

REPUBLIC OF KENYA



AG



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

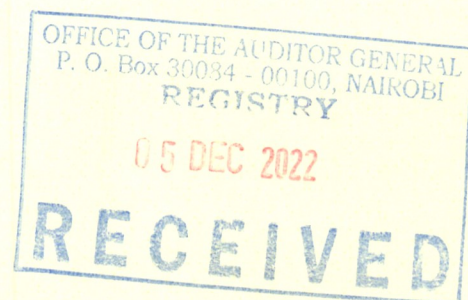
THE NATIONAL ASSEMBLY PAPERS LAID	
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THE AUDITOR-GENERAL

ON

**INTELLIGENCE SERVICE
DEVELOPMENT FUND**

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



INTELLIGENCE SERVICE DEVELOPMENT FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

30TH JUNE 2022

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

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
Annual Reports and Financial Statements
For the year ended June 30, 2022.

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INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

1.1 Name and registered office

Intelligence Service Development Fund,
National Intelligence Service Headquarters,
Nairobi, Kenya.
P.O. Box 30091 – 00100,
Nairobi.
Telephone: (254) 344252

1.2 Establishment

The Intelligence Service Fund (ISDF) was established in 2002 vide Legal Notice No.110 of 2002. It was established with a funding of **Kshs. 10,000,000.00** from the Exchequer.

(b) Principal Activities

The objective of the fund is to provide for and meet the basic intelligence needs of Kenya in a manner consistent with the overall intelligence policy.

The general purposes of the fund include supporting research and training in intelligence matters.

Vision

To be a premier Fund in the stimulation and support of research and training in intelligence matters.

Mission

To support training in intelligence and development of information and communication technology.

Core Values

- Confidentiality
- Integrity
- Professionalism
- Discipline
- Meritocracy
- Respect for national diversity

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(c) Key Management

The Fund is governed by the Exchequer and Audit (Intelligence Service Development Fund) Regulations of 2002. These regulations prescribe procedures for utilization and administration of the fund.

The day-to-day management of the **Intelligence Service Development Fund** is undertaken by:

- Director General,
- Intelligence Service Development Fund Committee.

(d) Fiduciary Management

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

No.	Designation	Name
1.	Director General	Maj. Gen. (Rtd) Philip Kameru, EGH, CBS

(e) Fiduciary Oversight Arrangements

- Office of the Auditor General (OAG)- Audit activities,
- Parliamentary Committee on Defence and Foreign Relations-Legislative and oversight functions.

(f) Entity Headquarters

P.O. Box 30091-00100

National Intelligence Service Headquarters,

Ruaraka,

Nairobi, Kenya

(g) Entity Contacts

Telephone: (254) 020-2930000

E-mail: finance@kensi.org

Website: nis.go.ke

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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(h) Entity Bankers

Standard Chartered Bank
Kenyatta Avenue
P.O. Box 30003-00100
Nairobi, Kenya

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

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2. REPORT OF THE DIRECTOR GENERAL

The Intelligence Service Development Fund was established to provide for and meet the basic intelligence needs of Kenya in a manner consistent with the overall intelligence policy. This is to be achieved through a variety of activities, which include supporting research and training in intelligence matters.

In order to finance its services, operations and development programmes, regulations provide that the Fund shall receive money from the following sources: -

- i. External grants and donations from friendly organizations,
- ii. Receipts from sale of goods and services,
- iii. Rent on lands and buildings,
- iv. Catering fees,
- v. Reimbursement due to the fund,
- vi. Sale of properties, equipment, plant and machinery.

During the financial year ending 30th June 2022, the Fund acquired an asset and wound up its operations as per the Intelligence Service Development Committee recommendation.



Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
Director General.

Date: 5/12/2022

3. CORPORATE GOVERNANCE STATEMENT

a) Management of the Fund

The Fund is governed by the Exchequer and Audit (Intelligence Service Development Fund) Regulations of 2002. These regulations prescribe procedures for utilization and administration of the fund.

Pursuant to these regulations, the Director General established the **Intelligence Service Development Committee** to manage the fund. The committee comprises of the following: -

- i. Chairman,
- ii. Two (2) representatives from Operations Department,
- iii. Finance representative,
- iv. Legal representative,

b) Responsibilities of the Accounting Officer

The responsibilities of the Accounting Officer as per the Regulations are as follows: -

- i. Impose conditions, if necessary, of reasonable prohibition, restriction or requirement as to the use to be made of any expenditure authorized by him or on his behalf.
- ii. Provide additional information, books and records on the Fund sought by the Auditor General for the purpose of examination and audit.
- iii. Ensure that every statement of account submitted shall include details of the financial status of the Fund as at the end of the financial year concerned.
- iv. The Accounting Officer or an officer administering the Fund takes responsibility for the finances of the Fund.

4. MANAGEMENT DISCUSSION AND ANALYSIS

a) The Fund's operational and financial performance

During the financial year ending 30th June 2022, the Fund experienced reduced operations and financial activities as compared to the previous period.

b) Fund's compliance with statutory requirements

The Accounting Officer in charge of the Intelligence Service Development Fund confirms that the Service has complied fully with applicable Government Regulations, and that the Fund's funds received during the period under review were used for the eligible purposes for which they were intended and were properly accounted for.

Further the Accounting Officer confirms that the Intelligence Service Development Fund financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

c) Key projects and investment decisions the entity is planning/implementing

The Fund does not have any key projects and investment decisions planned for implementation.

d) Major risks facing the entity

The key risks facing the Fund are Credit and Interest rate risks, arising from bank deposits. Credit risk exposure arises from the possibility that the bank will be unable to pay the deposited amounts in full when demanded to do so.

e) Material arrears in statutory/financial obligations

The Fund does not have any arrears in statutory/financial obligations, such as loan default, pending bills, tax default, outstanding staff & pension obligations/actuarial deficit on pension schemes, non payment of dividends and loan redemption to the National Exchequer.

f) The entity's financial probity and serious governance issues

The Fund does not have any financial improbity, as confirmed by the internal audit committee, external auditors, or other National Government Agencies providing oversight; and there are no governance issues among the top management, including conflict of interest.

5. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

The Intelligence Service Development Fund has a constitutional mandate to provide for and meet the basic intelligence needs of Kenya in a manner consistent with the overall intelligence policy. The Fund achieves the above mandate by supporting research and training on intelligence matters.

i) Sustainability strategy and profile

The Fund is an entity within the National Intelligence Service (NIS) which endeavours to safeguard the national interest and ensure that Kenyans live in a safe environment. The Fund supports the Service in undertaking Research and Development (R&D) on intelligence related matters to ensure that intelligence operations are carried out in a sustainable manner.

ii) Environmental performance

The Fund, through the National Intelligence Service environmental programmes has endeavoured to maintain a friendly ecosystem by protecting forest at its headquarters where the natural environment has been evidently sustained. The Service has put in place measures to ensure proper waste management and disposal systems and further ensured that its operations do not affect the environment adversely. Furthermore, the Service has adopted clean energy by installing solar systems in its offices and operational units.

iii) Employee welfare

The Funds operates under the National Intelligence Service employment policies which seek to provide equal employment opportunities. Employment opportunities are advertised through a portal or a medium that has a nationwide circulation. In addition, the Service's recruitment is guided by the Public Service Commission guidelines and ensures adherence to the Constitutional gender threshold. For employee skills development, the Service provides equitable training opportunities which seek to bridge skills gap identified through training needs assessment.

The Service provides a group and personal accident covers to employees injured in the course of their duties. Employees are further trained on safety protocols and procedures in order to mitigate workplace accidents.

iv) Market place practices-

The Service ensures competitive bidding in the tendering processes where the most competitive bidders are awarded contracts with focus on value for money. It ensures timely payment of bills and hence ensuring no pending bills at the closure of every financial year. The Service, and by extension the Fund is a non-political entity rooted in professionalism when executing its mandate.

v) Corporate Social Responsibility /Community Engagements

The Service is covertly involved in various initiatives that support neighbouring communities in its operational areas through provision of health and water services.

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6. REPORT OF THE MANAGEMENT COMMITTEE

The Management Committee submits its report together with the audited financial statements for the year ended June 30, 2022 which show the state of the Fund's Financial affairs.

Principal activities

The principal activities of the entity continue to be support of research and training in intelligence matters.

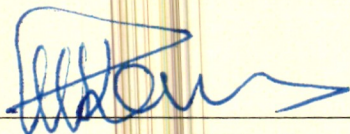
Results

The results of the entity for the year ended June 30, 2022 are set out on page 1. During the 2021/2022 financial year, the Fund recorded a deficit of **Kshs. 11,940**. This represents a decrease of **Kshs. 300** from the loss of **Kshs. 12,240** recorded during the 2020/2021 financial year.

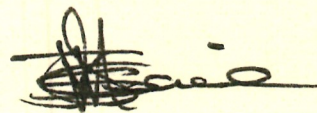
Auditors

The Auditor General is responsible for the statutory audit of the Fund for the year ended June 30, 2022 in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

The **Intelligence Service Development Fund** financial statements were approved and signed by the Accounting Officer on 5/12/ 2022.



Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
Director General.



David Mwangi Gachie
Head of Accounting Services
ICPAK Member.

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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7. STATEMENT OF DIRECTOR GENERAL'S RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and the Exchequer and Audit (Intelligence Service Development Fund) Regulations of 2002 require the Director General to prepare financial statements in respect of the Fund which give a true and fair view of the state of affairs of the Fund at the end of the financial year/period and the operating results of the Fund for that year/period. The Director General is also required to ensure that the Fund keeps proper accounting records which disclose with reasonable accuracy the financial position of the Fund. The Directors are also responsible for safeguarding the assets of the Fund.

The Director General is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Fund; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

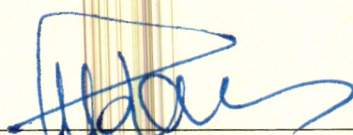
The Director General accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Exchequer and Audit (Intelligence Service Development Fund) Regulations of 2002. The Director General is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2022, and of the Fund's financial position as at that date.

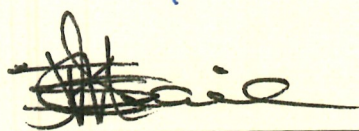
The Director General further confirms the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

The Fund is not likely to be a going concern in the next twelve months. The management has already completed its winding up process in order to adhere to the provisions of Public Finance Management Act Regulations, 2015.

Approval of the financial statements

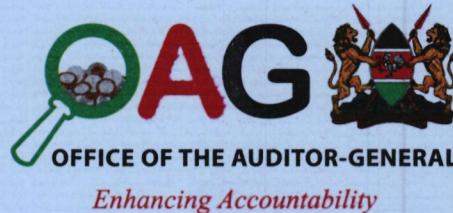
The Fund's financial statements were approved by the Board on 5/12/ 2022 and signed on its behalf by:


Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
Director General.


David Mwangi Gachie
Head of Accounting Services
ICPAK Member.

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON INTELLIGENCE SERVICE DEVELOPMENT FUND FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided under 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 Intelligence Service Development Fund set out on pages 1 to 18, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Intelligence Service Development Fund as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Material Uncertainty Related to Sustainability of Services

As disclosed in Note 17 to the financial statements, the Management is in the process of winding up of the Fund in accordance with the provisions of Regulation 207(1)(i) of the Public Finance Management Regulations, 2015. The Regulations states that the initial approval for establishment of a National Public Fund shall be for a maximum period of ten (10) years. The Fund's bank account has been closed and the acquired assets are in the process of being transferred to National Intelligence Service.

There is material uncertainty, which cast doubt on the Fund's ability to continue as a going concern.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the Fund'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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

07 December, 2022

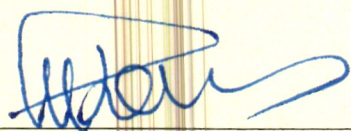
INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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9. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from non-exchange transactions			
Total Revenue from non-exchange transactions		-	-
Revenue from exchange transactions			
Other income (deposits)	5	1,500	
Total revenue		1,500	-
Expenses			
Use of goods and services-Bank Charges	7	13,440	12,240
Total expenses		13,440	12,240
Surplus/(deficit) before tax		(11,940)	(12,240)
Taxation		-	-
Surplus/(deficit)for the period/year		(11,940)	(12,240)
Net Surplus/(deficit) for the year		(11,940)	(12,240)
Attributable to:			
Surplus/(deficit) attributable to minority interest		-	-
Surplus attributable to owners of the controlling entity		-	-
Surplus/(deficit) for the period/year		(11,940)	(12,240)

The notes set out on pages 7 to 17 form an integral part of these Financial Statements.

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



Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
 Director General.

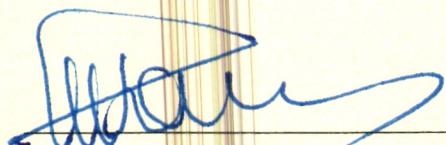


David Mwangi Gachie
 Head of Accounting Services
 ICPAK Member

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)**Annual Reports and Financial Statements****For the year ended June 30, 2022.****10. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022**

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	8	-	31,210,920
Total Current Assets		-	31,210,920
Non-Current Assets			
Purchase of Property, Plant & Equipment	6	31,200,000	
Total Non-Current Assets		31,200,000	-
Total Assets		31,200,000	31,210,920
Liabilities			
Current Liabilities		-	
Total Current Liabilities		-	-
Total Liabilities		-	-
Net assets			
Accumulated surplus		31,200,000	21,210,920
Capital Fund		-	10,000,000
Total Net Assets		31,200,000	31,210,920
Total Net Assets and Liabilities		31,200,000	31,210,920

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



Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
Director General.



David Mwangi Gachie
Head of Accounting Services
ICPAK Member

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
Annual Reports and Financial Statements
For the year ended June 30, 2022.

11. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

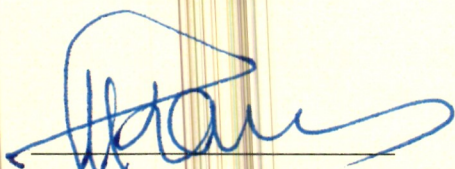
	Notes	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/ Development Grants/Fund	Total
As at July 1, 2020		-	-		21,223,160	-	10,000,000	31,223,160
Surplus/ (Deficit) for the year		-	-		(12,240)	-	-	(12,240)
As at June 30, 2021		-	-		21,210,920	-	10,000,000	31,210,920
Prior Year Adjustments								
As at July 1, 2021		-	-		21,210,920	-	10,000,000	31,210,920
Transfer of Capital Fund to Retained Earnings		-	-		10,000,000		(10,000,000)	-
Prior Year Adjustments duplicated bank charges 2020/21	9	-	-	-	1,020	-	-	1,020
Surplus/ (deficit) for the year		-	-	-	(11,940)	-	-	(11,940)
As at June 30, 2022		-	-	-	(11,940)	-	-	31,200,000

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
Annual Reports and Financial Statements
For the year ended June 30, 2022.

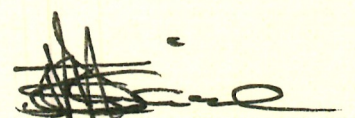
12. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

		2021-2022	2020-2021
	Notes	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Other deposits	5	1,500	-
Prior year adjustments	9	1,020	-
Total Receipts		2,520	-
Changes in operating assets and liabilities			
(Decrease)/Increase in refundable deposits	10	-	(1,900,459)
Net changes in operating assets and liabilities		-	(1,900,459)
Payments			
Use of goods and services-Bank Charges	7	(13,440)	(12,240)
Total Payments		(13,440)	(12,240)
Net cash flows from/(used in) operating activities	12	(10,920)	(1,912,699)
Cash flows from investing activities			
Purchase of Property, Plant & Equipment	6	(31,200,000)	-
Net cash flows from/(used in) investing activities		(31,200,000)	-
Cash flows from financing activities			
		-	-
Net cash flows from /(used in) financing activities		-	-
Net increase/(decrease)in cash and cash equivalents		(31,210,920)	(1,912,699)
Cash and cash equivalents at 1 JULY 2021	8	31,210,920	33,123,619
Cash and cash equivalents at 30 JUNE 2022	8	-	31,210,920

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



Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
 Director General.



David Mwangi Gachie
 Head of Accounting Services
 ICPAK Member.

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)

Annual Reports and Financial Statements

For the year ended June 30, 2022.

13. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers from Other Governments entities	-	-	-	-	-	-
Levies, Fines and Penalties	-	-	-	-	-	-
Public Contributions and Donations	-	-	-	-	-	-
Property Taxes Revenue	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Rendering of Services	-	-	-	-	-	-
Sale of Goods	-	-	-	-	-	-
Rental Revenue from Facilities and Equipment	-	-	-	-	-	-
Finance Income	-	-	-	-	-	-
Agency Income	-	-	-	-	-	-
Other Income (Deposits)	-	-	-	1,500	(1,500)	-
Total Income	-	-	-	1,500	(1,500)	-

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
Annual Reports and Financial Statements
For the year ended June 30, 2022.

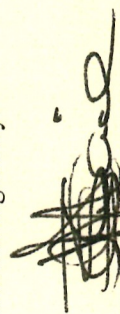
	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
Expenses						
Use of Goods and Services (Bank charges)	-	-	-	13,440	(13,440)	-
Employee costs	-	-	-	-	-	-
Remuneration of Directors	-	-	-	-	-	-
Depreciation and Amortization expense	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-
Contracted Services	-	-	-	-	-	-
Grants and Subsidies	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Total Expenditure	-	-	-	13,440	(13,440)	-
Surplus/Deficit for the period	-	-	-	(11,940)	11,940	-

There were no expected activities in the fund during the year. The only expenditure during the period was bank charges.

The entity financial statements were approved on 5/12/2022 and signed by: -



Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
 Director General.



David Mwangi Gachie
 Head of Accounting Services
 ICPAK Member

14. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Intelligence Service Development Fund is established by and derives its authority and accountability from the Legal Notice No. 110 of 2002. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is financing intelligence research.

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 Fund's accounting policies.

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

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.

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
Annual Reports and Financial Statements
For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2022.

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <i>(The standard did not have an impact on the fund during the current financial year)</i>

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
Annual Reports and Financial Statements
For the year ended June 30, 2022.

Standard	Effective date and impact:
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows. <i>(The standard did not have an impact on the Fund during the current financial year)</i>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <i>(The standard did not have an impact on the Fund during the current financial year)</i>
Other improvements to IPSAS	Applicable 1st January 2023 • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits</i> Now deletes the term composite social security benefits as it is no longer defined

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)**Annual Reports and Financial Statements****For the year ended June 30, 2022.**

	in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. <i>(The standard did not have an impact on the Fund during the current financial year)</i>
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 a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>(The standard did not have an impact on the Fund during the current financial year)</i>
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. <i>(The standard did not have an impact on the Fund during the current financial year)</i>

iii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2021/2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The entity recognizes revenues from fees 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 entity and the fair value of the asset can be measured reliably.

Rendering of services

The entity 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.

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 entity.

ii) Revenue from exchange transactions

a) Property, plant and equipment

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

b) Research and development costs

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

- i) The technical feasibility of completing the asset so that the asset will be available for use or 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.

c) Related parties

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

d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

e) Comparative figures

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

f) Subsequent events

The fund has been wound up and is no longer a going concern after June 30, 2022. The Fund's bank account has been closed and the asset acquired has been transferred to the National Intelligence Service.

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Other deposits

Description	2021-2022	2020-2021
	KShs	KShs
Other deposits	1,500	-
Total	1,500	-

This is revenue arising from cash deposit to aid in winding up the fund without overdrawing the account.

6. Purchase of Property, Plant, Equipment

Description	2021-2022	2020-2021
	KShs	KShs
Purchase of Property, Plant, Equipment	31,200,000	-
Total expenses	31,200,000	-

7. Use of goods and services - Bank charges

Description	2021-2022	2020-2021
	KShs	KShs
Use of goods and services -Bank charges	13,440	12,240
Total expenses	13,440	12,240

8. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	KShs	KShs
Current Account	-	31,210,920
Total cash and cash equivalents	-	31,210,920

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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Detailed Analysis of the Cash and Cash Equivalents

		2021-2022	2020-2021
Financial institution	Account number	KShs	KShs
a) Current account			
1. Standard Chartered Bank	0102096149200	-	31,210,920
Grand total		-	31,210,920

9. Prior Year adjustments

	2021-2022	2020-2021
	KShs	KShs
As at July 1, 2020		21,223,160
Surplus/(Deficit) for the year		(12,240)
As at June 30, 2021	21,210,920	21,210,920
As at July 1, 2021	21,210,920	21,210,920
Prior year adjustments duplicated bank charges 2020/21	1,020	-
Surplus/ (deficit) for the year	21,211,940	21,210,920

10. Changes in Operating Assets and Liabilities

Description	2021-2022	2020-2021
	KShs	KShs
Refundable Deposits from sale of lunches FY 2020-2021	-	123,070
Refund of Deposits from sale of lunches	-	(2,023,529)
(Decrease)/Increase in refundable deposits	-	(1,900,459)

12. Cash Generated from Operations

	2021-2022	2020-2021
	KShs	KShs
Surplus for the year before tax	(11,940)	(12,240)
Adjusted for:		
Prior Year Adjustments	1,020	
Depreciation	-	-
Working Capital adjustments		
Increase/(Decrease) in refundable deposits	-	(1,900,459)
Net cash flow from operating activities	(10,920)	(1,912,699)

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. Financial Risk Management

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The entity 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 entity's financial risk management objectives and policies are detailed below:

i) Credit risk

The entity 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 entity's management based on prior experience and their assessment of the current economic environment.

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

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
As at 30 June 2021				
Bank balances	31,210,920	21,210,920	-	-
Total	31,210,920	21,210,920	-	-
As at 30 June 2022				
Bank balances	-	-	-	-
Total	-	-	-	-

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The Fund's exposure to credit risk arises from balances held at the Standard Chartered Bank account before the funds were fully utilized to purchase the asset. The management considers this exposure not material and has not made any allowance/provision for the same in the financial statements.

Financial Risk Management

ii) Market risk

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity'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 optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

iii) Capital Risk Management

The objective of the Fund's capital risk management is to safeguard the capital. The entity capital structure comprises of the following funds:

	2021-2022	2020-2021
	Kshs	Kshs
Revaluation reserve	-	-
Retained earnings	-	21,210,920
Capital reserve	-	10,000,000
Accumulated Surplus	31,200,000	-
Total funds	31,200,000	31,210,920
Total borrowings	-	-
Less: cash and bank balances	-	(31,210,920)
Net debt/(excess cash and cash equivalents)	-	(31,210,920)
Gearing	0%	0%

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
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For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the Fund 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 Fund, holding 100% of the Fund' 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) National Intelligence Service,
- ii) National Government

The Fund did not receive any funds from the related parties indicated during the 2021/2022 financial year.

14. Events after the Reporting Period

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

15. Ultimate and Holding Entity

The entity is a Fund under the National Government of Kenya which is its ultimate parent.

16. Currency

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

17. WINDING UP OF ISDF

In order to adhere to the provision of Public Finance Management Act Regulations, (2015) 207, 1(i), the management of the Intelligence Service Development Fund (ISDF) resolved to wind up the fund. The fund's bank accounts have been closed and the asset acquired has been transferred to the National Intelligence Service.

INTELLIGENCE SERVICE DEVELOPMENT FUND (ISDF)
Annual Reports and Financial Statements
For the year ended June 30, 2022.

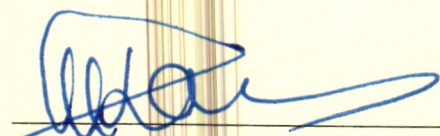
APPENDIX

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
None	None	None	None	None

The ISDF received an **Unqualified Audit Opinion** for the financial statements for the year ended 30th June, 2021



Maj. Gen. (Rtd) Philip Kameru, EGH, CBS
Director General.



David Mwangi Gachie
Head of Accounting Services
ICPAK Member.

CONFIDENTIAL



11/06/2021
27/7/2022

NATIONAL INTELLIGENCE SERVICE

Telegrams: "SECINTEL"
Telephone: (254-20) 3299000/2930000/2225901
Fax: (254-20) 8566245

THE DIRECTOR GENERAL,
P.O. BOX 30091 - 00100,
NAIROBI.

When replying please
Quote Ref. No. And Date

Kenya.

ADM-NIS-POLF.50/4/21 VOL.3 (17)

1st July, 2022

The Director General/Accounting Officer,
National Intelligence Service,
P. O. Box 30091-00100,
NAIROBI.

**REF: REPORT OF THE BOARD OF SURVEY ON CASH AS AT
30TH JUNE, 2022**

Attached herewith, please find the Report of the Board of Survey on Cash of the National Intelligence Service – Vote R1281, as at the close of business on **30th June, 2022**, for your information and necessary action.

The Report highlights the following, with regard to closure of Fy 2021/22:

1. Cash Balance

As at the close of business on **30th June, 2022**, there was **Kshs. 33,946.95 (Kenya Shillings Thirty-Three Thousand, Nine Hundred Forty-Six and Ninety-Five Cents Only)** cash balance held by the Cashier.

2. Cash Books

The Deposit Cash Book reflected a bank balance of **Kshs. 112,068,631.45 (Kenya Shillings One Hundred Twelve Million, Sixty-Eight Thousand, Six Hundred Thirty-One and Forty-Five Cents Only)**. The Recurrent Cash Book reflected a bank balance of **Kshs. 22,428.10 (Kenya Shillings Twenty-Two Thousand, Four Hundred Twenty-Eight and Ten Cents Only)**.

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The ISDF Cash Book reflected a bank balance of **NIL**.

3. Bank Balance and Reconciliation

The Central Bank of Kenya (CBK) balance as per the Bank Certificate of Balance as at the close of business on 30th June, 2022 for Deposit Cash Book was **Kshs. 112,791,233.40 (Kenya Shillings One Hundred Twelve Million, Seven Hundred Ninety-One Thousand, Two Hundred Thirty-Three and Forty Cents Only)**, for Recurrent Cash Book **Kshs. 1,491,157,353.60 (Kenya Shillings One Billion, Four Hundred Ninety-One Million, One Hundred Fifty-Seven Thousand, Three Hundred Fifty-Three and Sixty Cents Only)** and the Bank Statement of Balance for ISDF was **NIL**. The Service Bank Reconciliation as at 30th June, 2022 is attached. (See copies attached)

It was also verified that the Cash Book was ruled as required at the close of business on 30th June, 2022.


.....
MARY M. NJUGUNA, MBS, OGW
CHAIRPERSON

01.07.2022

DATE


.....
CHARLES KIPRONO, MBS, OGW
MEMBER

01.07.2022

DATE

Encls.

Copy to:

The Auditor General,
Office of the Auditor General,
Anniversary Towers,
Nairobi.

PAYMENTS

2

F.O. 26 (Small)

Date	To Whom Paid	Description of Payment	Allocation	Voucher No.	Cheque No.	Sh. cts.	Sh. cts.	Sh. cts.	
30.6.2022				1	4350			30662069	-
-/-	Wakilulking	VA T...	-/-	-/-	-/-			537931	-
-/-	Director General	-/-	-/-	2	4321			1344020	
								3121344020	
								N/A	
								3121344020	

The Board of Survey has confirmed that the balances in the ISDF Cash book are accurate as at 0800hrs, 01/07/2022 for the FY 2021/2022

1. Mary M. Nyuguna, MBS, OGW, Chairperson
01/07/2022
2. Charles Kiprono, MBS, OGW, Member
01/07/2022

REPUBLIC OF KENYADate: 1ST JULY, 2022

Report of the Board of Survey on the Cash and Bank Balances of NATIONAL INTELLIGENCE SERVICE (NIS) as at the close of business on 30TH JUNE, 2022.

The Board, consisting of – (*Names and official titles*)

MARY M. NJUGUNA, MBS, OGW - CHAIRPERSON

CHARLES KIPRONO, MBS, OGW - MEMBER

assembled at the office of CASHIER NIS at 0800 HRS (*time*) on 1ST JULY, 2022 and the following cash was produced: -

Notes ...	...	...	...	...	Sh.	NIL
Silver ...	...	...	...	...	Sh.	NIL
Copper ...	...	...	...	...	Sh.	NIL
Cheques (as per details on reverse)	...	...	...	...	Sh.	<u>NIL</u>
					Sh.	<u><u>NIL</u></u>

It was observed that cheques amounting to Sh. NIL Cts. ...NIL.. has been on hand for more than 14 days prior to the date of the survey.

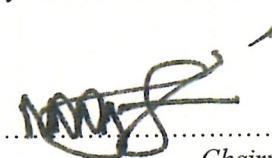
The cash consists of East African currency and does not contain any demonetized coin or notes.

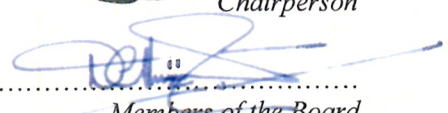
The Cash Book reflected the following balances as at the close of business on the 30TH JUNE, 2022

Cash on hand ...	...	...	...	Sh.	NIL
Bank Balance ...	...	...	...	Sh.	NIL

The Bank Statement of Balance showed a sum of **Kshs.** NIL of standing to the credit of the account on 30TH JUNE, 2022

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O. 30) attached.

.....

 Chairperson


 Members of the Board

Date

01/07/2022

<i>Cheque No.</i>	<i>Drawer</i>	<i>Date of Cheque</i>	<i>Date Received</i>	<i>Amount</i>

INTELLIGENCE SERVICE DEVELOPMENT FUND				
ISDF BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2022				
Jun-22				
Jun-22		Ksh	Ksh	
BALANCE AS PER BANK CERTIFICATE				
<i>less</i>	Payment in Cashbook not in the bank statement	-		
	Bank statement receipts not yet recorded in the cashbook	-		-
				-
<i>add</i>	Payments in Bank statement not yet recorded in Cashbook	-		
	Receipts in Cashbook not yet recorded in Bank statement	-		-
BANK BALANCE AS PER CASH BOOK				
	ACTUAL CASH BOOK BALANCE			-
	VARIANCE			-

STATEMENT OF ACCOUNT
FOR ACCOUNT NUMBER 0102096149200
B F S CURRENT ACCOUNTS



From 01-06-2022 To 06-07-2022

Branch Code : 02500

Branch Name : KENYATTA AVENUE BRANCH

Statement No./Page No. -/1

**INTELLIGENCE SERVICE DEV.
FUND
P.O. BOX 30091
NAIROBI**

	<u>BOOK</u>	<u>CLEARED</u>
OPENING BALANCE	31,199,700.20	31,199,700.20
CLOSING BALANCE	0.00	0.00
AVERAGE BALANCE	24,959,760.16	24,959,760.16
TOTAL DEBITS	5	
TOTAL CREDITS	1	

CURRENCY KENYAN SHILLING

ENTRY DATE	VALUE DATE	DESCRIPTION	DEBITS	CREDITS	BALANCE
				Balance Brought Forward	31,199,700.20
30-06-2022	30-06-2022	CASH DEP AT 8401 13:56:52 30062022 OKEYA NIS BANK CHARGES 1212120000000000/0344		1,500.00	
	30-06-2022	OT07802206300074 TT CHARGES OUTWARD TT LOCAL	500.00		
	30-06-2022	OT REF OT07802206300074 RTGS FEM TECH ENTERPRISE LIMITED 0100004283532 SBICKENXXXX 033KEGEA IN 00240 00253 00254 VIDEO	30,662,069.00		
	30-06-2022	EXCISE DUTY OUTWARD TT OT07802206300074 FEM TECH ENTERPRISE LIMITED	100.00		
	30-06-2022	OT REF OT07802206300077 RTGS WITHHOLDING VAT COLLECTION ACCOUNT 1000220023 CBKEKENXXXX 053/ROC/KEGEA IN 00240 00253 00254	537,931.00		
	30-06-2022	MONTHLY SERVICE FEE	600.20		
		END OF STATEMENT	31,201,200.20	1,500.00	0.00

Please be advised that effective 21st September 2018, excise duty of 20% shall be levied on all banking fees and charges in accordance with the Finance Act 2018 No. 10. Please contact us on 254-20-3293900 for assistance at any time. It is always a pleasure serving you.

KENYATTA AVENUE BRANCH
P.O BOX 30003-00100, NAIROBI

TEL:2540203294000

Fax:254 (0) 20 213233

Standard Chartered Bank Kenya Limited is regulated by the Central Bank of Kenya