachelor of law degree and a Master's degree in Law both from the University of Nairobi. She holds a Diploma in Law from the Kenya School of Law and is an Advocate of the High Court of Kenya. Ms. Ayugi is currently a senior lecturer in the School of Law at Moi University and a part-time member of the Kenya Law Reform Commission.</p> <p>Ms. Ayugi has served as the Chairperson in the Seeds and Plant Varieties Tribunal. She has also served as a member of the board in the following institutions: Rules Board (Labor) and Chepserei TVET Elgeyo Marakwet and University of Kabianga. She was appointed as part-time Commissioner on 13th December 2019 to represent the Law Society of Kenya (LSK) for a period of five (5) years. Until her exit from the Commission on 14th December, 2024. She was serving the Commission as a member of the Finance, Human Resource & General-Purpose committee.</p>
<p>4.</p>	 <p>Mr. Duncan Okello Member.</p>	<p>Mr. Duncan Okello, born on 23rd January 1972, is a political scientist, lawyer, and international relations specialist. He holds a Bachelors of Arts degree in Political Science and History; and a Bachelors of Law degree, both from the University of Nairobi. He also holds a Masters of Arts in International Relations from the University of Kent, at Canterbury, United Kingdom. He has served in the Judiciary as the first Chief of Staff in the Office of the Chief Justice, as the founder Executive Director of the National Council on the Administration of Justice (NCAJ). In April 2017, he was appointed by the Chief Justice as Chair of the Judiciary Inauguration and Swearing-in Committee for the President and Governors to organize, oversee and manage the inauguration processes. He was re-appointed as an Advisor to this Committee in 2022.</p> <p>Mr. Duncan was appointed on 13th December 2019 to represent the Judiciary for a period of five (5) years. Until his exit from the Commission on 14th December, 2024, he was serving the Commission as the convener of</p>



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		the Audit, Compliance, and risk Management Committee as well as a member of the Law Reform Committee.
5.	 <p>Hon. Kiraitu Murungi Member.</p>	<p>Hon. Kiraitu Murungi, born on 1st January 1952, holds a Bachelor of Laws degree from the University of Nairobi and Master's degrees in Law from the University of Nairobi and Harvard University, USA. He holds a Diploma in Law from the Kenya School of Law and is an Advocate of the High Court of Kenya. Hon. Kiraitu is an experienced advocate and public officer. He has previously served as the Governor and Senator of Meru County. He has also served as a Member of Parliament for Imenti South Constituency in Meru County. During his tenure as the Cabinet Secretary in the Ministry of Justice and Constitutional Affairs, he was instrumental in supporting legal, regulatory and institutional reforms in the legal sector. He has also served as a Cabinet Secretary in the Ministry of Energy. Hon. Kiraitu was appointed on 13th December 2019 to represent the Council of Governors (CoG) for a period of five (5) years. Until his exit from the Commission on 14th December, 2024, he served the Commission as the convener of the Law Reform Committee.</p>
6.	 <p>Ms. Linda Musilivi Murila Member.</p>	<p>Ms. Linda Musilivi Murila, born on 1st January 1963, is an advocate of the High Court of Kenya. She holds a Bachelor of Laws (LL. B) degree from the University of Nairobi. She has a Diploma in Law from the Kenya School of Law, and an Advanced Diploma in Legislative Drafting from the University of West Indies, Barbados. She has served in various capacities such as: Chief State Counsel, Legislative Drafting Department and as representative of the Attorney General to the National Council for Law Reporting. She has also served as a draftsperson to the Inter-Parties Parliamentary Group on Constitutional Reforms among other several portfolios. Ms. Linda was appointed on 13th December 2019 to represent the Office of the Attorney General for a period of five (5) years. Until her exit from the Commission on 14th December, 2024, she served the</p>



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		Commission as a member of the Finance, Human Resource, and General Purpose and the Law Reform Committees
7.	 <p>Prof. Paul Wambua Musili Vice-Chairperson.</p>	<p>Prof. Paul Wambua Musili, born on 17th May 1961, holds a Bachelor of Laws (LL. B) degree from the University of Nairobi, a Post Graduate Diploma in Law from the Kenya School of Law, a Master of Laws degree from the University of London, England, a Master of Business Administration (MBA -<i>Magna cum Laude</i>) from the United States International University (USIU)-Africa and a Doctor of Laws (LL. D) in Maritime Law and Law of the Sea from Ghent University, Belgium. He is currently a Professor of Law at the University of Nairobi, School of Law. He has previously been: the first Chancellor of the University of Embu and Dean at Kabarak University School of Law. He also served as a Board member in the Constitution of Kenya Review Commission (CKRC).</p> <p>Prof. Musili was appointed on 13th December 2019 to represent members of academia for a period of five (5) years. Until his exit from the Commission on 14th December, 2024, he served the Commission as the convener of the Finance, Human Resource, and General Purpose and a member of the Law Reform Committee.</p>
8.	 <p>Hon. Dorcas Oduor Agik, OGW, EBS, SC, Member.</p>	<p>Hon. Dorcas Oduor, born on 11th December 1965, is an advocate of the High Court of Kenya and holds a Masters of Arts in International Conflict Management (UoN), a Bachelor of Laws (LL. B) degree (UoN) and a Diploma in Law from Kenya School of Law. She has served as the Secretary Public Prosecution at the office of the Director of Public Prosecution (DPP). She has also been a member in various agencies/Commissions. Hon. Oduor was appointed to the Commission on 7th July 2021 to represent the Office of the Director of Public Prosecution for a period of five (5) years. She served as a member until her appointment as the Attorney General on 14 August 2024. She also served as a member of Finance, Human Resource, & General Purposes and Law Reform Committee.</p>




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9.	<p>Mr. Joash Dache, MBS Secretary/Chief Executive Officer.</p> 	<p>Mr. Joash Dache, born on 23rd June 1971, is the Secretary/Chief Executive Officer of the Kenya Law Reform Commission. He is a Certified Public Secretary CPS (K), an Advocate of the High Court of Kenya. Mr Dache holds: an LL.M. degree (Monash University, Australia), LL.B. degree (University of Nairobi), a Diploma in Law (Kenya School of Law) and also has a Certificate in Legislative Drafting (University of London). Mr. Dache has undergone the Strategic Leadership and Development Programme (SLDP), (Kenya School of Government) and various other professional courses both locally and abroad. As the Secretary of the Commission, Mr. Dache was also the Chief Executive Officer and Accounting Officer in the Commission until 6th January, 2025.</p>
10.	<p>Mr. Peter Musyimi, HSC, Ag. Secretary/CEO (From 6th January, 2025).</p> 	<p>Mr. Peter Musyimi, born on 19th September 1969 is an Advocate of the High Court of Kenya with close to (30) years' experience. He holds a Master's Degree in Law (Public Finance), Bachelor of Laws Degree from University of Nairobi, a Post Graduate Diploma from Kenya School of Law and a Post Graduate Diploma in Legislative Drafting from the International Law Institute (ILI-Kampala). He has undergone training in Strategic Leadership Programme from Kenya School of Government. Prior to 2010, he worked under the Committee of Experts on Constitutional Review which drafted the Constitution of Kenya, 2010. Thereafter he participated in development of the legislation required to implement the Constitution under the Fifth Schedule. He was appointed the Acting Secretary/CEO, Kenya Law Reform Commission on 6th January, 2025.</p>



4. Key Management Team

	Management	Details
1.	<p>Mr. Joash Dache, MBS, Secretary/Chief Executive Officer (Up to 6th January, 2025).</p> 	<p>Mr. Joash Dache, was the Secretary/Chief Executive Officer of the Kenya Law Reform Commission. He is a Certified Public Secretary CPS (K), an Advocate of the High Court of Kenya. Mr Dache holds: an LL.M. degree (Monash University, Australia), LL.B. degree (University of Nairobi), a Diploma in Law (Kenya School of Law) and also has a Certificate in Legislative Drafting (University of London). Mr. Dache has undergone the Strategic Leadership and Development Programme (SLDP), (Kenya School of Government) and various other professional courses both locally and abroad. Mr. Dache is the Accounting Officer in the Commission and is mandated with managing the day-to-day operations of the Commission. He was appointed to the position on 25th January 2012 until 6th January, 2025.</p>
2.	<p>Mr. Peter Musyimi, HSC, Ag. Secretary/CEO (From 6th January, 2025).</p> 	<p>Mr. Peter Musyimi, HSC is an Advocate of the High Court of Kenya with close to (30) years' working experience. He holds a Master's Degree in Law (Public Finance), Bachelor of Laws Degree from University of Nairobi, a Post Graduate Diploma from Kenya School of Law and a Post Graduate Diploma in Legislative Drafting from the International Law Institute (ILI-Kampala). He has undergone training in Strategic Leadership Programme from Kenya School of Government. Prior to 2010, he worked under the Committee of Experts on Constitutional Review which drafted the Constitution of Kenya, 2010. Thereafter he participated in development of the legislation required to implement the Constitution under the Fifth Schedule. He was appointed the Acting Secretary/CEO, Kenya Law Reform Commission on 6th January, 2025.</p>



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<p>3.</p>	<p>Ms. Mercy Muthuuri, Deputy Director Legislative Services.</p> 	<p>Ms. Mercy Muthuuri, is an Advocate of the High Court of Kenya and a Certified Public Secretary with over twenty years' professional experience. She holds a Master's Degree in Law, Bachelor of Laws Degree and a Postgraduate Diploma in Law. Other training, she has attended include the Strategic Leadership Development Programme, the Senior Management Course and the Women Capacity Building for Effective Management and Leadership Programme.</p>
<p>4.</p>	<p>Ms. Susan Kuria, Head of Administration</p> 	<p>Ms. Susan Kuria, has over 20 years' experience in public administration and has previously worked with National Treasury and DPM. She holds a Bachelor of Arts Degree in Economics/Commerce. Other training, she has undergone include: Best Practices in Public Expenditure Management; Management and Administration of HIV/Aids programs; Governance, Performance Improvement; Ethics and Anti-Corruption Reforms and a Senior Management Course from the Kenya School of Government. She was appointed to the position on 17th June 2020. Ms. Susan exited the Commission on 21st October, 2024 upon attainment of the mandatory retirement age.</p>
<p>5.</p>	<p>CPA. Margaret W. Githae, Head of Accounting Unit</p> 	<p>CPA. Margaret W. Githae is an Accountant by profession with over 32 years working experience in the public sector. She holds a Masters of Business Administration (Finance) & a Minor in Strategic Management, Bachelor's Degree in Accounting and Finance both from Kenya Methodist University. She is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Internal Auditors (IIA) with good standing. Other trainings attended include the Strategic Leadership Development Programme and Senior Management Course both from the Kenya School of Government. She was seconded to the Commission in March 2021 from the Office of the Attorney General & DOJ.</p>



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6.	<p>Dr. Felistus Kabiru, Head of Human Resource</p> 	<p>Dr. Kabiru, has over 20 years' experience in human resource management. She holds a Doctor of Philosophy in Management from Dedan Kimathi University of Technology, an MBA (HR) from Catholic University of Eastern Africa and holds several other trainings including: a higher diploma in HRM, Diploma in Counselling and a Strategic Leadership Development Programme Certificate from Kenya School of Government. Dr. Kabiru is currently in charge of all the functions within the HR Department. She was appointed to the position on 1st September 2016.</p>
7.	<p>Mr. James Ruteere, Head of ICT</p> 	<p>Mr. James Ruteere an ICT professional. He holds a Bachelor's degree in IT and a diploma in IT. He is currently undertaking a Master Program in ICT Management at JKUAT. He is further certified in: Cyberoam Certified Network Security (CCNSP) & Hardware Maintenance and ISO Auditor. Other trainings attended include Senior Management Course at Kenya School of Government and Cyber-crime and examination course. Mr. Rutere is in charge of Information Technology within the Commission. He was appointed to the position on 25th May 2022.</p>
8.	<p>CPA Cornelius Musangi, Head of Finance</p> 	<p>CPA Musangi, has over 10 years' experience in Financial management. He is a Certified Public Accountant of Kenya (CPAK), holds Master's degree in Business Administration (Finance) from JKUAT, Bachelor of commerce degree (Finance Option) from CUEA and he is a member of ICPAK. He holds other training including: Senior Management Course (SMC) from KSG, Financial statements and emerging issues in public sector reporting; Institutional risk management and quality management system awareness training. He was appointed to the position on 17th July 2017.</p>

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9.	<p>Dr. Jacob Otachi, Head of Corporate Affairs & Communications</p> 	<p>Dr. Jacob Otachi, is a distinguished Advocate of the High Court of Kenya and a highly regarded advisor in communications, law, public policy, and governance. He holds a doctorate with specialization in Governance, a Masters Degree in Communications, a Post-graduate Diploma in Law, and undergraduate Degrees in Law (LLB) and Information Science. His expertise is further enhanced by international certifications in Climate Finance Governance (Germany), Knowledge Management (Thailand), and ICT/Data Governance in Anti-Corruption (Lithuania). He is also a graduate of several premier executive programs, including Legislative Drafting Courses, Strategic Change Management, Effective Supervisory Management, the Senior Management Course and advanced trainings in Stakeholder Engagement, Crisis Management, Public Policy, Legal and Regulatory Compliance. He supports KLRC in matters of corporate communications and access to information. He was appointed to the position on 18th May 2015.</p>
10.	<p>Mr. Alex Mwangi Matheri, Head of Planning</p> 	<p>Mr. Matheri, is currently the Head of Planning at the Kenya Law Reform Commission. He holds a Bachelor's degree in Mathematics from the University of Nairobi with extensive experience and knowledge in preparation and implementation of budget forecasts, strategic plans, policy documents and organizational management. He has attained certification in Senior Management Course (SMC) from the Kenya School of Government. He is currently pursuing a Masters course in Public Policy and Administration at Kenyatta University city campus, Nairobi. He was appointed to the position on 11th November 2020.</p>

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<p>11.</p>	<p>Ms. Lucy Mutua, Head of Supply Chain Management</p> 	<p>Ms. Lucy holds a Master of Science in Procurement and Contract Management, Bachelor of Purchasing and Supplies Management, both from Jomo Kenyatta University of Agriculture and Technology; and a BTEP Diploma in Supplies Management. She has also attended various courses including Senior Management Course (SMC) at the Kenya School of Government Nairobi. She is a licensed supplies practitioner with over 15 years working experience and a member in good standing of the Kenya Institute of Supplies Management (KISM). She was appointed to the role on 5th January 2023.</p>
<p>12.</p>	<p>Mr. Rogers Too, Head of Information and Knowledge Management</p> 	<p>He is currently the Principal Librarian at KLRC. He holds a Master of Philosophy degree in Information Studies and a Bachelor of Science Degree both from Moi University. He has a vast knowledge in information provision, information referencing, selective dissemination of information among others. He has a Senior management certificate from Kenya School of Government and other short courses. He was appointed to the position on 14th December 2020.</p>

5. Chairman's Statement



FOREWORD BY THE CHAIRPERSON

It is my pleasure to present the Financial Statements of the Kenya Law Reform Commission for the year ended 30th June 2025. These statements reflect not only our financial stewardship but also the Commission's continued commitment to advancing constitutionalism, good governance, and the rule of law through progressive law reform.

During this reporting period, the Commission's efforts were directed towards implementing our strategic goals and priorities as set out in the Commission's Strategic Plan for 2023/24 to 2027/28. The financial year under review was marked by both progress and challenges. We sustained our efforts towards meeting the demands for the review and reform of Kenya's law by state and non-state actors, with a particular focus on ensuring that the legal framework remains responsive and aligned with the Constitution of Kenya, 2010.

We provided technical assistance and advice to both national and county governments in matters relating to law reform and consolidated law reform initiatives, such as the post-enactment evaluation of Kenya's marriage and personal laws, and the review of legislation declared unconstitutional by the courts. Despite some operational challenges, the Commission remained resilient and committed to the discharge of our law reform mandate under the Kenya Law Reform Commission Act, 2013.

The Commission will continue to provide leadership in the progressive reform of laws, guided by the national values and principles of governance. Our focus will be to undertake the continuous review of law and make recommendations that support the reform and

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development of a legal framework that conforms to and upholds the supremacy of the Constitution, upholds the rule of law and safeguards the rights of all Kenyans, buttressed by evidence-based law reform and a well-informed citizenry.

As we reflect on the past year, I wish to recognize the invaluable contributions of the Commissioners who served between 1st August 2022 and 14th December 2024, and the Secretariat staff whose dedication and professionalism enabled us to deliver on our mandate. I also extend my gratitude to our stakeholders and partners, including Parliament, the Judiciary, the Executive, County Governments, development partners and civil society organizations, for the continued collaboration and consultation towards sound law reform and development.

It is my hope that this report, which provides information on both the Commission's financial performance and our contribution to law reform in Kenya, reaffirms our commitment to professionalism, integrity and the prudent management of public resources.



.....
Christine A. Agimba
Chairperson
Kenya Law Reform Commission

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6. Preface by the Acting Secretary/Chief Executive Officer



It is my pleasure to present the Kenya Law Reform Commission's Annual Financial Statements for the year ended 30th June 2025. This report reflects not only our financial accountability but also our broader commitment to advancing constitutionalism, good governance, and responsive law reform in Kenya. During the year under review, the Commission made notable progress in executing its mandate despite a challenging operating environment marked by resource constraints and staffing gaps.

On the legislative and policy front, the Commission provided technical support and advice to MDACs and reviewed or developed 69 legislative proposals, surpassing the annual target of 50. We collaborated with various Parliamentary Committees and contributed to aligning over 60 legislative proposals to the Constitution. KLRC also conducted own led law reform initiatives including post-enactment evaluations of the Marriage and Matrimonial Property laws, and conducted research on unconstitutional and obsolete laws. These efforts have ensured that Kenya's legal framework remains coherent, modern, and aligned with constitutional principles.

Our work was strengthened by sustained collaboration with Parliament, the Judiciary, County Governments, development partners, and civil society. These partnerships not only enriched our reform initiatives but also reinforced the Commission's visibility and relevance in driving inclusive and evidence-based law reform. In keeping with our sustainability commitments, the Commission actively supported environmental conservation by planting 2,100 indigenous trees at Dundori Forest and participating in inter-agency initiatives to promote afforestation and climate resilience.

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These initiatives underscored our recognition of the link between law, development, and environmental stewardship. A persistent challenge remains in human resource capacity. The Commission operated with only 64 staff members against an approved establishment of 250, a deficit of 74.8%. This gap continues to constrain our ability to scale up services and deepen our reform agenda. We remain committed to engaging stakeholders to address this shortfall while continuing to leverage the dedication and professionalism of our existing workforce.

As we look forward, the Commission will sustain its focus on deepening constitutional implementation, enhancing collaboration, and strengthening institutional capacity. We remain guided by our vision of building a modern, coherent, and inclusive legal framework that supports Kenya's governance, economic transformation, and social justice agenda. I extend my gratitude to the Board, Management, and Staff for their unwavering commitment and to our partners for their continued collaboration and support. Together, we will continue to drive transformative law reform that responds to the evolving needs of our nation.



.....
Peter Musyimi, HSC
Ag. Secretary/ Chief Executive Officer

7. Statement of Performance against Predetermined Objectives for FY 2024/25

In compliance with Section 81 (2) (f) of the Public Finance Management Act, 2012, this statement outlines the Kenya Law Reform Commission's (KLRC) performance against predetermined objectives for the Financial Year (FY) 2024/25. The Kenya Law Reform Commission's strategic direction is premised on the 2023/24 – 2027/28 Strategic Plan to ensure that KLRC remains to be a dynamic and responsive agency for progressive law reform.

The Key Result Areas under this strategic plan are:

- i. KRA 1: Legislative Reform and Development;
- ii. KRA 2: Legal Research;
- iii. KRA 3: Public Education;
- iv. KRA 4: Stakeholder Collaboration and Engagement; and
- v. KRA 5: Institutional Strengthening.

The Kenya Law Reform Commission is guided by core strategic goals that focus on developing a legal framework that conforms to the Constitution, strengthening evidence-based law reform, and enhancing public awareness and participation in the reform process. In pursuing inclusive and sustainable reforms, the Commission seeks to reflect the diversity and needs of society while positioning itself as a model law reform agency that upholds professionalism, efficiency, and innovation.

In pursuit of these strategic goals, the Commission has set out strategic objectives that translate its mandate into measurable priorities. These objectives provide a framework for aligning resources with planned activities, ensuring prudent financial management, and facilitating transparent reporting on performance. They serve as the basis against which the Commission's achievements and use of public resources are assessed. The strategic objectives are as follows:

- (a) To align laws to the Constitution;
- (b) To provide quality advice and technical assistance in law reform to the National and County Governments;
- (c) To undertake and provide evidence-based law reform and policy advisories;
- (d) To be the ultimate repository/depository of law reform initiatives;
- (e) To enhance public awareness in law reform;
- (f) To enhance strategic collaboration for law reform;

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- (g) To strengthen corporate governance for enhanced service delivery;
- (h) To strengthen financial sustainability;
- (i) To strengthen strategic human resource management;
- (j) To improve internal operational efficiency;
- (k) To improve KLRC infrastructure for operational efficiency;
- (l) To strengthen corporate performance management;
- (m) To leverage on ICT for enhanced operational efficiency; and
- (n) To improve KLRC records management service.

The accompanying Table XXI below - Programme Performance, provides a detailed overview of achievements across core programmes namely, Legislative Reform and Development, Legal Research, and Public Education, detailing outcomes, outputs, indicators, and variances between targets and actual results for the FY, alongside cumulative progress. KLRC achieved and/or surpassed targets in key areas: developing and submitting a framework for the national government legislative agenda, reviewing/developing 69 legislative proposals (exceeding the target by 19), conducting research on unconstitutional and obsolete laws, and completing post-enactment evaluations of family and matrimonial laws. These results reflect efficient resource utilization and proactive engagement with stakeholders, including Ministries, Departments, Agencies (MDAs), County Governments, and Parliamentary Committees, driving impactful law reform initiatives.

Key milestones, such as the development of a framework for the national government legislative agenda, the review and development of 69 legislative proposals (surpassing the annual target by 19), and the post-enactment evaluation of family and matrimonial laws, have gone beyond institutional outputs. They have fostered more coherent, constitutionally aligned laws, improved the responsiveness of legislation to emerging social and economic realities, and provided evidence to guide future policy reforms. Research on unconstitutional and obsolete laws has further enhanced the integrity of the legal system by providing evidence-based law reform.

These achievements have had tangible impacts on governance and society as shown in the following examples:

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- (a) *Strengthening Rule of Law and Governance:* Providing technical assistance to MDACs in the development of legislative proposals such as the National Forensic Laboratory Authority Bill, Railway Bill, 2024, Kenya Space Bill, 2025, and Integrated Population Registration System Bill, 2025 strengthens Kenya's legal framework in emerging areas (science, technology, infrastructure, and security). This provides a solid legal foundation for institutional governance, accountability, and policy coherence.
- (b) *Enhancing National Security and Public Safety:* Review of Pension laws, Victim Protection (Amendment) Bill, Counter-Terrorism Model Law, Cybercrimes Act (AI concerns), and Police/Youth Service frameworks has greatly contributed to the improvement of Kenya's ability to safeguard citizens from crime, terrorism, cyber threats, and abuse of power. It promotes victim protection, access to justice, and confidence in the justice system.
- (c) *Improving Service Delivery and Public Finance Management:* Development of regulations such as PFM (Victim Protection Fund), PFM (Training Revolving Fund), PFM (Disaster Risk Management Fund) contributes to ensuring transparent, accountable, and sustainable management of public funds. This strengthens fiscal discipline and targeted use of funds for social protection and emergency response.
- (d) *Promoting Socio-Economic Development:* Review of business and commercial laws including Insolvency Act, PPP Regulations, and Roadside Stations Guidelines creates a business-friendly environment that attracts investment, and boosts economic growth. The Railway Bill, 2024 and Maritime legislation reforms in particular contributed to facilitate infrastructure development and trade competitiveness.
- (e) *Protecting Rights and Social Justice:* The review of family laws (Marriage Act, Matrimonial Property, Law of Succession) and guidelines for non-monetary contributions contributed to enhancement of gender equality, fairness in matrimonial property division, and access to justice. This program also strengthens constitutional values of equality, non-discrimination, and protection of vulnerable groups.
- (f) *Supporting Devolution and County Governance:* the Review of devolution related laws and county legislation across Nakuru, Wajir and the frontier counties helps counties develop sound policies, build legislative capacity, and deliver better services to citizens. This promotes inclusivity, local development, and responsiveness to county-specific needs.
- (g) *Modernizing Legal and Institutional Frameworks:* Review of Legal Education Sector in Kenya has both institutional and national impacts since legal education underpins the quality of lawyers, judges, researchers, policy makers as well as governance structures.

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Building National and International Partnerships: The impact of strategic partnerships between the KLRC and key institutions like the National Council on the Administration of Justice (NCAJ), Parliament, Ministries/Departments/Agencies (MDAs), etc. can be viewed across governance, law reform, and service delivery dimensions:

- (a) Working with MDAs helps KLRC access technical expertise, sector data, and policy inputs, leading to evidence-based law reform.
- (b) With NCAJ, KLRC contributes to a harmonized justice sector, ensuring that law reforms address bottlenecks identified by the justice sector institutions.
- (c) Collaboration with Parliament ensures that draft Bills and legislative proposals prepared by KLRC are processed efficiently and aligned with legislative priorities.
- (d) Collaboration reduces wastage, by ensuring joint planning, joint consultations, and shared resources during law reform processes.
- (e) Partnerships broadens public participation and stakeholder engagement in law reform through joint forums, NCAJ structures, parliamentary committees, and MDA outreach.
- (f) Enhancement of Regional and International Influence: KLRC collaborates and is active members of the Commonwealth Association of Law Reform Agencies (CALRAS), the Association of Law Reform Agencies of Eastern and Southern Africa (ALRAESA) (Currently holding the post of Secretary General) and also works closely with the Law Reform Agencies of the EAC Partner States in the harmonization of laws of the Partner states. KLRC also works closely with ICJ-Kenya, IDLO and the UN Women

Strategically, these contributions align with the Medium-Term Plan IV (2023–2027) under the Bottom-Up Economic Transformation Agenda (BETA). They reinforce the Political Pillar of Vision 2030 by promoting the rule of law, social equity, and institutional efficiency. The broader impact is seen in a more enabling legal environment for economic growth, fair social outcomes, and sustainable development. In this way, KLRC is not only delivering on its mandate but also helping to shape Kenya's transformation into a just, inclusive, and prosperous middle-income country by 2030.

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Table XXI: Programme performance

Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
Legislative Reform and Development	To align laws to the Constitution	Laws aligned to the Constitution	Approved standard guidelines for law reform developed	No. of guidelines for law reform	1	1	0	1	1	0	The Commission developed and disseminated the second edition of the Guide to Legislative process in Kenya. This underpins KLRC's commitment to support devolution by strengthening collaboration and cooperation between the two levels of government for improved service delivery.

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	To provide quality advice and technical assistance to the MDACs	Laws aligned to the Constitution	A framework for the national government legislative agenda developed and submitted	No. of frameworks developed	1	1	0	1	1	0	The Commission developed and submitted the framework to guide the implementation of the two-third gender rule. This was done in collaboration with the OPCS.
		Laws aligned to the Constitution	Legislative proposals reviewed/developed	No. of legislative proposals developed/reviewed	5 0	69	+19	50	69	+19	The bills developed/reviewed included requests for review by MDAs as well as legislative proposals developed/reviewed for the County Governments. Further, 43 Bills referred from various Parliamentary Committees were scrutinized under the pre-publication scrutiny framework.

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Legal Research	To undertake evidence-based law review and policy advisories	Enhanced legal research and evidence-based law reform	Approved research policy and editorial policy	No of research policies reviewed and approved	1	1	0	1	1	0	Research policy finalized and approved. A complete Research Policy ensured high-quality, consistent outputs, which strengthened KLRC's ability to provide enhance evidence-based law reform.
			Concept papers on thematic areas in the research agenda developed	No of concept papers developed	1	1	0	1	1	0	Concept paper on post-enactment evaluation of Marriage Act and Family laws finalized.
			Research on thematic areas undertaken	No of research reports	1	2	+1	1	3	+1	The Commission finalized research on 2 areas namely: laws declared unconstitutional by the courts and obsolete laws.

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			M & E reports on implementation of identified laws undertaken	No of M&E reports developed	1	1	0	1	1	0	Post-enactment evaluation of Marriage and Matrimonial Property laws was finalized which demonstrates that KLRC continues to ensure that the laws are continuously reviewed to among others, take into account the value of equity.
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8. Corporate Governance Statement

Introduction

The Kenya Law Reform Commission (KLRC), established under the Kenya Law Reform Commission Act, 2013, is committed to exemplary corporate governance in fulfilling its mandate of law reform and public service. Guided by the Mwangozo Code of Governance for State Corporations and directives from the State Corporations Advisory Committee (SCAC), KLRC upholds accountability, integrity, and transparency. This statement outlines the Commission's governance framework, policies, and practices, underscoring its commitment to effective oversight and public trust.

a) Commission Composition

The Commission comprises a Chairperson appointed by the President, Commissioners (representing key institutions, skills and experiences) appointed by the Attorney General, and the Secretary/CEO. While most members serve part-time, only the Chairperson and one Commissioner were in office as at 14th December 2024, pending new appointments.

b) Meetings and Attendance

During the year under review, five scheduled meetings were held before expiry of members' terms. Members actively provided oversight on legislative reform, strategy, and operations.

c) Roles and Charter

The Commission operates under a Charter aligned to the KLRC Act and Strategic Plan, covering strategic oversight, financial approval, compliance, monitoring of objectives, and performance oversight.

d) Induction and Training

New Commissioners undergo structured induction and continuous training on governance, risk management, and law reform to enhance decision-making.

e) Committees

The Committees of the Commission include:

- i) Audit, Compliance & Risk Management Committee;
- ii) Law Reform Committee; and
- iii) Finance, HR & General Purposes Committee.

f) Risk and Internal Controls

Risks are identified and managed under the Audit and Risk Committee. Internal controls ensure compliance, accurate reporting, and asset protection.

g) Conflict of Interest

Members declare conflicts at each meeting. Recusal procedures and periodic policy reviews safeguard integrity.

h) Remuneration

Commissioner remuneration follows SCAC and SRC guidelines, ensuring fairness and transparency.

i) ESG Commitment

KLRC observes the global standards on Environmental, Social, and Governance (ESG) in the following ways:

- (a) Regularly taking part climate action activities that seek to reduce carbon emissions;
- (b) Promoting human rights and equality by upholding dignity, fair treatment, and non-discrimination through law reform initiatives;
- (c) Promoting transparency and accountability in law reform.
- (d) Compliance with legal, regulatory, and governance codes including Mwongozo code of governance.

j) Stakeholder Engagement

KLRC promotes inclusive law reform through public consultations, feedback mechanisms, and open communication with stakeholders.

Conclusion

KLRC remains committed to sound governance, effective oversight, and transparency to sustain public trust and deliver on its law reform mandate.

9. Management Discussion and Analysis

Operational Highlights

During the reporting period, the Kenya Law Reform Commission (KLRC) continued to discharge its mandate of reviewing, reforming, and harmonizing the laws of Kenya to ensure conformity with the Constitution and national development priorities. Key operational achievements included:

- (a) **Legislative Development and Review:** Preparation, review, and technical support on a range of bills and regulations in critical sectors such as public finance, security, devolution, family law, and data protection.
- (b) **Stakeholder Engagement:** Active participation in multi-agency committees and technical working groups to promote inclusivity, policy coherence, and stakeholder-driven reforms.
- (c) **Capacity Building:** Strengthening internal systems for legislative research and drafting, including adoption of ICT tools for efficiency and digitization of some law reform processes.
- (d) **Public Awareness and Participation:** Facilitation of consultative forums and preparation of concept notes to enhance public engagement in law-making and reform.

These achievements demonstrate KLRC's continued relevance as a key enabler of constitutional implementation and policy alignment despite operating under resource and institutional constraints.

Key Challenges

Notwithstanding the above achievements, KLRC experienced several challenges that impacted its operations and financial performance:

- (a) **Budgetary Constraints:** The Commission operated within a limited resource envelope, which constrained program delivery, stakeholder consultations, and capacity-building initiatives.

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- (b) **Staff Shortage:** A lean workforce, occasioned by delays in approval of human resource instruments, has hindered optimal execution of the Commission's wide-ranging mandate. The shortage has also limited the ability to scale up research, legislative drafting, and stakeholder outreach.
- (c) **Delayed Exchequer Releases:** Recurrent delays in exchequer disbursements affected the timely settlement of salaries, statutory obligations, and implementation of planned activities. This has occasionally exposed the institution to risks of penalties and reputational strain.
- (d) **Policy Uncertainties and Institutional Merger:** The ongoing policy discussions and delayed decisions regarding the proposed merger of KLRC and the National Council for Law Reporting (NCLR) have created uncertainties. This has affected long-term planning, staff morale, and slowed the approval of critical human resource and operational instruments.

Conclusion

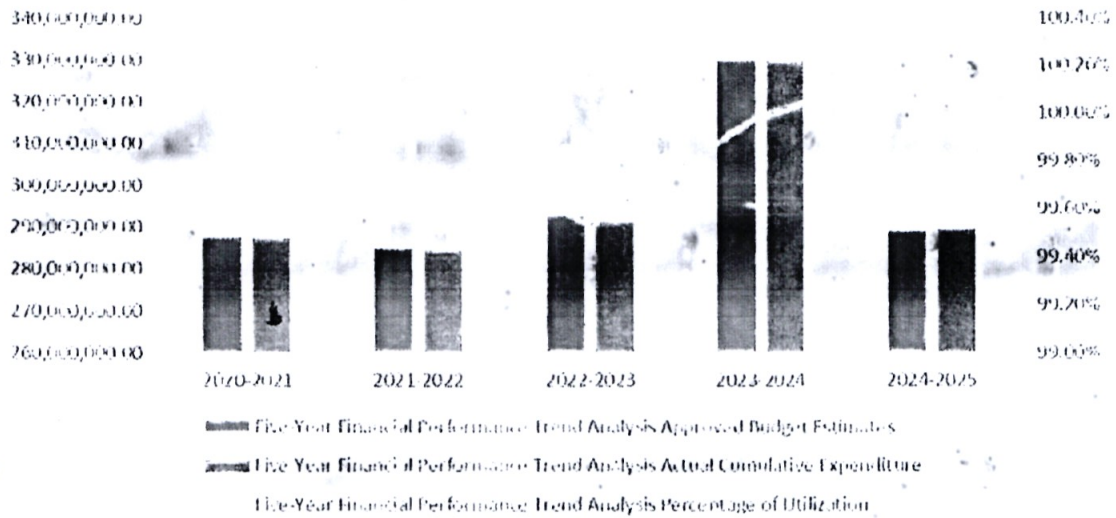
Despite these challenges, KLRC remains committed to prudent financial management, accountability, and delivery of its core mandate. The Commission continues to engage with the National Treasury, the State Department for Justice, and other stakeholders to address funding gaps, clarify institutional restructuring, and strengthen its human resource base. Management is confident that with sustained support and resolution of policy uncertainties, KLRC will enhance its effectiveness in advancing law reform and governance in Kenya.

The Commission relies on Government grants to fund its operations. Over the last five years, funding levels have been as follows:

Kenya Law Reform Commission			
Five-Year Financial Performance Trend Analysis			
Financial Year	Approved Budget Estimates	Actual Cumulative Expenditure	Percentage of Utilization
2020-2021	287,558,617.00	287,558,617.00	100.00%
2021-2022	284,823,410.00	284,507,770.00	99.89%
2022-2023	292,660,000.00	291,284,019.00	99.53%
2023-2024	329,850,000.00	329,804,000.00	99.99%
2024-2025	288,880,000.00	289,474,422.00	100.26%

Graphical Representation

2020 - 2025 Trend Analysis



a) Key projects implemented by the Commission.

In line with national development priorities, including the implementation of the Constitution, Kenya Vision 2030, Medium Term Plan (MTP IV), and the Bottom-Up Economic Transformation Agenda (BeTA 2022–2027), the Kenya Law Reform Commission (KLRC) implemented a range of strategic programmes. These included:

- i) Providing technical support to National and County Governments in the development of legal frameworks that advance national priorities;
- ii) Aligning existing laws with the Constitution by preparing Bills for consideration by Parliament;
- iii) Undertaking research, offering advisory services, and conducting public education on law reform;
- iv) Strengthening institutional capacity and visibility for enhanced strategic positioning; and
- v) Building human resource capacity to improve service delivery.

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Guided by its 2023–2028 Strategic Plan, KLRC continues to synchronize its activities with the Fourth Medium-Term Plan (MTP IV) and BeTA plan. This alignment emphasizes five priority pillars: Agriculture, the MSME Economy, Housing and Settlement, Healthcare, and the Digital and Creative Economy. Through these interventions, the Commission contributes to six overarching objectives: reducing the cost of living, eradicating hunger, addressing unemployment, improving fiscal performance, stabilizing the foreign exchange market, and fostering inclusive and sustainable growth.

The current strategic objectives of the Commission are to:

1. Align laws with the Constitution;
2. Provide quality advice and technical assistance to MDAs;
3. Undertake evidence-based law review and policy advisories;
4. Serve as the national repository of law reform initiatives;
5. Enhance public awareness on law reform; and
6. Strengthen collaboration and stakeholder engagement.

Compliance with Statutory and Financial Reporting Requirements

KLRC's financial statements are prepared in compliance with the Public Finance Management Act (PFM Act), the State Corporations Act, and International Public Sector Accounting Standards (IPSAS). The Commission:

- a) Applies consistent accounting policies across reporting periods;
- b) Prepares accounts in Kenya Shillings as the functional and reporting currency;
- c) Uses historical cost as the primary basis of measurement, with exceptions for revaluation of certain assets, impairment, and actuarially determined liabilities;
- d) Makes appropriate disclosures for areas involving significant judgment, estimates, or complexity; and
- e) Fully complies with statutory requirements relating to public finance management, transparency, accountability, and national values.

Planned Projects and Investments

Looking ahead, KLRC will continue to execute its mandate by supporting the Government's legislative agenda, particularly through MTP IV and BeTA (2022–2027). Key focus areas include:

- (a) Maintaining financial stewardship and fiscal discipline;
- (b) Sustaining full implementation of the citizen Charter;
- (c) Providing technical assistance to MDAs;
- (d) Effectively implementing the Constitution;
- (e) Conducting public awareness on law reform;
- (f) Undertaking legal research;
- (g) Mainstreaming Science, Technology & Innovation (STI);
- (h) Enhancing productivity improvement;
- (i) Implementing Presidential Directives on affirmative action in procurement;
implementing the youth internship/apprenticeship programme;
- (j) Competence development;
- (k) Promoting national values and principles of governance.

Major Risks and Risk Management

Financial Risk Management

KLRC's operations are subject to various financial risks. The Commission has established policies and controls to identify, assess, and manage these risks to safeguard its resources and ensure continuity of operations. The key risks and mitigation measures are outlined below:

(a) Credit Risk

- i) Credit risk arises primarily from cash balances, deposits, receivables, and investments.
- ii) The Commission mitigates this risk through credit assessments, financial position analysis, and the application of credit limits.
- iii) Provisions for doubtful receivables are made in accordance with established financial policies.

(b) Price Risk

- i) The Commission does not hold investments that are subject to price fluctuations, and therefore has no significant exposure to price risk.

(c) Interest Rate Risk

- i) KLRC does not hold any interest-bearing liabilities or assets. Accordingly, exposure to interest rate risk is considered negligible.

(d) Foreign Currency Risk

- i) Exposure may arise from transactions or balances denominated in foreign currencies.
- ii) While such exposure remains minimal, the Commission monitors exchange rate movements to mitigate any potential impact.

(e) Liquidity Risk

- i) Liquidity risk is managed through regular monitoring of cash flows and forecasts to ensure adequate funding for operations.
- ii) The Commissioners oversee a structured liquidity management framework designed to meet both short-term obligations and long-term commitments.

(f) Capital Risk Management

- i) The Commission's primary objective is to maintain financial sustainability and safeguard its ability to continue as a going concern.
- ii) This is achieved by ensuring adequate cash flows, prudent resource management, and maintaining a strong balance sheet.
- iii) As at the close of the financial year, KLRC remained debt-free.

10. Environmental and Sustainability Reporting

During the year under review, the Kenya Law Reform Commission (KLRC) continued to implement its 2023–2028 Strategic Plan, aligning its law reform initiatives with national development priorities, including Vision 2030, Fourth Medium-Term Plan (MTP IV) and the Bottom-Up Economic Transformation Agenda (BeTA).

In this regard the KLRC contributed to environment and sustainability in the following ways:

- i) **Mainstreaming sustainability in law reform** – KLRC emphasized developing legal frameworks that address climate resilience, gender equality, and social justice.
- ii) **Environmental protection laws** – The Commission provided technical assistance to Ministries, Departments, Agencies (MDAs), and County Governments on legislative proposals supporting environmental protection, devolution, and disaster preparedness.
- iii) **Partnerships on natural resource management** – KLRC strengthened collaboration with the Kenya Forest Service to advance legal frameworks promoting sustainable forest management and conservation.
- iv) **International collaboration** – By working with UN Women to map discriminatory laws, KLRC also reinforced Kenya’s alignment with global human rights and sustainable development standards, linking equality with sustainability.

i) Environmental performance

Greening Objectives

KLRC recognizes the importance of integrating environmental sustainability into its operations, in line with the Constitution of Kenya, national climate change commitments, and global best practices. The Commission has adopted the following greening objectives to minimize its environmental footprint and promote responsible resource use:

(a) Sustainable Resource Use

- i) Reduce paper consumption through digitization of records, e-governance platforms, and electronic communication.
- ii) Encourage responsible water use and waste reduction within KLRC premises.

(b) Waste Management

- i) Adopt proper segregation, recycling, and disposal practices for office waste.
- ii) Partner with certified service providers to manage electronic waste and obsolete equipment responsibly.

(c) Green Procurement

- i) Implement procurement practices that prioritize environmentally friendly products and services.
- ii) Support local suppliers who comply with environmental standards.

(d) Awareness and Capacity Building

- i) Sensitize staff, and stakeholders on sustainable practices.
- ii) Build capacity on climate change, environmental rights, and green governance in law reform initiatives.

(e) Compliance and Leadership

- i) KLRC as a public institution aligns itself with national environmental policies and sustainability goals and actively supports Kenya's environmental agenda through legislative input, operational practices, and direct participation in conservation efforts in undertaking a tree planting exercise at Dundori Forest in Nakuru County where members of staff planted 2,100 indigenous trees, directly supporting national afforestation targets and biodiversity restoration. This initiative accounted for approximately 0.8% of the Commission's annual operational budget, reflecting a tangible financial commitment to environmental stewardship.
- ii) Leading by example by mainstreaming environmental considerations into KLRC's mandate of law reform and legislative drafting.

ii) Employee welfare

Human Resource Instruments: The Commission developed its Human Resource instruments to guide in the day to day operations in the Commission. The policies were aligned to the Public Service Commission (PSC) in-conjunction with the Directorate of Public Service Management (DPSM) Consultancy service.

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Recruitment policy: The Commission is an equal opportunity employer. Men and women, persons with disabilities, youth and people from marginalized groups with requisite qualifications are given equal opportunity. Recruitment in the Commission is guided by relevant legal frame work which enhances transparent, fair competition and meritocracy. It's the policy of the Commission to recruit high calibre staff with appropriate academic and professional qualifications. The Commission advertises all vacant posts to the public in a manner to reach the widest pool through hard copy and online to leverage on technology. During the period under review, the Commission did not undertake recruitment exercise. However, it has continued to engage various stakeholders to address the understaffing which stood at 64 members of staff against approved staff establishment of 250 creating a deficit of 74.8%.

Training and development- The Commission recognizes the importance of human resource development as a means towards increasing employee efficiency and effectiveness in line with KLRC HR manuals and PSC Guidelines. Towards this end the Commission pursues a policy of continually upgrading staff competencies, knowledge, skills and attitude to maintain greater productivity.

Training of staff is guided by the Training Needs Assessment (TNA) to address identified performance gaps which informed the development of Training projections. The Training requests are processed through the Staff Advisory Committee (SAC) in line with the Commission's Training Policy and PSC HRM&D guidelines. All staff sponsored for long courses are bonded in line with the Commission's Bonding Policy. The Commission supports staff to meet their continued professional developments (CPD) for their continuity of membership to their various professional bodies. However, in the period under review, the Commission was not able to pay for membership subscription to the various professional bodies for its officers due to an embargo enforced by the National Treasury.

Staff performance- The Commission uses staff performance Appraisal System (SPAS) which is linked to other human resource systems and processes such as staff development, career progression, placement, rewards and sanctions. The process involves work planning, setting of agreed performance targets, feedback and reporting.

The Commission reports that all members of staff set their performance targets within the required timeframe, conducted Mid-year review and summative appraisal. The appraisal report highlighted the exemplary performance by all staff with majority achieving their performance targets.

Rewards systems-Performance Rewards and Sanctions are guided by the Commission's reward and sanction policy. The policy was developed to motivate staff to achieve high performance, recognize meritocracy while addressing poor performance. During the period the Performance management committee was reconstituted. The Commission did not reward any employee due to funding challenges. However, identified performance gaps were addressed through training.

Policy on safety and Compliance with Occupational Safety and Health Act OSHA 2007-KLRC complies with the Occupational Safety and Health Act (OSHA) 2007. Maintains a safe working environment and conducts fire drills sessions on workplace safety in conjunction with the landlord Re-Insurance management.

iii) Market place practices-

a) *Responsible competition practice.*

The Commission ensures fair and transparent competition through the following mechanisms and approaches:

i) *Anti-Corruption and Ethical Standards*

KLRC has adopted a Code of Conduct/Ethics Policy that prohibits bribery, collusion and favouritism. The Commission also encourages an independent reporting mechanism (whistleblowing system) to report unethical conduct without victimization.

ii) *Responsible Political Involvement*

The Commission remains apolitical in its operations and refrains from offering financial or in-kind support to political parties and awarding contracts to public and state officers.

iii) *Fair Competition & Open Tendering*

Procurement is conducted through competitive bidding, ensuring equal access for qualified suppliers. Use of clear and objective evaluation criteria applied uniformly to all bidders and declaration of conflict of interest is required from all staff and evaluation committee members.

iv) Respect for Competitors

Avoidance of unfair trade practices such as price fixing, bid rigging or predatory pricing.

Improved Service Delivery Practices

The Commission complements responsible competition with modern and transparent service delivery approaches:

1) Service Charter Information

Online publication and display of a service charter outlining service standards, expected timelines, rights and responsibilities of customers.

2) Anti-Corruption Reporting Mechanisms

Anti-corruption reporting boxes, anonymous reporting channels and online complaint systems for citizens and stakeholders have been put in place.

3) Cashless Payments

The Commission has adopted online banking (internet banking) to reduce handling of physical cash when paying suppliers. This minimizes corruption risks, increases efficiency and ensures proper record keeping.

b) Responsible Supply chain and supplier relations

The Commission is committed to fostering ethical, transparent and mutually beneficial relationships with its suppliers. This is achieved through the following practices:

1) Good Business Practices

Regular capacity-building and engagement sessions are held to ensure suppliers understand compliance requirements, sustainability expectations and innovation opportunities.

2) Honouring Contracts

The Commission ensures that all contractual obligations are respected, including delivery schedules, agreed pricing, and terms of engagement.

Any changes to contracts are communicated transparently and mutually agreed upon.

Disputes are addressed through fair negotiation and conflict resolution mechanisms, avoiding unfair penalties or exploitation.

3) Respecting Payment Practices

Commitment to timely payment of invoices within agreed terms to support suppliers' financial stability, particularly AGPO and SMEs groups.

4) Competitive Procurement

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The Commission is committed to protecting the rights, safety and interests of Stakeholders and citizens by embedding accountability, transparency and fairness across all its services.

The following measures are in place:

1) Providing Adequate Service Information

Stakeholders are provided with clear, accurate and comprehensive information on services, requirements and timelines.

Service charters are published and regularly updated to ensure that stakeholders know their rights, responsibilities and expected service levels.

The Commission uses digital platforms, brochures, websites and call centre to ensure wide access to information.

2) Dispute Resolution and Redress

A grievance redress mechanism is in place, including hotlines, online platforms, and physical offices, where stakeholders can report concerns or lodge complaints.

Complaints are handled in a timely, transparent and fair manner, with escalation procedures where necessary. Availability of alternative dispute resolution mechanisms such as mediation, arbitration, and ombudsman services.

3) Internal and External Stakeholders Data & Privacy Protection

Strict adherence to data protection laws and privacy policies to ensure personal data is collected, processed, and stored securely. Use of encryption, firewalls, and secure servers to safeguard against unauthorized access or misuse of stakeholders' data.

iv) Corporate Social Responsibility /Community Engagements.

One of the Commission's CSR activities was its participation in a tree planting exercise held on 5th June 2025 at Dundori Forest in Nakuru County, where staff planted over 2,100 indigenous trees. This initiative not only supported Kenya's afforestation and biodiversity restoration efforts but also marked KLRC's contribution to World Environment Day, reinforcing its alignment with national and global environmental priorities. Earlier, on 8th July 2024, KLRC joined the Forest Restoration Campaign organized by the Office of the Attorney General and Department of Justice (OAG & DOJ) at Kona Baridi in Ngong Forest, Kajiado County. The event brought together various government agencies and stakeholders

All procurement processes are conducted through open, fair and transparent tendering to provide equal opportunities to qualified suppliers.

Clear evaluation criteria are communicated in advance, with decisions based solely on merit, value for money and quality standards.

Special consideration is given to women, youth and persons with disabilities owned enterprises, promoting inclusivity and community empowerment.

5) Long-term Supplier Relations

The Commission encourages suppliers to adopt sustainable practices such as eco-friendly packaging, ethical sourcing and responsible labor management.

Feedback mechanisms are in place to ensure two-way communication, enabling suppliers to raise concerns and suggest improvements.

6) Responsible marketing and advertisement

The Commission is committed to ensuring that all marketing, advertising and outreach practices are conducted in an ethical, transparent and socially responsible manner. This is achieved through the following measures:

7) Ethical Marketing Practices

Truthful Communication- All promotional materials are factual, avoiding misleading, exaggerated or deceptive claims about services offered or performance.

Respect for stakeholders- Messages are designed to be respectful, inclusive and free from content that could be discriminatory, offensive or harmful to vulnerable groups.

Avoiding Anti-Social Content- The Commission avoids advertisement that promotes harmful behaviour, stereotypes or socially irresponsible messages.

c) Responsible Outreach and Sensitization

Regular Updates- Stakeholders are kept informed through media engagements, website updates, newsletters and trade fairs.

Consultative Forums- The Commission holds public engagement forums and stakeholder consultations to ensure strategic objectives and messages address real community needs.

3) Safeguards and Monitoring

Feedback Channels- Stakeholders can provide feedback or lodge complaints on services offered through hotlines, email or digital platforms, and concerns are addressed promptly.

d) Product stewardship

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to promote reforestation and environmental awareness, showcasing inter-agency collaboration in advancing climate resilience.

11. Report of the Commission

The Commission submits this report together with the audited financial statements for the year ended June 30, 2025, which show the state of KLRC's affairs.

i) Principal activities

The mandate of the Commission as set out in section 6 of the KLRC Act Cap 3.

ii) Results

The results of the Commission for the year ended June 30, 2025, are set out on pages 1 to 6.

iii) Commissioners

The members of the Commission who served during the year are shown on page x to xiii.

iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The Commission reported a deficit in its performance and therefore did not remit any surplus to the consolidated fund.

v) Auditors

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



.....
Mr. Peter Musyimi, HSC
Secretary to the Commission

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, Cap 412A, Section 14 of the State Corporations Act, and Section 31 of the Kenya Law Reform Commission Act, Cap 3 require the preparation of financial statements for the Kenya Law Reform Commission that present a true and fair view of its financial position at the end of each financial year, together with the results of its operations for that period. The Commissioners are responsible for ensuring that the Commission maintains proper accounting records that disclose, with reasonable accuracy, its financial position and performance. They are further responsible for safeguarding the assets of the Commission and taking reasonable steps to prevent and detect fraud and other irregularities.

Specifically, the Commissioners' responsibilities include:

- i) Ensuring adequate financial management arrangements and ensuring their continued effectiveness throughout the reporting period;
- ii) Overseeing the keeping of proper accounting records that accurately reflect the financial position of the Commission at all times;
- iii) Designing and maintaining effective internal controls relevant to the preparation and fair presentation of the financial statements, ensuring they are free from material misstatement, whether due to fraud or error;
- iv) Safeguarding the assets of the Commission against loss, misuse, or misappropriation;
- v) Selecting and consistently applying appropriate accounting policies; and
- vi) Making accounting estimates and judgments that are reasonable and prudent in the circumstances.

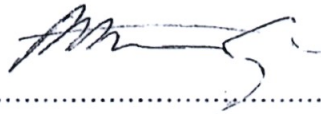
The Commissioners accept responsibility for the preparation and presentation of these financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates and judgments. The statements conform to the requirements of the Public Finance Management Act, Cap 412A, the State Corporations Act, Cap 446, the Kenya Law Reform Commission Act, Cap 3, and International Public Sector

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Accounting Standards (IPSAS). In the opinion of the Commissioners, the financial statements give a true and fair view of the transactions of the Commission for the financial year ended 30th June 2025 and of its financial position as at that date. The Commissioners further confirm the completeness of the accounting records relied upon in preparing these financial statements, as well as the adequacy of the systems of internal financial control. Nothing has come to the attention of the Commissioners to indicate that the Commission will not remain a going concern for at least twelve months from the date of this statement.

Approval of the financial statements

The Kenya Law Reform Commission Financial Statements were approved by the Commission on August 27, 2025 and signed on its behalf by:


.....

Christine A. Agimba
Chairperson of the Commission


.....

Mr. Peter Musyimi, HSC.
Accounting Officer

**Kenya Law Reform Commission
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for the year ended June 30, 2025.**

13. Report of the Independent Auditor for the Financial Statements of KLRC

REPUBLIC OF KENYA

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Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYA LAW REFORM COMMISSION FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Law Reform Commission set out on pages 1 to 52, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the

Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kenya Law Reform Commission as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Kenya Law Reform Commission Act, 2013 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Commission in the financial year 2024/2025 revealed that the following eight (8) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2023/2024	Understaffing
2	2023/2024	Non-Compliance with the One-Third Rule on Basic Salary
3	2023/2024	Failure to Surrender Other Income to The National Treasury
4	2023/2024	Lack of Physical Presence of the Commission in the Counties
5	2023/2024	Lack of an Operational and Approved Risk Management Policy
6	2023/2024	Unapproved Human Resource Instruments
7	2023/2024	Delay in the Appointment of the Commission Secretary
8	2023/2024	Failure to Establish the Staff Housing Mortgage and Car Loan Scheme Fund

Other Information

Management is responsible for the Other Information set out on pages iv to I, which comprise of Key Entity Information and Management, The Commission, Chairman's

Statement, Preface by the Acting Secretary, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, and the Statement of Directors' Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Commission's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is no material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Understaffing

Review of Human Resource records revealed that as at 30 June, 2025, the approved staff establishment of the Commission was two hundred and forty (240), but only sixty-six (66) positions were filled, resulting in a shortage of one hundred and seventy-four employees.

Failure to fill these vacancies has led the Commission to operate below optimal capacity and may have impacted negatively on service delivery to the public.

2. Non-Compliance with the One-Third Rule on Basic Salary

Review of payroll data revealed that during the year forty-seven (47) employees earned a net salary of less than one-third ($\frac{1}{3}$) of their basic salary. This was contrary to the provisions of Section 19(3) of the Employment Act, 2007, which states that the total amount of all deductions which may be made by an employer from the wages of his employee at any one time shall not exceed two-thirds of such wages.

In the circumstances, Management was in breach of the law.

3. Non-Compliance with Climate Change Financing Requirements

Review of the Commission's budget and expenditure records revealed that the Climate Change action plan was not integrated into its sectoral strategies, action plans, and other

implementation projections for legislative and policy functions. Further, the Commission had not designated a unit with adequate staffing and financial resources, nor appointed a senior officer to coordinate the mainstreaming of the Climate Change action plan and other statutory Climate Change responsibilities into sectoral strategies. This was contrary to The National Treasury Circular 13/2020, which requires Government entities to identify and report on climate-related budget allocations and provide quarterly expenditure data on climate and environmental projects.

In the circumstances, Management was in breach of The National Treasury's Circular.

4. Lack of Physical Presence of the Commission in the Counties

As previously reported, the Commission has only one office in Nairobi County, which may have limited its effectiveness in consulting and collaborating with state and non-state organs, departments, or agencies in developing legislation to implement current social, economic and Political policies. This was contrary to Section 7(2) of the Kenya Law Reform Commission Act, 2013, which requires the Commission to ensure access to its services nationwide, in accordance with Article 6(3) of the Constitution.

In the circumstances, Management was in breach of the law.

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of a Fully Constituted Board at the Commission

Review of records revealed that the Commission's Board is not fully constituted as required under the Kenya Law Reform Commission Act, 2013. Although the appointment of members of the Commissions Board was made through Kenya Gazette Notice Number 4863 of 20 December, 2019, effective from 13 December, 2019 for a term of five (5) years, which expired on 12 December, 2024, the Commission has been operating without representatives for the Council of Governors, the Director of Public Prosecutions (DPP), Law Society of Kenya and the Attorney-General.

Lack of a fully constituted Board undermines governance and statutory compliance. This may have negatively impacted governance and oversight and may weaken institutional capacity to deliver on its mandate.

In the circumstances, the effectiveness of the Board's decisions and the governance at the Commission could not be confirmed.

2. Lack of an Approved Operational Annual Board Work Plan

Review of documents relating to Board operations revealed there was lack of an approved and operational work plan aligned to the Commission's strategic annual performance targets and Government activities. Further, the Board did not submit its annual work plan aligned to the Commission's Strategic Plan, annual performance targets and calendar of Government activities to the State Corporations Advisory Committee (SCAC). This was contrary to Sections 3.3.1 and 3.3.2 of the Mwongozo Code of Governance for State Corporations, 2015, and the Public Finance Management Act, 2012, which require the Board to develop and approve an annual work plan to guide the execution of its mandate throughout the year.

In the circumstances, Management was in breach of the Code of Governance for State Corporations.

4. Delay in Appointment of the Commission Secretary

As previously reported, the Commission's Secretary/Chief Executive Officer was seconded to the Commission by the Public Service Commission for a period of five (5) years. The secondment was extended on 09 May, 2019 to remain in effect until the Commission was fully constituted. Management attributed the delay to the ongoing process of developing human resource instruments for all staff. However, these instruments are yet to be approved by the Public Service Commission for implementation. As at the time of the audit in November, 2025, the Board had not recruited the Commission Secretary.

In the circumstances, the effectiveness of the Board's decisions and the governance at the Commission could not be confirmed.

5. Lack of Board Committee Charter

Review of documents revealed that the Commission had three (3) operational Board Committees. However, the Committees operated without a formally documented and approved Committee Charter that clearly outlines their respective roles, responsibilities, authority and reporting relationships. This was contrary to Paragraph B.2 of the Office of the President Circular Reference No. OP/CAB.9/1A dated 11 March, 2020, on the Management of State Corporations, which requires each committee to have a Charter outlining its roles and responsibilities as guided by the State Corporations Advisory Committee.

Further, Section 6.2.1 of the Mwongozo Code of Governance for State Corporations, 2015, emphasizes that Board Committees must operate under clearly defined charters to ensure accountability and functional clarity.

In the circumstances, the effectiveness of governance at the Board Committees could not be confirmed.

6. Lack of a Risk Management Policy

As previously reported, the Commission did not have in place an operational and approved risk management policy and risk management strategies. This was contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015, which states that the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanisms and a system of risk management and internal control that builds robust business operations.

In the circumstances, the policies, strategies and procedures put in place to assess, identify, measure and mitigate risks in the Commission could not be confirmed.

7. Lack of Approved Human Resource Instruments

As previously reported, the Commission operated without an approved organization structure, staff grading, establishment, career guidelines and a human resource policy and procedures manual. Further, there was no evidence provided to show that the Human Resource Instruments had been submitted to or approved by the Public Service Commission.

In the circumstances, the absence of approved human resource instruments could negatively impact the effectiveness of the succession planning, staff development, career progression for existing employees and the overall implementation of the Commission's mandate.

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

Responsibilities of the Management and the Commissioners

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

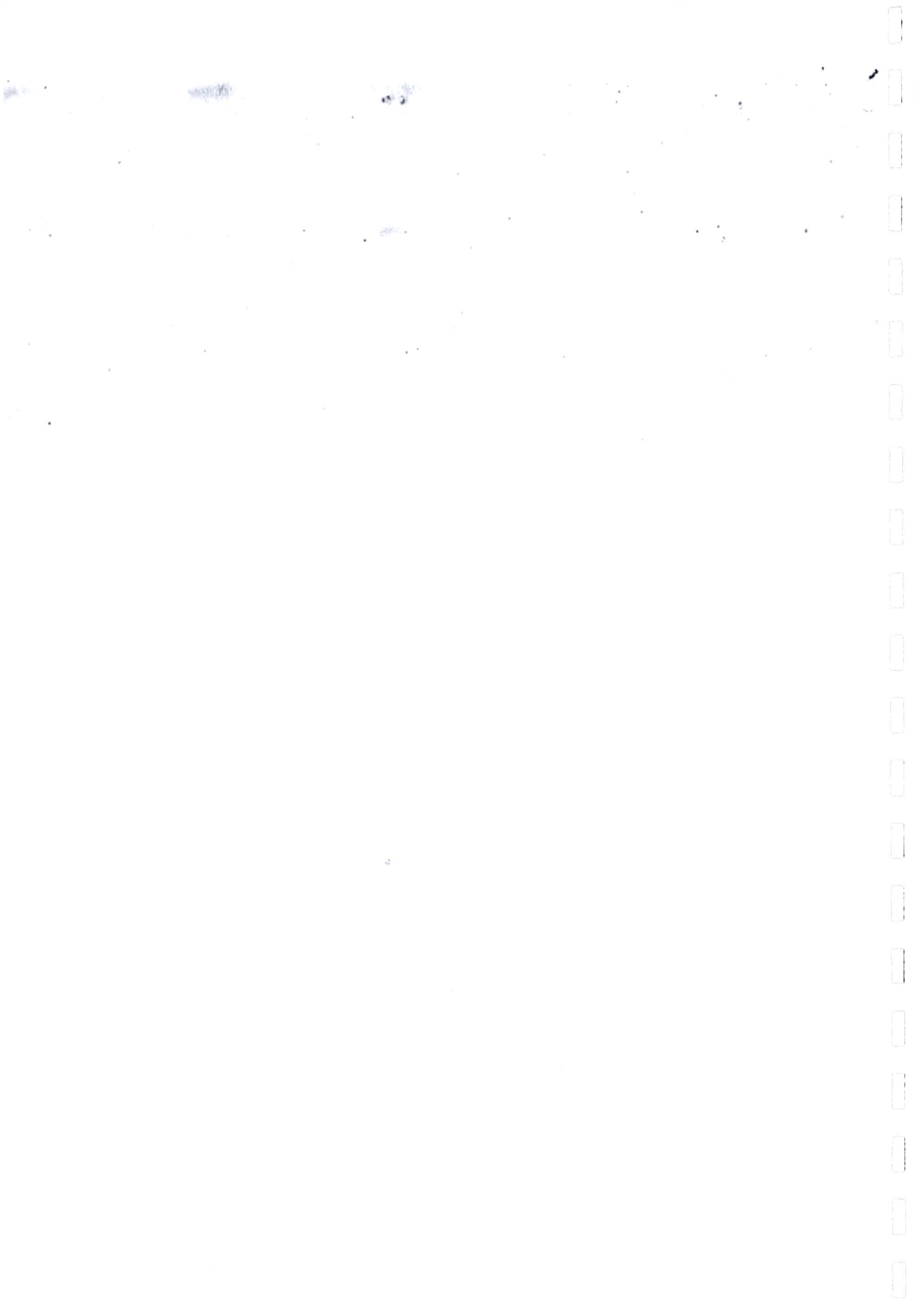
Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 December, 2025



Kenya Law Reform Commission
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14. Statement of Financial Performance for the year ended 30 June 2025

Description	Note	2024/2025 Kshs	2023/2024 Kshs
Revenue from Non-Exchange transactions			
Transfers from other governments– Govt Grants	4	288,880,000	332,990,000
Other income	5	1,771,024	1,991,836
Total revenue		290,651,024	334,981,836
Expenses			
Employee costs	6	171,822,360	167,290,269
Commission Expenses	7	22,258,354	28,894,049
Use of goods and services	8	86,893,866	111,160,106
Repair and Maintenance	9	3,949,380	3,412,953
Depreciation	10	8,082,072	6,359,284
Amortization	10	124,577	-
Total expenses		293,130,609	317,116,662
Surplus before tax		(2,479,585)	17,865,175
Taxation		-	-
Surplus for the period		(2,479,585)	17,865,175

The notes set out on pages 7 to 35 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 6 were signed on behalf of the Commission by:



Mr. Peter Musyimi, HSC

Accounting Officer

27/08/ 2025

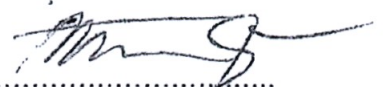


CPA Margaret Githae

Head of Accounts

ICPAK Member No:13051

27/08/ 2025



Christine A. Agimba

Chairperson of the
Commission

27/08/ 2025



Kenya Law Reform Commission
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15. Statement of Financial Position as at 30 June 2025

Description	Note	2024-2025 Shs	2023-2024 Shs
Assets			
Current assets			
Cash and cash equivalents	11	4,987,414	1,219,630
Receivables from non-exchange transactions	13	12,271,508	11,737,420
Inventories	12	2,313,240	1,758,256
Total Current Assets		19,572,162	14,715,306
Non-current assets			
Property, plant and equipment	14	37,930,852	40,944,953
Intangible asset	15	1,121,193	-
Total Non-current assets		39,052,045	40,944,953
Total assets		58,624,207	55,660,260
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	16	18,183,863	12,740,331
Total current liabilities		18,183,863	12,740,331
Total liabilities		18,183,863	12,740,331
Net assets			
Accumulated surplus		24,712,023	19,109,537
Capital Grant		15,728,321	23,810,391
Total net assets		40,440,343	42,919,928
Total net assets and liabilities		58,624,207	55,660,259

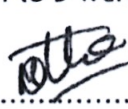
The notes set out on pages 6 to 39 form an integral part of these Financial Statements. The financial statements set out on pages 1 to 5 were signed on behalf of the Commission by:


.....

Mr. Peter Musyimi, HSC

Accounting Officer

27/08/ 2025

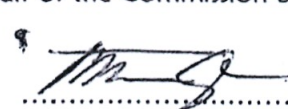

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CPA Margaret Githae

Head of Accounts

ICPAK Member No:13051

27/08/ 2025


.....

Christine A. Agimba

Chairperson of the

Commission

27/08/ 2025

Kenya Law Reform Commission
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16. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Retained earnings	Capital Fund	Total
	Kshs	Kshs	Kshs
As at July 1, 2022	29,940,627	32,322,900	62,263,527
Remission to National Treasury	-3,117,189	-	-3,117,189
Surplus for the year	-11,091,586	-	-11,091,586
Transfer of depreciation from capital fund to retained earnings	9,325,017	-9,325,017	-
As at June 30th 2023	25,056,869	22,997,883	48,054,752
As at July 1, 2023	25,056,869	22,997,883	48,054,752
Surplus for the year	17,865,176	-	-5,134,824
Transfer to Capital Grants	-7,171,792	7,171,792	-
Transfer of depreciation from capital fund to retained earnings	6,359,284	-6,359,284	-
Adjustment; Surrender to National Treasury	-23,000,000		-
As at June 30, 2024	19,109,537	23,810,391	42,919,928
Surplus for the year	(2,479,585)		(2,479,585)
Transfer to Capital Grants	8,082,072	-8,082,072	-
As at June 30, 2025	24,712,024	15,728,319	40,440,343

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17. Statement of Cash Flows for the year ended 30 June 2025

Description	Notes	2024-2025 Kshs	2023-2024 Kshs
Cash flows from operating activities			
Receipts			
Government grants and subsidies	4	288,880,000	329,750,000
Other Grants		-	-
Other Income	5	797,584	566,168
Total receipts		289,677,584	330,316,168
Payments			
Employees Costs	6	167,339,940	160,930,967
Commission Expenses	7	22,258,354	28,894,049
Use of Goods	8	86,048,386	107,009,987
Repair and Maintenance	9	3,949,380	3,412,953
Sub Totals		279,596,060	300,247,956
Net cash flows from operating activities		10,081,524	30,068,212
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(6,313,740)	(30,171,792)
Proceeds from sale of PPE		-	-
Net cash flows used in investing activities		(6,313,740)	(30,171,792)
Cash flows from financing activities			
Remission of retained surplus to National Treasury		-	(23,000,000)
Net cash flows used in financing activities		-	(23,000,000)
Net Increase/Decrease in cash & cash Equivalent		3,767,784	(23,103,580)
Cash and cash equivalents as at 1 July		1,219,630	24,323,210
Cash and cash equivalents as at June 2025		4,987,414	1,219,630

The net increase in cash flow was as a result of a recovery of Kshs. 4,732,598 being payment/remission of both gratuity and pension erroneously paid to an officer in the previous financial years.

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18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June
2025

ITEM DESCRIPTION	Approved Budget	Re-Allocation	Final Budget	Actual on Comparable Basis	Performance Difference	% of Utilization
Receipts						
Transfers from other governments entities	288,880,000	-	288,880,000	288,880,000	0	100%
Sale of Obsolete Stores	100,000.00	-	100,000.00	-	0	0%
Total receipts	288,980,000		288,980,000	288,880,000	100,000	100%
Payments					0	
Employees Costs	167,341,820	-	167,341,820	167,339,940	1,880	100%
Commission Expenses	23,050,583	-	23,050,583	22,258,354	1,005	100%
Use of Goods	85,277,325	-	85,277,325	86,048,386	20,163	99.98%
Repair and Maintenance	5,045,094	-	5,045,094	3,949,380	1,095,714	78.28%
Capital expenditure	8,265,178	-	8,265,178	6,313,740	1,951,438	76.39%
Total payments	288,980,000		288,980,000	285,909,800	2,970,200	98.94%
Surplus	0	-	-	2,970,200	2,970,200	

Budget Reconciliation

Reconciliation	Kshs
Surplus as per the budget statement	2,970,200
Add: other income (Direct repayment of salary advance)	797,584
Add; Cash balance brought forward	1,219,630
Cash and cash equivalents as per cash flow	4,987,414

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19. Notes to the Financial Statements

1. General Information

KLRC is established by the Kenya Law Reform Commission Act, 2013, Cap. 3.

2. Statement of Compliance and Basis of Preparation

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

The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in notes of these financial statements. The Financial Statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Commission. The Financial Statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

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

Standard Effective date and impact:

IPSAS 43 Applicable 1st January 2025

The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives

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a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.

The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.

The Commission does not have any lease contract that might be affected by the new standards. However, it is cognisant of the changes and shall comply with the standards where and when applicable.

IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations

Applicable 1st January 2025

The Standard requires,

Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

The Commission does not have any asset that might be classified as an asset Held for sale that might be affected by the new standards. However, it is cognisant of the changes and shall comply with the standards where and when applicable.

IPSAS 45- Property Plant and Equipment

Applicable 1st January 2025

The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has

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clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.

The Commission shall review and update its register for heritage assets that satisfy the definition of PPE and shall recognise the same as assets if they meet the criteria in the standard. Consequently, the Commission does not hold any infrastructure assets and hence shall not be impacted by the additional requirements in IPSAS 45.

IPSAS 46 Measurement

Applicable 1st January 2025

The objective of this standard was to improve measurement guidance across IPSAS by:

Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.

Clarifying transaction costs guidance to enhance consistency across IPSAS;

Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.

The standard also introduces a public sector specific measurement bases called the current operational value. This standard will have a significant impact in terms of measurement and the Commission shall apply the standard progressively.

IPSAS 47- Revenue

Applicable 1st January 2026

This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.

This standard will have a significant impact in terms of revenue recognition and the Commission shall apply the standard progressively.

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IPSAS 48- Transfer Expenses

Applicable 1st January 2026

The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.

This standard will have a significant impact in terms of revenue recognition and the Commission shall apply the standard progressively.

IPSAS 49- Retirement Benefit Plans

Applicable 1st January 2026

The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

The Commission does not have any retirement benefits obligation since the Commission has a separate entity called Kenya Law Reform Commission Staff Pension Scheme that manages all staff pensions. Employer contributions to the scheme are expensed under employee costs in the books of the Commission. This standard therefore will not have an impact on the Commission's Financial Statements.

Early adoption of standards

The Commission did not early – adopt any new or amended standards in the financial year

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Summary of Significant Accounting Policies

Revenue recognition

Revenue from non-exchange transactions

Fees, taxes and fines

The Commission recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Commission and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Commission and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realized in the statement of comprehensive income over the useful life of the assets that have been acquired using such funds.

Revenue from exchange transactions

Rendering of services

The Commission recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

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Sale of goods

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

Interest income

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

Dividends

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

Rental income

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

Budget information

The original budget for the Current FY 2024/2025 was approved by the National Assembly in June 2025. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Commission upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Commission recorded additional appropriations of Kshs. 23,000,000 on the 2023-2024 budget following the National Treasury approval through the State Law Office and Department of Justice.

The Commission's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the

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financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual as per the statement of financial performance has been presented under these financial statements.

Taxes

Current income tax

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

Deferred tax

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

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

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

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

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

Sales tax

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

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

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

Investment Property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a year period. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. Transfers are made to or from investment property only when there is a change in use.

Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items as per section 11.3.1 of the National Treasury Guidelines on Asset and Liabilities. When significant parts of property, plant and equipment are required to be replaced at intervals, the Commission recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

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The recommended method for depreciation by the National Treasury is a straight-line method over the useful life of the asset. The Commission is also in the process of updating its depreciation and asset management policy. The Commission has thus adopted the National treasury policy on assets and liabilities. Depreciation is charged at rates calculating the cost or valuation of the asset less any estimated residual value over its remaining useful life. Kenya Law Reform Commission has adopted a straight-line method of depreciation whereby the asset is depreciated on prorated basis on the year of acquisition but not depreciated on the year of disposal.

Useful life of the different classes of Assets and Depreciation Rates.

Asset Class	Estimated Useful Life (Years)	Rate (%)
Motor Vehicle (Heavy duty utility)	8	12.5
Computers and IT Equipment	3.33	30
Furniture and Fittings	8	12.5

Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Commission. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Commission also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Commission will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

Intangible assets

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

Research and development costs

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

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

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

Financial Instruments

Financial assets

Classification of financial assets

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

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and Receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Commission determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment.

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Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity.

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Commission has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Commission assesses at each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset or a Commission of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Commission of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- i) The debtors or an entity of debtors are experiencing significant financial difficulty.
- ii) Default or delinquency in interest or principal payments
- iii) The probability that debtors will enter bankruptcy or other financial reorganization.
- iv) Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults).

Subsequent measurement

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

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Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the Commission manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

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Impairment

The Commission assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Commission recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in.

Financial liabilities

Classification

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

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Commission determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

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Raw materials: purchase cost using the weighted average cost method.

Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Commission.

Provisions

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

Contingent liabilities

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

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Contingent assets

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

Nature and purpose of reserves

The Commission creates and maintains reserves in terms of specific requirements. Currently, the Commission does not maintain any reserve.

Changes in accounting policies and estimates

The Commission recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical. In line with IPSAS 3; accounting policies, changes in Accounting estimates and errors, the Commission has adopted the use of straight-line method of calculating depreciation on Assets in line with the National Treasury guidelines and policies.

Employee benefits

Retirement benefit plans

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

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the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

Foreign currency transactions

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

Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

Related parties

The Commission regards a related party as a person or a Commissioner with the ability to exert control individually or jointly, or to exercise significant influence over the Commission, or vice versa. Members of key management are regarded as related parties and comprise the Commissioners, the CEO and senior managers.

Service concession arrangements

Kenya Law Reform Commission analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Commission recognizes that asset when, and only when, it controls or regulates the

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services the operator must provide together with the asset, to whom it must provide them, and at what price.

In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Commission also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

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 a commercial bank at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash Imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

Comparative figures

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

Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Commission's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period.

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However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

The Kenya Law Reform Commission adopted the FIFO method which in that the first goods purchased are also the first goods to be used. This results in the remaining items in inventory being accounted for at the most recently incurred costs, so that the inventory asset recorded

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on the financial position contains costs quite close to the most recent costs that could be obtained in the market place.

Notes to the Financial Statements (Continued)

4. Transfers from Other Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional grants		
Government Grant	237,884,100	306,750,000
Supplementary	50,995,900	23,000,000
	288,880,000	329,750,000
Conditional grants		
Donations in kind from UNDP	-	3,240,000
Other organizational grants	-	-
Total government grants and subsidies	288,880,000	332,990,000

(Explain the purpose of funding)

a) Transfers from Ministries, Departments and Agencies (MDAs)

Name of The Entity Sending The Grant	Amount recognized to of Financial performance. *	Amount deferred under deferred Income.	Amount recognised in capital fund.	Total transfers 2024 2025	FY 2023 2024
	KShs	KShs	KShs	KShs	KShs
State Law Office and Department of Justice	288,880,000	-	-	288,880,000	329,750,000
Total	288,880,000	-	-	288,880,000	329,750,000

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5. Other Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Sale of obsolete stock items	-	25,000
Salary advance recovered	1,622,628	1,806,131
Commission on third party deductions	148,396	131,705
Sale of copies of constitution	-	29,000
Total	1,771,024	1,991,836

Out of the 1,622,628 Salary advance recovered above Kshs, 797,584 was paid direct to the Bank

6. Employee costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries	134,924,713	130,122,063
Insurance Expenses	19,101,033	19,875,883
Staff Pension, Retirement	11,588,371	11,560,126
Gratuity	6,208,243	5,732,197
Total Employee costs	171,822,360	167,290,269

6.(b)

Description	2024-2025	2023-2024
Total Employee costs as per performance	171,822,360	167,290,269
Increase in provision for gratuity - current	(6,208,243)	-
Add: Gratuity paid for the year	2,387,338	-
Add: Increase in Insurance expenses	885,266	-
Recovered Employer Pension Contribution	(4,731,698)	-
Add: Salary advance payment	3,186,717	-
Total employee cost as per cash flow	167,339,940	167,290,269

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7. Remuneration of Commissioners

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries	19,681,320	18,472,225
Commissioner's Allowances	2,577,034	10,421,824
Total Remuneration to Commissioners	22,258,354	28,894,049

8. Use of goods and services

Description	2024/2025	2023/2024
	Kshs	Kshs
Advertising and Publicity	391,095	2,165,374
Rent expenses	32,125,683	31,154,977
Telephone and Faxes	1,683,811	3,019,178
Fuel & Oil	2,150,004	3,040,268
Postage Services	84,320	92,278
Education and Library	-	199,622
Training	6,149,089	6,080,699
Trade Shows and Exhibitions	-	-
Newspaper and Journals	214,716	362,980
Bank Charges	472,568	600,140
Purchase of Uniforms & Clothing	319,785	328,586
Internet & Email	1,767,840	1,777,120
Printing and Stationery	175,956	361,008
Sanitary & Cleaning Material Services	-	0
Conferences and Delegations	14,085,651	23,225,331
Membership Fees dues & Subscription	-	288,550
Contracted Professional & Technical Services	623,987	604,541
Contracted guard and cleaning services	1,455,865	1,433,446
General Office Supplies	90,000	354,781
Supplies & Maintenance of Computers	32,000	0
Travelling & Accommodation	22,893,011	31,856,279
Consumables	2,178,486	4,214,949
Total Use of Goods and Services	86,893,866	111,160,106

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8.(b)

Description	2024-2025	2023-2024
Total Use of Goods and Services as per performance	86,893,866	111,160,106
less: accrued expenses	(201,706)	
Less: Increase in remission to the National Treasury payable	(1,622,628)	
Add: Increase in inventory	554,984	
Increase in prepayments and deposits	423,869	
Total Use of Goods and Services as per cashflow	86,038,385	111,160,106

9. Repair and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Refurbishment of Buildings and Maintenance	1,026,775	189,351.00
Office Furniture & Equipment Maintenance	1,402,876	-
Maintenance of Office Computers, Software, Networks, and Communication Equipment	1,155,667	1,178,552.00
Maintenance of Motor vehicles	364,062	2,045,050
Total Repairs & Maintenance	3,949,380	3,412,953

10. Depreciation and amortization expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, plant and equipment	8,082,072	6,359,284
Intangible Asset	124,577	-
Total depreciation and amortization	8,206,649	6,359,284

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11. Cash and Cash Equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Cash at hand	-	-
Cash at Bank	4,987,414	1,219,630
Total cash	4,987,414	1,219,630

11(b) Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
Cooperative Bank of Kenya	01141309236200	4,987,414	1,219,630
Grand Total		4,987,414	1,219,630

12. Inventory

Description	2024/2025	2023/2024
	Kshs	Kshs
Store inventory	2,313,240	1,758,256.
Total Store Inventory	2,313,240	1,758,256

13. Receivables from Exchange Transactions

(a) Receivables from Exchange Transactions (Current)

Description	2024/2025	2023/2024
	Kshs	Kshs
Prepayments & Deposits (Insurance)	10,121,342	9,697,472
Salary Advance	1,732,846	1,622,628
Parking Deposit	270,000	270,000
Prepaid internet	147,320	147,320
Total Receivables	12,271,508	11,737,420

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14. Property, Plant and Equipment

Description	Furniture & Fittings @12.5%	Motor vehicles @ 12.5%	Computers @30%	Total
As at 30th June 2023	30,514,347	25,968,487	26,463,748	82,946,582
Additions	407,900	25,655,179	4,108,713	30,171,792
Disposals	-	-	-	-
Transfer/Adjustments	-	-	-	-
As at 30th June 2024	30,922,247	51,623,666	30,572,461	113,118,374
Additions	1,159,230	-	3,908,740	5,067,970
Disposals	-	-	-	-
Transfer/Adjustments	-	-	-	-
As at 30th June 2025	32,081,477	51,623,666	34,481,201	118,186,344
Depreciation And Impairment				
As At 30th June 2023	21,427,367	21,047,873	23,338,897	65,814,137
sub totals				
depreciation	2,120,400	1,653,436	2,585,448	6,359,284
Transfer/adjustments	-	-	-	-
Impairment	-	-	-	-
As At 30th June 2024	23,547,767	22,701,309	25,924,345	72,173,421
sub totals				
Depreciation	2,171,387	4,023,692	1,886,993	8,082,072
Transfer/adjustments	-	-	-	-
Impairment	-	-	-	-
As At 30th June 2025	25,719,154	26,725,001	27,811,338	80,255,492
Net Book Values				
Net Book value as at 30th June 2024	7,374,480	28,922,357	4,648,116	40,944,953
Net Book value as at 30th June 2025	6,362,323	24,898,665	6,669,863	37,930,852

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15. Intangible Assets-Software

Description	2024-2025	2023-2024
	20%	20%
	KShs	KShs
Cost		
At the beginning of the year	3,596,000	3,596,000
Additions	1,245,770	
At end of the year	4,841,770.00	3,596,000.00
Additions-internal development	-	-
At end of the year	4,841,770.00	3,596,000
Amortization and impairment		
At beginning of the year	3,596,000.00	3,596,000.00
Amortization	124,577	-
At end of the year	3,720,577	3,596,000
Impairment loss	-	-
At end of the year	3,720,577	3,596,000
NET COST	1,121,193	-
ADDITIONS WIP	-	-
NBV	1,121,193	-

16. Payables

Description	2024/2025	(2023/2024)
	Kshs	Kshs
Provision for Gratuity- Current	6,208,243	5,732,197
Remission to National Treasury	3,560,463	1,937,836
Provision for Gratuity- Non- Current	8,415,157	5,272,004
Accrued Expenses	-	(201,706)
Total	18,183,863	12,740,331

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17. Cash Generated from Operations

Description	2024/2025	(2023/2024)
	Kshs	Kshs
Surplus for the year before tax	(2,479,585)	17,865,175
Adjusted for:		
Depreciation	8,082,072	6,359,284
Amortization	124,577	-
Working capital adjustments		24,224,459
Increase in inventory	(554,984)	-
Increase in receivables	(534,088)	
Increase in payables	5,443,532	
Net cash flow from operating activities	10,081,524	

18. Financial Risk Management

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

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

i. Credit risk

The Commission has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Commission's management based on prior experience and their assessment of the current economic environment.

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Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	12,271,508	12,271,508	0	0
Bank balances	4,987,414	4,987,414	0	0
Total	17,258,922	17,258,922	0	0
As at 30 June 2024				
Receivables from exchange transactions	11,737,420	11,737,420	0	0
Bank balances	1,219,630	1,219,630	0	0
Total	12,957,050	12,957,050	0	0

Financial Risk Management

i) Liquidity risk management

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

Financial Risk Management

ii) Market risk

The Commission has put in place an internal audit function to assist it in assessing the risk faced by the Commission on an on-going basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates

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which will affect the Commission's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the Audit, Compliance, and Risk Management Committee. The Commission's Management is responsible for the development of detailed risk management policies (subject to review and approval by Audit, Compliance, and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Commission's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The Commission has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Commission manages foreign exchange risk from future commercial transactions and recognized assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

b) Interest rate risk

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

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The Commission analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Commission's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Commission considers relevant and observable market prices in its valuations where possible.

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ii. Capital Risk Management

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

	2024-2025	2023-2024
	Kshs	Kshs
Retained Earnings	24,712,024	19,109,537
Capital Reserve	15,728,319	23,810,391
Total Funds	40,440,343	42,919,928
Total Borrowings	0	-
Less: Cash and Bank Balances	(4,987,414)	-1,219,630
Net Debt/(Excess Cash And Cash Equivalents)	4,987,414.37	1,219,630
Gearing	1.2%	3%

ii. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

The Government of Kenya is the principal shareholder of the Kenya Law Reform Commission, holding 100% of the Commission's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

- i) State Law Office and Department of Justice.
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Commissioners

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iii. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	43,461	-
Receivables from KLRCSPS -Recoveries	4,732,598	-
Total	4,776,059	-

19. Events after the Reporting Period

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

20. Ultimate and Holding Entity

KLRC is a Semi-Autonomous Government Agency under the State Law Office and Department of Justice. Its ultimate parent is the Government of Kenya.

21. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

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22. Appendices

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

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

Reference No. on the External audit Report	Issue / Observations from Auditor	Management comments	Status Update by the Responsible Person: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved) If resolved- Attach evidence
PART A- REPORT ON THE FINANCIAL STATEMENTS	1. Prior Year Matters- In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance which have remained unresolved as at 30 June, 2023. (i) Ownership of motor vehicle GKA 139N	Previous year audit report had observed that the Commission lacks ownership documents to motor vehicle GKA 139N. Subsequently it was established that the NTSA had transferred the vehicle from the defunct Ministry of Justice and Constitution to the Office of the Attorney General and a log book issued. The Commission is pursuing NTSA and Office of the Attorney General on the transfer.	Transport Manager Resolved	
	(ii) Understaffing based on the reviewed HR instruments	Revised HR instruments have rationalized staffing levels to the work load.	HRM Not Resolved	
PART B- REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF	1. Understaffing- As previously reported, a review of employees records and staff payroll for the year under review revealed that the Commission had sixty-	During the financial year ended 30th June 2025, the Commission continued to experience significant understaffing, a matter that was highlighted during the annual audit. In response, the Commission	HRM Not Resolved	

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Reference No. on the External audit Report	Issue / Observations from Auditor	Management comments	Status Update by the Responsible Person: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved) If resolved- Attach evidence
PUBLIC RESOURCES	four (64) employees against the staff establishment of two hundred and forty (240) resulting in understaffing by one hundred and seventy six (176).The understaffing may hinder the effective delivery of services by the Commission.	developed and approved comprehensive Human Resource Instruments, including an organization structure, staff establishment, and supporting policies, to address the staffing gaps. However, approval of these instruments has not been effected owing to a Government-wide embargo on recruitment and the rationalization of public sector institutions following the ongoing reforms and mergers.		
	2. Lack of Assets and Liabilities Management Policy-A review of the financial statements, capital expenditure schedule and the risk register revealed that the Commission did not have an approved and operational Asset Management Policy in place. Further, the Commission did not maintain a comprehensive asset register which contravened The National Treasury Policy on asset and liability management in the public sector. In the circumstances, Management was in breach	The KLRC policy on Assets and liabilities management was prepared and tabled before the Finance, Human Resource and General Purpose Committee of the Commission for deliberation. However, the term of the Commission lapsed in December 2024 before the policy was approved. The Commission's Asset Register is prepared and maintained in line with the format prescribed by the National Assets and Liabilities Management (NALM) Directorate of the National Treasury. This is in line with Asset Management Indicator Guidelines in the Public Sector Performance Contracting for the FY 2024/2025.	Finance/Account/SCM Resolved	

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Reference No. on the External audit Report	Issue / Observations from Auditor	Management comments	Status Update by the Responsible Person: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved) If resolved- Attach evidence
	<p>of the law. 3. Unauthorized Expenditure- The statement of comparison of budget and actual amounts reflects the final expenditure budget and actual on comparable for Commission expenses of Kshs. 18,545,464 and Kshs. 20,675,017 resulting in over-expenditure of Kshs. 2,129,553 or 110/o. Similarly, repairs and maintenance expenditure amounted to Kshs. 3,047,128 against approved budget of Kshs. 2,646,327 resulting to an over expenditure of Kshs. 400,801 or 15%. The over-expenditure was however not subjected to approval of the Commission. In the circumstances, Management was in breach of the law.</p>	<p>The right expenditure classification has been adopted and measures put in place for commitment control.</p>	<p>Accounts/Finance Resolved</p>	
	<p>4. Lack of Physical Presence of Commission in the Counties- A review of the Commission establishment revealed that it has its offices only in Nairobi County</p>	<p>Management acknowledges that the Commission currently operates only one office in Nairobi. The Commission also appreciates Section 7(2) of the KLRC Act, 2013 and Article 6(3) of the Constitution on access to services and clarifies</p>	<p>Chairperson & Secretary/CEO Resolved</p>	

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Reference No. on the External audit Report	Issue / Observations from Auditor	Management comments	Status Update by the Responsible Person: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved) If resolved- Attach evidence
	<p>which may have affected the effectiveness of its consultation and collaboration with State and Non-State organs, Departments or Agencies in the formulation of legislation to give effect to the social, economic and political policies for the time being in force. This is contrary to Section 7(2) of the Kenya Law Reform Commission Act, 2013 which requires that the Commission ensures access to its services in all parts of the Republic in accordance with Article 6(3) of the Constitution.</p> <p>In the circumstances, the citizens may not efficiently access the services of the Commission.</p>	<p>that:</p> <ul style="list-style-type: none"> a) Article 6(3) requires access "as appropriate, having due regard to the nature of the service." Given KLRC's intellectual and advisory mandate, delivery has not necessitated county offices, similar to models in the Office of the Attorney General and KIPPRA. b) The Commission has established a County Law and Development Department in its structure to handle County-specific legislative needs through specialized desk officers. c) KLRC actively engages national and county governments, Parliament, MDAs, professional bodies, and the public through consultations, collaborations, and outreach. d) Establishing county offices requires significant resources; proposals for additional budget allocations have been made but not fully met. e) KLRC remains committed to progressively realizing compliance with decentralization requirements through budget advocacy, strategic partnerships, mobile engagements, and digital 		

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Reference No. on the External audit Report	Issue / Observations from Auditor	Management comments	Status Update by the Responsible Person: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved) If resolved- Attach evidence
		platforms.		
	<p>5. Non-Surrender of Other Income to The National Treasury- During the year under review the Commissions other income amounted to Kshs. 1,149,540 against an approved budget of zero. However, the collection was not surrendered to the Exchequer contrary to Regulation 84 of the Public Finance Management (National Government) Regulations, 2015.</p> <p>In the circumstances, the Board was in breach of the law.</p>	<p>In line with PFMR 2015 section 84. The surrender of other income as confirmed by Auditor-General in the audit report is due by the 31st January of each year. However, Audit of the Commission Financial Statements was concluded in March 2024 after which the Commission surrendered all surplus funds amounting to Ksh 23million during the 2023/24 FY. (Copy of payment voucher/Bank advice attached)</p>	<p>Secretary/CEO O Resolved</p>	
	<p>6. Commission Expenses (Excessive Sitting Allowances, Other Allowances, and Unallowed Travel and Accommodation Expense)- The statement of financial performance and as disclosed</p>	<p>Sitting allowances for Board members are paid in accordance to State Corporations Advisory Committee (SCAC) guidelines and aligning frameworks such as Mwongozo, ensuring that payments reflect accountability and the nature</p>	<p>Secretary /CEO Accounts Resolved</p>	

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Reference No. on the External audit Report	Issue / Observations from Auditor	Management comments	Status Update by the Responsible Person: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved) If resolved- Attach evidence
	<p>in Note 10 to the financial statements reflects Commission expense of Kshs. 20,675,017. The following unsatisfactory matters were however noted:</p> <ol style="list-style-type: none"> 1. Excessive Sitting Allowances- Included in the commission expenses is sitting allowances of Kshs. 1,876,000 incurred for eight (8) full board meetings which exceeded the set threshold of six (6) meetings without approval by the Cabinet Secretary or SCAC. 2. Other Allowances- Included in the expenses are other allowances of Kshs. 366,765 paid to Commissioners without a supporting declaration of residency. 3. Unallowed Travel and Accommodation Expense- Included in the expenses is travel and accommodation expense of Kshs. 1,610,064 which includes claims by one board member totaling Kshs. 289,730 being mileage allowance for return journey 	<p>of duties performed The Commission submits its Annual ALMANAC to SCAC, a comprehensive schedule of board activities reflecting the organizational work plan, statutory obligations of the Board, and the available budget.</p>		

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	<p>from Nairobi to residence. The amount exceeded the set threshold of Kshs. 35,000 per travel to attend board meetings. There were however, no authorizations sought from the responsible Cabinet Secretary or SCAC to exceed the set limit. In the circumstances, Management was in breach of the law.</p>			
<p>Information Communication Technology (ICT) Policy has been prepared and will be tabled to the Commission for approval.</p>	<p>1. Lack of an Approved Strategic Plan- During the financial year under review, the Commission operated a budget of Kshs. 292,660,000 which Management explained that they operated through internal guidelines and The National Treasury circulars to implement the budget and work plans. Therefore, it operated without an approved strategic plan. In the circumstances, the basis of the annual work plans budget preparation execution and the conformity of the estimates of expenditure with the medium-term fiscal</p>	<p>KLRC 2024-2028 Strategic Plan was developed, validated and approved by the Commission.</p>	<p>Head of Planning Resolved</p>	

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	framework and financial objectives outcomes towards the achievement of the core mandate and the regularity, and effectiveness of the budgetary controls could not be confirmed.			
	2. Lack of Operational Disaster Recovery Plan/IT Business Continuity Plan- During the year under review the Commission operated without an approved Disaster Recovery Plan. Although, Management attributed the lack of approved plan to lack of Commissions until 22 August, 2022. Upon its constitution, the Commission did not cause to be prepared an Operational Disaster Recovery Plan/IT Business Continuity Plan Contrary to Regulation 165(1)(a) and(b) of Public Finance Management (National Government) Regulations, 2015 which provides that Accounting Officer shall ensure that the National Government entity develops risk management strategies	The Commission embarked on a review and development of all internal Policies and Plans (including the Disaster Recovery and IT Business Continuity Plan). The Draft Disaster Recovery and IT Business Continuity Plan has been prepared but was not tabled for approval before the lapse of the term of the last Board.	ICT Not Resolved	

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Reference No. on the External audit Report	Issue / Observations from Auditor	Management comments	Status Update by the Responsible Person: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved) If resolved- Attach evidence
	which include fraud prevention mechanism and a system of risk management and internal control that builds a robust business operation.			
	<p>3. Unapproved Human Resource Instruments- During the financial year under review Management of the Commission operated without approved organizational structure, staff grading structure and establishment, career guidelines and human resource policy and procedures manual. Further there were no documents provided to confirm that the human resource instruments had been submitted to or approved by State Corporation Advisory Committee and the approval of the current establishment, salary structures and staff grading by the Public Service Commission as at 30 June, 2023. Lack of approved human resources instruments negatively affect the</p>	<p>Human resource instruments were approved by the Commission. There has been an embargo on key decisions relating to staffing of institutions affected by the ongoing merger reforms. The instruments will be submitted to PSC upon final decision on the ongoing merger reforms which affect the Commission.</p>	HRM Resolved	

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	effectiveness of reward system, succession planning, staff development, career progression of the existing employees and effective implementation of the Commission's mandate.			
	<p>4. Outdated and Unapproved Information Communication Technology (ICT) Policy -A review of the Commission's ICT Policy revealed that the Policy was adopted in September, 2015 and had not been reviewed to update it to meet the current development in the ICT environment. An outdated policy exposes the Commission information and communications resources and services to the contemporary risks in the ICT environment which affect negatively the effectiveness of the policy in addressing the emerging challenges in information communication processes and systems. In addition, the old policies may fail to comply with new</p>	<p>The KLRC ICT Policy has been prepared and tabled before the Finance, Human Resource and General Purpose Committee of the Commission for deliberation and approval. However the term of office lapsed before the Policy was approved. The policy will be laid before the next Commission for consideration and approval.</p>	<p>ICT Resolved</p>	

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	<p>laws and regulations and may not address new systems or technology, which can result in inconsistent practices. In the circumstances, efficiency in provision of ICT support services and the effectiveness of the current policy on the Commission service delivery and risk mitigation could not be confirmed.</p>			
	<p>5. Delays in Appointment of Commission Secretary- Review of records maintained by the Commission revealed that the Commission's Secretary/Chief Executive Officer was seconded to the Commission for a period of five (5) years by the Public Service Commission. The secondment was extended on 09 May, 2019, by the Public Service Commission until such a date that the Commission would be fully constituted. However, the Commission did not appoint a CEO after it - was fully constituted on 15 August,</p>	<p>The Commission has powers to appoint the Secretary/CEO to the Commission in accordance with the provisions of Section 19 of the Kenya Law Reform Commission (KLRC) Act, No 19 of 2013. In discharge of this statutory obligation, the Commission undertook competitive recruitment of a substantive Secretary/CEO, which process experienced various delays, but the Commission anticipated concluding the exercise in January 2025. Pending the finalization of the appointment of the substantive Secretary/CEO, at its meeting of 11th December 2024, the Commission appointed a Secretary/CEO.</p>	<p>Chairperson Resolved</p>	

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	<p>2022, a delay which Management attributed to uncompleted process by the Commission of preparing human resource instruments for entire staff which were yet to be approved by the Public Service Commission for approval and implementation. As at the time of audit in January, 2024 the Board had not recruited the CEO/Commission Secretary. In absence of the CEO decision-making process may be slowed down.</p>			
	<p>6. Lack of Financial Expert in the Commission Board- Audit review on governance structure of the Commission revealed that the its Board had no member with the necessary qualifications and expertise in Financial Management or Accounting and is a bona-fide member of a professional body regulating the accountancy profession and in compliance with the requirements thereof. This affects Boards</p>	<p>The Management is aware that Chapter 1 of Mwongozo Code of Governance for State Corporations states that at least one Board member should be a financial expert and a bonafide member of a professional body regulating accountancy profession. However, appointments of Commissioners are regulated by the Kenya Law Reform Commission Act, 2013 which does not make specific provision for a financial expert. The composition of the Commission is modelled along</p>	<p>Chairperson Resolved</p>	

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	<p>ability to achieve the strategic objectives in matters requiring financial background. In the circumstances, the composition of the board does not comply with Chapter 1 of Mwongozo on governance principles and practice and the effectiveness of the board financial decisions is not confirmed.</p>	<p>composition of other law reform agencies across the Commonwealth. The Commission has however co-opted, a qualified Accountant from the National Treasury to its Audit Committee. Commissioners who are members of the Audit, Compliance and Risk Management Committee were inducted on how to execute their mandate.</p>		
	<p>7. Failure to tag Commission Assets- Statement of financial position and as disclosed in Note 16 to the financial statements reflects property, plant and equipment net balance of Kshs. 17,132,450. However, review of asset register revealed that the register was not updated with pertinent details including description of the assets, date of acquisition, cost, and unique authentic identification numbers of the assets.</p> <p>In addition, physical verification of the non-current assets revealed that they were not tagged. Failure</p>	<p>The Commission had undertaken to tag its entire asset in Quarter 3 of 2023-2024 FY as per the attached budget. This was not done in 2022-2023 FY due to lack of funds, but the exercise was completed immediately after the closure of the financial year.</p>	<p>SCM Resolved</p>	

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	to allocate unique references/identifiers to specific assets renders their identification, accountability and monitoring Ineffective. Consequently, the effectiveness of the Commission's current internal control and risk management on assets management are weak.			



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 Ag. Secretary/CEO
 Peter Musyimi, HSC
 Date: 27th August, 2025

**Kenya Law Reform Commission
Annual Reports and Financial Statements
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Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Development	Revenue	Other	
State Law Office and Department of Justice	06-08-2024	Recurrent	19,823,675	19,823,675	-	-	-	-	19,823,675
	30-08-2024	Recurrent	19,823,675	19,823,675	-	-	-	-	19,823,675
	02-10-2024	Recurrent	19,823,675	19,823,675	-	-	-	-	19,823,675
	31-10-2024	Recurrent	19,823,675	19,823,675	-	-	-	-	19,823,675
	29-11-2024		19,823,675	19,823,675					19,823,675
	03-01-2025	Recurrent	19,823,675	19,823,675					19,823,675
	07-02-2025	Recurrent	19,823,675	19,823,675					19,823,675
	13-03-2025	Recurrent	19,823,675	19,823,675					19,823,675
	08-04-2025	Recurrent	19,823,675	19,823,675					19,823,675
	29-04-2025	Recurrent	19,823,675	19,823,675					19,823,675
	30-04-2025	Recurrent	50,995,900	50,995,900					50,995,900
	09-06-2025	Recurrent	19,823,675	19,823,675					19,823,675
	27-06-2025	Recurrent	19,823,675	19,823,675					19,823,675
Total			288,880,000	288,880,000					288,880,000

OFFICE OF THE ATTORNEY GENERAL
 & DEPARTMENT OF JUSTICE
RECEIVED
 27 AUG 2025
 HEAD OF ACCOUNTING UNIT
 P.O. Box 40112 - NAIROBI

Appendix V- Inter-Entity Confirmation Letter

Name of Transferring entity: State Law Office and Department of Justice

Name of Beneficiary entity: Kenya Law Reform Commission

Confirmation of amounts Received by Kenya Law Reform Commission as at 30th June 2025

Reference Number	Date Received	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
S40766814	06-08-2024	19,823,675.00	-	19,823,675.00	July 2024 Exchequer
S47232017	30-08-2024	19,823,675.00	-	19,823,675.00	August '24 Exchequer
S56877081	02-10-2024	19,823,675.00	-	19,823,675.00	September Exchequer
S65061255	31-10-2024	19,823,675.00	-	19,823,675.00	October '24 Exchequer
S73008950	29-11-2024	19,823,675.00	-	19,823,675.00	November Exchequer
S82538679	03-01-2025	19,823,675.00	-	19,823,675.00	December Exchequer
S92573832	07-02-2025	19,823,675.00	-	19,823,675.00	January 2025 Exchequer
S02313241	13-03-2025	19,823,675.00	-	19,823,675.00	February '25 Exchequer
S09393790	08-04-2025	19,823,675.00	-	19,823,675.00	March 2025 Exchequer
S14794682	29-04-2025	19,823,675.00	-	19,823,675.00	April 2025 Exchequer
S15134592	30-04-2025	50,995,900.00	-	50,995,900.00	April Supplementary
S26199914_09062025	09-06-2025	19,823,675.00	-	19,823,675.00	May 2025 Exchequer
S31028072_27062025	27-06-2025	19,823,675.00	-	19,823,675.00	June 2025 Exchequer
Total				288,880,000	

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

Head of Accounts Department - State Law Office and Department of Justice:

Name *Fredrick M. Mwangi* Sign *[Signature]* Date *21/8/2025*

Head of Accounts Department - Kenya Law Reform Commission:

Name *MARGARET GITHEA* Sign *[Signature]* Date *24th August 2025*

