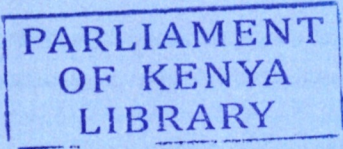
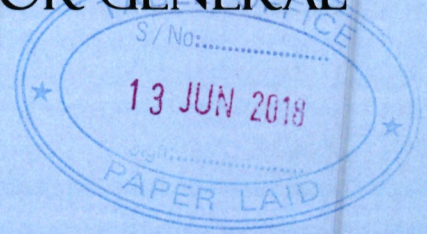


REPUBLIC OF KENYA



Paper Laid
Paper Laid on the table of the House by Com on Wed 13/6/18

OFFICE OF THE AUDITOR-GENERAL



REPORT

OF

THE AUDITOR-GENERAL

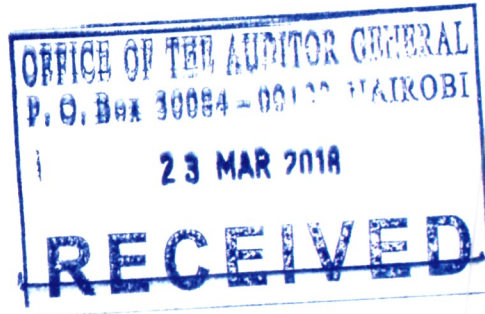
ON

**THE FINANCIAL STATEMENTS OF
KENYA NATIONAL COMMISSION
ON HUMAN RIGHTS**

**FOR THE YEAR ENDED
30 JUNE 2017**



30th June 2017



KENYA NATIONAL COMMISSION ON HUMAN RIGHTS (KNCHR)

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017**

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

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

TABLE OF CONTENT

I.	KEY ENTITY INFORMATION AND MANAGEMENT	1
II.	STATEMENT OF CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2016/2017	15
III.	COMMENTARY BY THE CHAIRPERSON OF THE COMMISSION	20
IV.	STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	27
V.	REPORT OF THE INDEPENDENT AUDITORS ON THE KENYA NATIONAL COMMISSION ON HUMAN RIGHTS (KNCHR).	28
VI.	STATEMENT OF RECEIPTS AND PAYMENTS	29
VII.	STATEMENT OF ASSETS AND LIABILITIES	30
VIII.	STATEMENT OF CASH FLOWS	31
IX.	SUMMARY STATEMENT OF APPROPRIATION, RECURRENT AND DEVELOPMENT COMBINED	32
X.	SUMMARY STATEMENT OF APPROPRIATION, RECURRENT	34
XI.	EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES	36
XII.	SIGNIFICANT ACCOUNTING POLICIES	37
XIII.	NOTES TO THE FINANCIAL STATEMENTS	41

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Kenya National Commission on Human Rights (the Commission or KNCHR) is an independent National Human Rights Institution (NHRI) established under Article 59(1) of the Constitution of Kenya, 2010 and the Kenya National Commission on Human Rights Act, 2011.

The Commission implements two key broad mandates: first, it acts as a watchdog over the Government in the area of human rights (the protection mandate); secondly, it plays a key leadership role in advising and moving the country towards becoming a human rights state (the promotion mandate). These mandates are implemented through various strategies including research, advocacy, lobbying, education and training, outreach, investigations and redress, issuing advisories and publications, and through partnerships building and networking.

The Commission has its head office in Nairobi with 5 regional offices in Wajir, Kitale, Mombasa, Kisumu and Laikipia. Currently the Commission has 102 staff. The KNCHR Act provides that the membership of the Commission shall be a Chairperson and 4 members appointed in accordance with the provisions of the Constitution and the Act. At the end of the financial year, the Commission had a Chair and 3 members.

Independence of the Commission

The KNCHR has the status and powers of a Commission within the meaning of Chapter 15 of the Constitution. The Commission is not subject to the authority or control of any person or agency in the performance of its functions. Chapter 15 of the Constitution, Article 249(2) on Commissions and Independent Offices provides that:

The Commissions and holders of independent offices: -

- a) Are subject only to this Constitution and the law; and
- b) Are independent and not subject to direction or control by any person or authority

The Commission receives funding from both the Government of Kenya and development partners. It, however, sets its own priorities in accordance with its statutory mandate and the strategic plan.

Strategic Direction for the Financial Year 2016/2017

The commission's strategic direction as outlined in the 2013-2018 strategic plan is structured as follows:

Vision

A society that upholds human rights for all.

Mission

To protect, promote and monitor human rights in Kenya through law, policy and practice.

Goal

Increased enjoyment of fundamental human rights and freedoms by all in Kenya.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Values

The Commission believes in and upholds the following core values:

1. Independence
2. Integrity
3. Accessibility
4. Inclusiveness
5. Impartiality

Strategic Objectives

In the Strategic Plan, the priorities and work of the Commission are focused around four Key Result Areas (KRAs), namely:

1. Reduced systemic human rights violations.
2. Increased application of human rights principles and standards in the Implementation of the constitution.
3. Increased knowledge and practice of human rights principles and standards in public and private spheres.
4. Organizational growth and development.

Functions and Powers of the KNCHR

The functions of the Commission are set out in Article 59(2) of the Constitution and have been operationalized through Section 8 of the KNCHR Act, 2011. These are to:

- a) Promote respect for human rights and develop a culture of human rights in the Republic;
- b) Promote the protection and observance of human rights in public and private institutions;
- c) Monitor, investigate and report on the observance of human rights in all spheres of life in the republic;
- d) Receive and investigate complaints about alleged abuses of human rights, except those relating to the principle of equality and freedom from discrimination under the Gender and Equality Commission, and take steps to secure appropriate redress where human rights have been violated;
- e) On its own initiative or on the basis of complaints, investigate or research a matter in respect of human rights, and make recommendations to improve the functioning of State organs;
- f) Act as the principal organ of the state in ensuring compliance with obligations under international and regional treaties and conventions relating to human rights except those that relate to the rights of special interest groups protected under the law relating to equality and non-discrimination;
- g) Formulate, implement and oversee programmes intended to raise public awareness of the rights and obligations of a citizen under the Constitution;
- h) Work with the National Gender and Equality Commission and the Commission on Administrative Justice to ensure efficiency, effectiveness and complementarity in their activities and to establish mechanisms for referral and collaboration;
- i) Perform such other functions as the Commission may consider necessary for the promotion and protection of human rights; and
- j) Perform such other functions as may be prescribed by the Constitution and any other written law.

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

The powers of the Commission on the other hand are prescribed under the Constitution and the KNCHR Act. Article 252(1) states; each Commission, and each holder of an Independent office

- a) May conduct investigation on its own initiative or on a complaint made by a member of the public;
- b) Has the powers necessary for conciliation, mediation and negotiation;
- c) Shall recruit its own staff ; and
- d) May perform any functions and exercise any powers prescribed by legislation, in addition to the functions and powers conferred by this Constitution.

Article 252(2) states; a complaint to a Commission or the holder of an independent office may be made by any person entitled to institute court proceedings under article 22(1) and (2). Section 26 of KNCHR Act, 2011 provides for general powers of the KNCHR; In addition to the powers conferred in Article 252 of the Constitution, the Commission shall have powers to:

- a) Issue summons, as it deems necessary for the fulfilment of its mandate;
- b) Require that statements be given under oath or affirmation and to administer such oath or affirmation;
- c) Adjudicate on matters relating to human rights;
- d) Obtain, by any lawful means, any information it considers relevant, including requisition of reports, records, documents and any information from any person, including governmental authorities, and to compel the production of such information for the proper discharge of its duties;
- e) By order of the Court, enter upon any establishment or premises, and to enter upon any land or premises for any purpose material to the fulfilment of the mandate of the Commission, in particular, for the purpose of obtaining information, inspecting any property or taking copies of any documents, and for safeguarding any such property or document;
- f) Interview any person or group of persons;
- g) Subject to adequate provisions being made to meet his expenses for the purpose, call upon any person to meet with the Commission or its staff, or to attend a session or hearing of the Commission, and to compel a person who fails to respond to a request of The Commission to appear and to answer questions relevant to the subject matter of the Session or hearing;
- h) Conduct audits of any public or private institution to establish the level of compliance with the Constitution with regards to integrating the principle of equality and equity in its operations; and
- i) Require any public or private institution to provide any special report on matters relating to the institution's implementation of the principle of equality and equity including gender equity.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

(b) Key Management

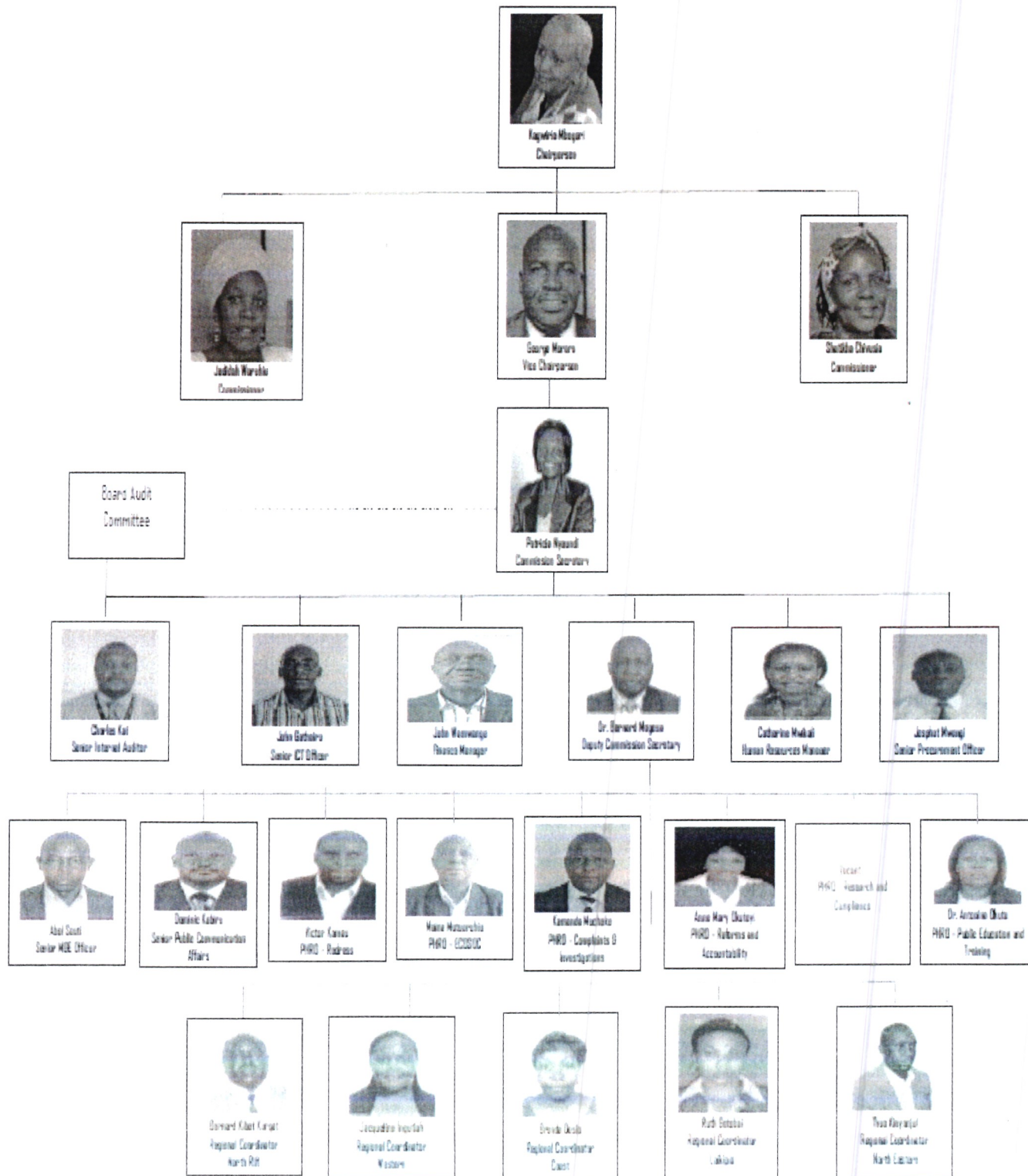
Section 9 of the KNCHR Act provides that the Commission will comprise a Chair and four members. The Chairperson in conjunction with the members supervise and direct the work of the Commission. The Commission has a Secretariat which is the implementing organ. The Secretariat is composed of the Secretary, who is appointed by the Commissioners and serves as the Chief Executive Officer. The Secretary is assisted by the Deputy Secretary who acts as the head of programmes. Below the Deputy Secretary, there are Heads of Departments whose role is to oversee their respective departments.

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

- Secretary to the Commission
- Deputy Secretary
- Heads of Departments

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

Organogram






Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Key Entity Information and Management (continued)

COMMISSIONERS

 <p>KAGWIRIA MBOGORI CHAIRPERSON</p>	<p>Ms. Kagwiria Mbogori assumed the position of Chairperson – KNCHR in March 2014.</p> <p>At the helm of the Commission she provides strategic leadership for the implementation of the Commission’s strategic plan for the period 2013-2018, that focuses on the promotion of a culture of respect for human rights in Kenya. She is also charged with convening the ECOSOC and Corporate Affairs Departments and overseeing the Laikipia and North Eastern Regional Office.</p> <p>Ms. Kagwiria holds a Master of Laws from the University of Notre Dame, Indiana majoring in International and Regional human rights protection systems, International Humanitarian Law and Transitional Justice, a Bachelor of Laws degree from the University of Nairobi and a Post Graduate Diploma from the Kenya School of Law.</p>
 <p>GEORGE MORARA VICE CHAIRPERSON</p>	<p>George Morara assumed the position of Vice Chairperson – KNCHR in March 2014.</p> <p>He deputizes the Chairperson in providing strategic leadership for the implementation of the Commission’s strategic plan. He is also charged with convening the Public Education and Training, Research and Compliance Departments and overseeing the Coast Regional Office.</p> <p>George Morara holds a Bachelor of Arts Honors from the University of Toronto, Canada and a Master of Political Science from the University of Windsor, Canada.</p>
 <p>JEDIDAH WAKONYO WARUHIU COMMISSIONER</p>	<p>Jedidah Wakonyo Waruhiu assumed the position of Commissioner - KNCHR in March 2014.</p> <p>In her portfolio she is charged with convening the Complaints, Investigations and Redress Departments and overseeing the Western Regional Office. Commissioner Jedidah also represents the National Commission in the National Council on Administration of Justice and is a member of the Taskforce on Alternative Justice Systems.</p> <p>She is an Advocate of the High Court of Kenya and holds a Master’s Degree in International Human Rights and Humanitarian Law from the University of Nottingham.</p>

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017



SUZANNE SHATIKHA
CHIVUSIA
COMMISSIONER

Suzanne Shatikha Chivusia assumed the position of Commissioner - KNCHR in March 2014. In her portfolio she is charged with convening Reforms and Accountability and overseeing the Western Regional Office. She represents the Commission at the National Council for Administrative Justice, the National Council for Persons with Disability, the United Disabled Persons of Kenya and the Users and Survivors of Psychiatry in Kenya organizations on the rights of persons with disabilities, Technical Working Group on Minority rights.

She holds a Bachelors of Laws Degree and Master of Arts in International studies from the University of Nairobi, Postgraduate Diplomas from Kenya School of Law and Salzburg Law School; certificates in International Human Rights, Gender and Development, Gender and Disability Mainstreaming, Women's Rights, Monitoring and Evaluation and Contemporary Public Administration Management.

THE SECRETARIAT- KENYA NATIONAL COMMISSION ON HUMAN RIGHTS



PATRICIA NYAUNDI
COMMISSION SECRETARY/C.E.O

Patricia Nyaundi assumed the position of Commission Secretary in December, 2012.

In her portfolio she is charged with the responsibility of ensuring that the mandate of the Commission to foster promotion and awareness of human rights is achieved.

Patricia Nyaundi holds a Master of Laws in Human Rights from the University of Cape Town South Africa a Diploma in Legal Practice from Kenya School of Law and Bachelor of Laws from University of Nairobi. She is currently undertaking a PhD in Leadership and governance at Jomo Kenyatta University of Agriculture and Technology.



DR. BERNARD
MOGESA
DEPUTY COMMISSION
SECRETARY

Dr. Bernard Mogesa assumed the position of Deputy Commission Secretary in September, 2017 having served as a Principal Human Rights Officer in Research & Compliance and Public Education Training departments.

He deputizes the Commission's Secretary in ensuring that the mandate of the Commission to foster promotion and awareness of human rights is achieved. In his portfolio he is charged with overseeing the Commissions' Programmes and Support departments as well as the Regional Offices.

Dr. Mogesa holds a PhD in Special Needs from America University in London, a Master's Degree in Inclusive Education and a Bachelor's Degree in Education from Moi University, Kenya. Dr Bernard Mogesa is a Certified Professional Mediator.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

SENIOR MANAGEMENT

PROGRAMMES



VICTOR M. KAMAU
PRINCIPAL HUMAN RIGHTS
OFFICER - REDRESS DEPARTMENT

Victor Muthoga Kamau assumed the position of Head of Redress Department in the Commission in 2012 having served previously as the Head of Complaints & Investigation department.

In his current portfolio he is charged with the formulation, coordination and implementation of the Commission's redress mechanisms for established human rights violations as per the mandate of the commission to protect human rights in Kenya.

Victor Kamau is a an Advocate of the High Court and holds a Master in Laws from City of London Polytechnic a Bachelor of Laws from University of Nairobi and a Diploma in Legal Education from Kenya School of Law



MAINA MUTUARUHIU
PRINCIPAL HUMAN RIGHTS
OFFICER - ECOSOC DEPARTMENT

Maina Mutuaruhiu assumed the position of Head of ECOSOC Department in the Commission in 2010 having served as a Senior Officer in various programmes in the Commission.

In his current portfolio he is charged with the provision of leadership in conceptualization, planning and implementation of programmes and activities aimed at the achievement of the commissions' strategic objective of enhancing the realization of economic, social and cultural rights for all citizens of Kenya

He holds a Masters of Arts (Economics) from University of Nairobi, Bachelor of Education from Kenyatta University and Certified Public Accountant – Kenya Accountant and Secretaries National Examination.



KAMANDA MUCHEKE
PRINCIPAL HUMAN RIGHTS OFFICER -
COMPLAINTS AND INVESTIGATIONS
DEPARTMENT

Kamanda Mucheke assumed the position of Complaints and Investigation Department in the Commission in January, 2014 having served as a Senior Officer in various programmes in the Commission.

In his current portfolio he is charged with development of the organization's complaints and investigation strategy and to oversee the complaints process of Human Rights violations in Kenya in order to achieve the Commission's mandate of moving the country towards becoming a human rights state.

Kamanda Mucheke holds a Master of Arts in Human Rights and Conflict Management from Pisa, Italy, a Bachelor of Arts – Philosophy from Urbaniana University, Rome, International Diploma in Teaching from City and Guild, London and a Diploma – Religious Studies from Consolata Institute of Philosophy.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017



ANNE MARIE OKUTOYI
PRINCIPAL HUMAN RIGHTS
OFFICER - REFORMS AND
ACCOUNTABILITY DEPARTMENT

Anne Marie Okutoyi assumed the position of Head of Reforms and Accountability in April, 2016.

In her portfolio she is charged with the formulation and implementation of strategies and interventions aimed at strengthening democratic governance in key government institutions pursuant to commissions' mandate to promote awareness and protection of human rights in Kenya.

Anne Okutoyi is an Advocate of the High Court and holds Master of Arts in Human Rights from University of Nairobi, a Post Graduate Diploma in Legal Studies from Kenya School of Law and a Bachelor of Laws from Moi University.



DR. ANTONINA OKUTA
PRINCIPAL HUMAN RIGHTS
OFFICER - PUBLIC EDUCATION
AND TRAINING DEPARTMENT

Dr. Antonina Atieno Okuta assumed the position of Head of Public Education and Training in May 2017 having served as the Regional Coordinator for Western Region.

In her portfolio she is charged with the leadership of information, education and sensitization to the public, state, non-state actors on human rights for the purpose of enhancing the respect of such rights. In addition to this oversee, the design and management of public education and training programs in Kenya to promote, respect, protect and fulfil human rights to all citizens in the Republic of Kenya.




She holds PhD in Laws (International Law) from the University of Amsterdam, a Masters of Advance Studies in International Humanitarian Law from University of Geneva Swaziland, a Bachelor of Laws, a Bachelor of Arts - Political Science and Public Administration both from University of Nairobi and Post - Graduate Diploma in Laws from the Kenya School of Law.

Kenya National Commission on Human Rights (KNCHR)




Reports and Financial Statements

For the year ended June 30, 2017

CORPORATE AFFAIRS DEPARTMENT

 <p>JOHN OTIENO WAMWANGA FINANCE MANAGER</p>	<p>John Otieno Wamwanga assumed the position of Finance Manager in the Commission in 2008.</p> <p>In his portfolio he is responsible for compliance with proper accounting and financial reporting in line with the Public Financial Management Act and financial regulations for the Kenyan National Human Rights Commission.</p> <p>He holds Bachelor's Degree in Economic/Sociology Education from University of Nairobi and is a Certified Public Accountant – Kenya (CPA - K) and is an active member of the Institute of Certified Public Accountants of Kenya (ICPAK) since May, 2001.</p>
 <p>CATHERINE M. KIIVA HUMAN RESOURCES MANAGER</p>	<p>Catherine Mwikali Kiiva assumed the position of Human Resource Manager in the Commission in November 2015 having served in various capacities within the Human Resources and Administration Department.</p> <p>In her portfolio she is charged with providing strategic leadership in formulation of human resource management and administration policies, systems and strategies that guide organization culture and people practice in the commission are compliant with the Employment Act and Laws of Kenya.</p> <p>Catherine Mwikali holds Master's degree in Management and Organizational Development – Human Resource option from United States International University, a Diploma in Human Resource Management from the Kenya Institute of Management and a Bachelor of Arts Degree in Anthropology from Nairobi University.</p>
 <p>JOHN M. GATHAIRU SENIOR ICT OFFICER</p>	<p>John assumed the position of Head of the ICT department in 2012.</p> <p>In his portfolio he is charged with the management, implementation and advising on appropriate ICT solutions and best practices to enable the commission discharge its mandate efficiently through the development and implementation of corporate ICT strategy, support policies and defined standards associated with information management.</p> <p>John Gathairu holds a Master of Business Administration in Management Information Systems from the University of Nairobi BSC Degree in Information Technology from the Jomo Kenyatta University of Agriculture and Technology, a Graduate Diploma in Leadership Development in ICT and Knowledge Society from Dublin City University.</p>

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

 <p>JOSPHAT MWANGI <i>SENIOR PROCUREMENT OFFICER</i></p>	<p>Josphat assumed the position of Head of Procurement in 2012.</p> <p>In his portfolio he is charged with the timely and cost effective purchase of goods and services provided to the Kenya National Commission on Human Rights (KNCHR) in consideration of internal control procedures and government regulatory framework that the meet quality standards as specified in the terms of reference.</p> <p>Josphat holds a Bachelor’s of Arts from the University of Nairobi and Certified Public Accountant (II) and a certified in Public Sector Reforms and Performance Contracting.</p>
 <p>DOMINIC KABIRU - <i>SENIOR HUMAN RIGHTS OFFICER</i> <i>- PUBLIC AFFAIRS AND</i> <i>COMMUNICATION</i></p>	<p>Dominic Kabiru assumed the position of Head of Public Affairs and Communication in 2012.</p> <p>In his portfolio he is charged with the conceptualization, design and implementation of internal and external communication strategies and programs that advance the commission’s strategic objectives and coordinating the publication of the commission journals and key publications.</p> <p>Dominic holds a Post Graduate Diploma in Journalism and News Writing from the London School of Economics, and a Bachelor of Education Degree from Moi University.</p>
 <p>ABEL SAUTI <i>SENIOR MONITORING AND</i> <i>EVALUATION OFFICER</i></p>	<p>Abel Sauti assumed the position of Head of Monitoring and Evaluation in November 2017.</p> <p>In his portfolio he is charged with the development and implementation of the organization’s monitoring and evaluation strategy and to oversee the standards for quality on programs delivery, frameworks for program planning and performance assessments for the commissions’ activities.</p> <p>Abel holds a Master’s in Arts – Education and International Development from the Institute of Education University of London, a Bachelor of Arts Degree – Language and Literary Studies from Moi University, a postgraduate Diploma in Leadership and Management from Kenyatta University.</p>

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017



**CHARLES KAI
MWAGUDZA**
SENIOR INTERNAL AUDITOR

Charles Kai Mwagudza assumed the position of Head of Internal Audit in January 2015.

In his portfolio he is charged with the formulation of internal audit policies, systems and procedures in line with the audit plan and to ensure that the commission's internal control, risk management framework and governance processes are adequate to safeguard the organization's resources.

Charles Kai is a Certified Public Accountant (Kenya) and holds a Bachelor of Commerce Degree in Finance from the KCA University. He is an active member of both the ICPAK and Institute of Internal Auditors.

REGIONAL OFFICES



BERNARD K. KURGAT
*REGIONAL COORDINATOR -
NORTH RIFT*

Bernard Kibet Kurgat assumed the position of Regional Coordinator – North Rift Region in July 2013 having served Senior Officer in various programmes in the Commission.

In his portfolio he is charged with the management of programs and practices that support the North Rift region best practices that contribute to the realization of Human Rights. He is also responsible for partnership building with stakeholders in North Rift communities to find innovative ways to shape sustainable and strategic alliances for the advancement of Human Rights programs and to mainstream human rights laws.

Kibet holds a MA Degree in Rural Sociology and Community Development from the University of Nairobi, a Bachelor of Education from Kenyatta University, a Higher Diploma in Human Resource Management from Institute of Personnel Management.



THUO KINYANJUI
*REGIONAL COORDINATOR -
NORTH EASTERN*

John Thuo Kinyanjui assumed the position of Regional Coordinator – North Eastern Region in March 2016 having served as a Senior Officer in various programmes in the Commission.

In his portfolio he is charged with the management of programs and practices that support the North Eastern region best practices that contribute to the realization of Human Rights. He is also responsible for partnership building with stakeholders in North Eastern Region communities to find innovative ways to shape sustainable and strategic alliances for the advancement of Human Rights programs and to mainstream human rights laws.

Thuo Kinyanjui holds Bachelor of Education and Human Resource from Egerton University.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017



RUTH GETOBAI
REGIONAL COORDINATOR -
LAIKIPIA

Ruth Getobai Nchagwa assumed the position Regional Coordinator - Laikipia Region in having served as a Regional Coordinator for the North Eastern Region.

In her portfolio she is charged with the management of programs and practices that support the Laikipia region's best practices that contribute to the realization of Human Rights. She is also responsible for partnership building with stakeholders in Laikipia Region communities to find innovative ways to shape sustainable and strategic alliances for the advancement of Human Rights programs and to mainstream human rights laws.

Ruth Getobai holds a Bachelor's Degree in Arts in Economics and Sociology from Egerton University.



REGIONAL COORDINATOR -
WESTERN

Jacqueline Ingutiah Osiako assumed the position of Regional Coordinator - Western Regional Office in June 2017. Prior to this appointment Jacqueline was a Project Lead at Advocates for International Development.

In her portfolio she is charged with the management of programs and practices that support the Western region's best practices that contribute to the realization of Human Rights. She is also responsible for partnership building with stakeholders in Western Region communities to find innovative ways to shape sustainable and strategic alliances for the advancement of Human Rights programs and to mainstream human rights laws.

Jacqueline Ingutiah is an Advocate of the High Court of Kenya. She holds a Master with Merit in Peace and Reconciliation Studies from Coventry University, a Post Graduate Certificate with Conflict Resolution Skill from Coventry University and a Bachelor of Laws from Moi University.



REGIONAL COORDINATOR -
COAST

Brenda Amondi Dosio assumed the position of Regional Coordinator - Coast Regional Office in June 2017. Prior to this appointment Brenda was the Program Officer and Policy Analysis at East Africa Law Society, Arusha- Tanzania.

In her portfolio she is charged with the management of programs and practices that support the Coast region's best practices that contribute to the realization of Human Rights. She is also responsible for partnership building with stakeholders in Coast Region communities to find innovative ways to shape sustainable and strategic alliances for the advancement of Human Rights programs and to mainstream human rights laws.

Brenda Dosio holds post Graduate Diploma in Law from Kenya School of Law, she is in The Council of Legal Advocate., a LLM International Human Rights from University of Central England, a Post Graduate Diploma in Vocational Legal training from Central Law training and a Bachelor of Laws from University of Leeds England.

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

(c) Fiduciary Management

The Commission by statute comprises of five commissioners though currently there are four who were appointed in office. Commissioners sit on key committees namely, various committees Audit Committee, Finance and Administration Committee, Monitoring and Evaluation Committee and Fund Raising Committee. The Chairperson directs and supervises the work of the Commission. The key management personnel who held office during the financial year ended 30th June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chairperson	Ms. Kagwiria Mbogori
2.	Vice Chairperson	Mr. George Morara Monyoncho
3.	Commissioner	Ms. Suzanne Shatikha Chivusia
4.	Commissioner	Ms. Jedidah Wakonyo Waruhiu
5.	Commission Secretary-Accounting Officer	Ms. Patricia Mande Nyaundi

(d) Fiduciary Oversight Arrangements

1. Audit Committee-Internal Audit
2. Finance and Administration Committee-Finance and Operational matters
3. Monitoring and Evaluation Committee-Program Implementation and reporting

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

II. STATEMENT OF CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2016/2017

The Kenya National Commission on Human Rights (KNCHR) is a Constitutional Commission established under Article 59 of the Constitution of Kenya 2010 and operationalized through the Kenya National Commission on Human Rights Act No. 2011 (Revised 2012).

The Commission plays two key broad mandates:

1. It acts as a watch-dog over the Government in the area of human rights
2. Provides key leadership in moving the country towards a human rights state.

The Commission's mission is to protect, promote and monitor the respect for human rights in Kenya through law, policy and practice.

Statement of Compliance

The Commission confirms that the institution ascribes to its obligations as a National Human Rights Institution in compliance with its statutory mandate. The Commission is in compliance with Constitution of Kenya 2010 as well as relevant statutes such as the Public Finance Management Act 2012, The Public Procurement & Asset Disposal Act 2015, Employment Act 2007 and Occupational Safety & Health Act 2007.

The Commission is committed to high standards of ethics and members of the Commission are bound by the specific leadership and integrity code for State Officers in the Kenya National Commission on Human Rights, while the Code of Conduct for the Kenya National Commission on Human Rights staff is applicable to the staff of the Commission.

Composition

The governing body of the Commission comprises of a Chairperson and four other members appointed in accordance with the Constitution and the provisions of the Kenya National Commission on Human Rights Act No. 2011 (Revised 2012). During the financial year under review, four members were in office as indicated in the table below.

Table 1: Composition of the Commission 2016/17

Commission Member	Designation	Appointment Date
Kagwiria Mbogori	Chairperson	4 March 2014
George Morara Monyoncho	Vice chairperson	4 March 2014
Suzanne Shatikha Chivusia		4 March 2014
Jedidah Wakonyo Waruhiu		4 March 2014
*Patricia Mande Nyaundi	Secretary to the Commission	15 December 2012

* The Secretary to the Commission is the Chief Executive Officer

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Authority & Delegation

The Commission's Authority is set out in Kenya National Commission on Human Rights Act No. 2011 (Revised 2012) and includes matters set for determination and approval by the Commission.

The Commission has established two standing committees which assist in the fulfilment of its responsibilities. These are the Audit & Risk Management Committee and the Finance & Administration Committee.

Commission Committees

1. The Finance & Administration Committee is responsible for:

- Reviewing and recommending approval of policies and conditions for sound management of the financial processes and operations,
- Reviewing and reporting to the Commission on the annual audited accounts,
- Reviewing and approving policies and conditions for sound management of the Commission's Human Resources and
- Reviewing and approving policies for the sound management of the Commission's ICT systems

2. The Audit & Risk Management Committee has the mandate to assist the Commission in fulfilling its oversight responsibilities for:

- The financial reporting process,
- The system of internal control,
- Risk management,
- The audit process, and
- The National Commission's process for monitoring compliance with policy, laws and regulations and the Code of Conduct.

The Commission has in line with provisions of its establishing Act co-opted into its Committees persons whose knowledge and skills are deemed necessary for the functions of the Commission. The Finance, HR & Admin Committee has co-opted representation from the Directorate of Personnel Service Management while membership to the Audit & Risk Management committee is in line with the Public Finance Management Act, 2012

In addition, each thematic area of the Commission has a Commissioner providing oversight over the planned strategic activities. Similar arrangements have been made with respect to the Commission's regional offices.

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

Table 2: Commissioners' strategic thematic areas

Commission Member	Strategic thematic area	Regional Office
Chairperson, Commissioner Kagwiria Mbogori	ECOSOC, HR & Admin	North Eastern and Laikipia
Vice Chairperson, Commissioner George Morara Monyoncho	Research, PET, Chairs Finance, HR & Admin Elections	Coast
Commissioner Suzanne Shatikha Chivusia	Reforms & Accountability, Elections	North Rift
Commissioner Jedidah Wakonyo Waruhiu	Complaints, Investigation & Redress, Audit & Risk Management Committee	Western

Performance Evaluation

The Commission has a training and development program tailored to ensure Commission members' development in Corporate Governance in order to strengthen their oversight role and effectiveness. During the financial year 2016/2017, the Commissioners attended a corporate Governance Training at the Strathmore Business School.

The Commission has in place a formal process for reviewing its performance and that of its Committees and individual Commissioners. (Evaluation of the Commission is externally facilitated after every two years.) Needs confirmation if this happens

Meetings

The Commission meets at least once every three months in line with its statutory requirements. The Commission may hold further meetings in line with requirements of the business.

Details of the number of Commission's statutory meetings held during the year and attendance at those meetings are set out below. Attendance is expressed as the number of meetings attended out of the number eligible to be attended.

Commission Member		Meetings
Kagwiria Mbogori	Chairperson	4/4
George Morara Monyoncho	Vice chairperson	4/4
Suzanne Shatikha Chivusia		3/4
Jedidah Wakonyo Waruhiu		4/4
*Patricia Mande Nyaundi	Secretary to the Commission	3/4

* The Secretary to the Commission is the Chief Executive Officer

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Separation of powers and duties

The Secretary to the Commission is the Chief Executive Officer of the Commission and is responsible for carrying out the policy decisions of the Commission, its day to day administration and management and control of other staff of the Commission.

The Commission has established two executive management committees to support the Secretariat in carrying out its responsibilities. The Public Finance Management Standing Committee and the Monitoring & Evaluation Committee.

The Public Finance Management Standing Committee is a Committee comprising of all heads of department. The Committee is chaired by the Secretary to the Commission with the Finance Manager as its Secretary. The Committee is supported by various sub-committee working groups organised along the following areas: Budget Allocation, Budget Implementation, Risk Management, Internal control, Stakeholder Communication and Corporate governance.

The Monitoring & Evaluation Committee comprises of the Secretary to the Commission, Head of Program and Heads of department from Monitoring & Evaluation and Internal Audit. Two heads of department from program departments and one head of department representing Strategic Support also serve as member on a one year rotation basis.

(e) Entity Headquarters

CVS Plaza, 1st Floor, Lenana Road
P.O. Box 74359-00200
Nairobi, KENYA

Entity Contacts

Telephone: (254) 20-2717908
E-mail: haki@knchr.org
Website: www.knchr.org

(f) Entity Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

1. Kenya Commercial Bank - Milimani Branch
NSSF Building, Bishops Road
P O Box 69695-00400
NAIROBI

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

(g) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(h) Principal Legal Adviser

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

III. COMMENTARY BY THE CHAIRPERSON OF THE COMMISSION

Introduction

The Kenya National Commission on Human Rights is an independent National Human Rights Institution (NHRI) established in accordance with Article 59 of the Constitution and operationalized by the Kenya National Commission on Human Rights Act of 2011 (Revised 2012). The Commission is organized around six programmatic departments as follows: Complaints and Investigations, Redress, Reforms and Accountability, Public Education and Training, Research and Compliance and Economic, Social and Cultural Rights. The Monitoring and Evaluation, Internal Audit, Information Communication Technology, Finance, Human Resource and Administration and the Public Affairs Communication Units provide administrative and logistical support to the programmatic departments. The Commission's Principal Office is situated in Nairobi and it has presence in the following regions Western (Kisumu), North Eastern (Wajir), North Rift (Kitale), Coastal (Mombasa) and Central Rift (Laikipia University). Currently the Commission has 102 Staff against an approved staff establishment of 205.

The Commission is currently implementing its 3rd Strategic Plan for the period 2015-2018. The Key themes of the Strategic Plan are Access to Justice, Institutional Reform, Promotion of Socio-economic Rights and Organizational Strengthening.

The total Budget of the National Commission for the 2016/2017 financial year was Kes. 554,519,795. The Commission secured Kes 546,519,795 in funding for this year. Of this amount the Government of Kenya's contribution was Kes 420,785,599.00 and the balance of Kes 125,734,196 is the portion funded by the Development partners. This represents a decrease of Kes 68,624,205 (11%) from the previous financial year. The overall absorption rate in the year 2016/17 was 92%.

Key Achievements

Conduct of public inquiries: During this period the Commission successfully conducted and concluded the first phase of the National Public inquiry on the impact of Insecurity on Human Rights. Hearings were held in North Rift in the months of May – June and between October-November 2016 in the Coastal regions. In the North Rift a total of 189 witnesses were heard and 52 memorandum received. In the coastal region a total of 94 witnesses were heard and 46 memorandum received. The commission also conducted a public inquiry on the Mining in Taita Taveta County and its implications on human rights. A total of 48 witnesses were heard and 8 memorandum received.

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017



Photo 1: Ongoing session during the Taita Taveta Inquiry

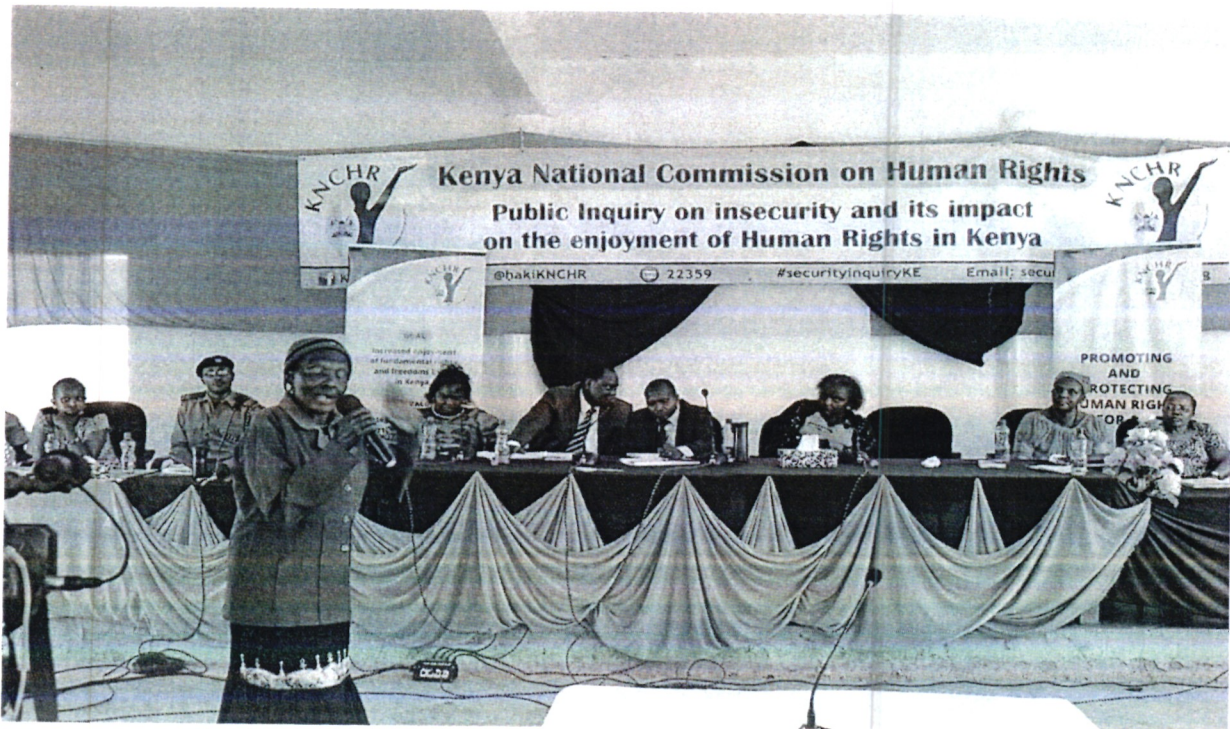


Photo 2: A woman gives her testimony during the public Inquiry on Insecurity in the North Rift Region of Kenya

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Provision of redress through utilisation of ADR: Having successfully trained Commissioners and staff on ADR, the Commission utilised ADR in resolving reported cases of human rights cases. In particular the Commission played a key role in resolving the protracted doctor's strike by acting as CO chair of the court mandated mediation panel via the directives of the court in the ELC cause no. 2486 of 2016 and Petition no.283 of 2016. The Commission also participated as mediators in a mediation panel pursuant to orders of the court in Meru High Court civil case no.163 of 2014 (Lake Turkana Wind Power Project). Altogether the Commission was able to resolve 3 cases through use of ADR.

Capacity Building and trainings conducted: The Commission managed to sensitize a wide audience of university students, lecturers, magistrates, members of the public, human rights defenders, civil society organizations and government officers on human rights. A total of 6250 community members were sensitized on human rights. As a result of these trainings the community members gained the ability to identify and appropriately address human rights concerns. The Commission also partnered with the Judiciary Training Institute (JTI) and select Civil Society Organizations to develop a training module for judicial officers on access to justice for Human Rights Defenders. 27 Magistrates were subsequently trained on promoting justice for human rights defenders. The Commission further held lectures for 100 University Students on human rights Law and practice and on countering violent extremism.



Photo 3: The CEO and the Director of Judicial Training Institute (JTI), Hon. Justice (Prof) J. Otieno- Odek signing an MOU to facilitate, prepare and implement programs for continuing education and training for judges as well as other judicial officers.

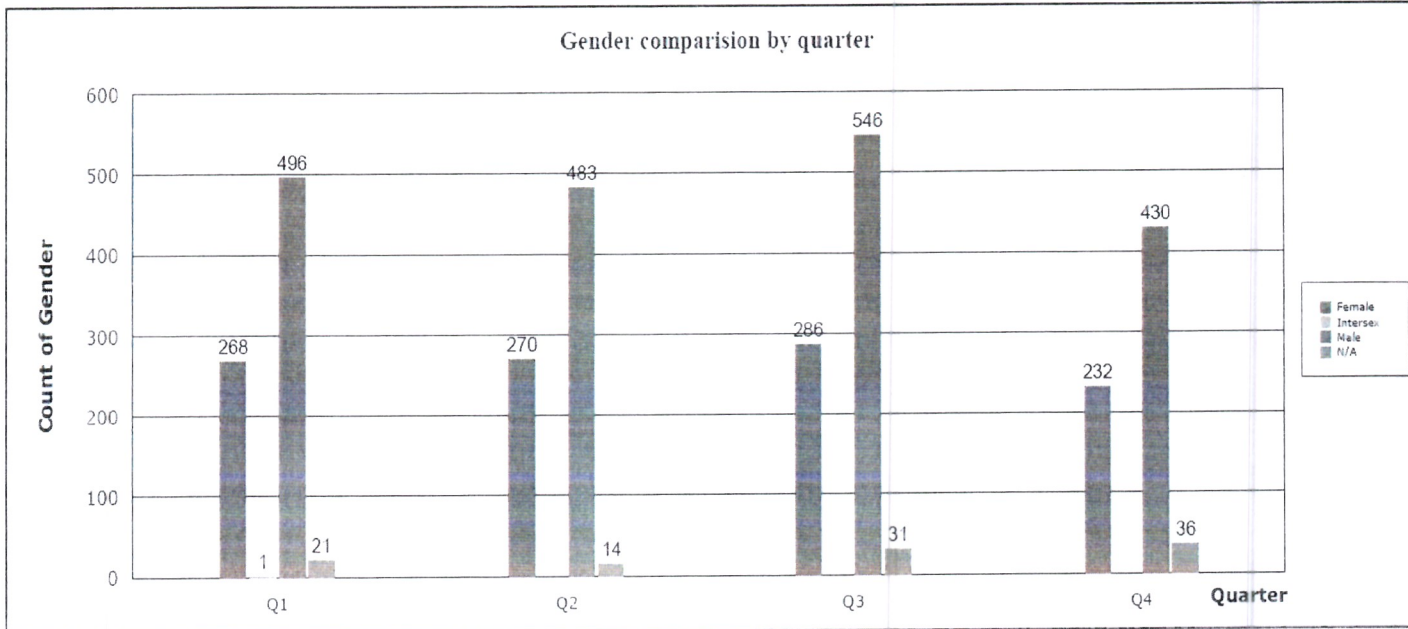
Promotion of rights of Sexual Minorities: Following sustained advocacy by the Commission in collaboration with Nominated MP, Isaac Mwaura and Media Personality Gathoni Muchomba, the office of the Attorney General, through gazette notice No. 4904, established a Task Force on Policy, Legal, Institutional and Administrative Reforms Regarding Intersex Persons in Kenya. The Task Force is

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

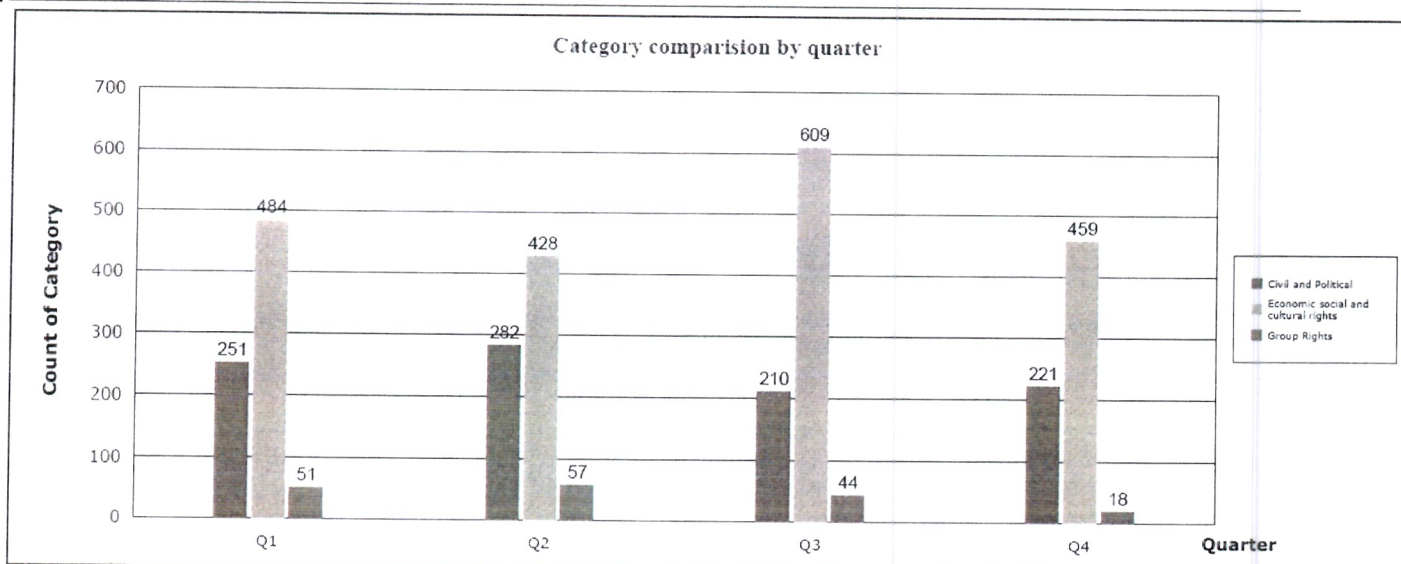
mandated to, among others, compile comprehensive data regarding the number, distribution and challenges of intersex persons in Kenya and recommend comprehensive reforms to safeguard the interest of intersex persons. The Commission acts as the Secretariat to the Task Force and has one of its staff members as a Member. The Commission also participated in stakeholder meetings aimed at raising awareness on violations suffered by members of the LGBT community and measures that can be taken to safeguard their rights.

Redress of Human rights Violations: The Commission successfully litigated for the protection of human rights. For instance the court upheld the challenge by KNCHR to the move by the Government to disband the Committee on Refugee Affairs and its intended closure of Daadab refugee camp and repatriation of refugees of Somali origin in High Court petition no. 227 of 2016. The Commission also intervened in Civil Case no. 2486 of 2016 when the doctors were at risk of being incarcerated for contempt of court and persuaded the court to refer the matter to the Commission for mediation.

Processing of Complaints: The Commission received a total of 3,114 Complaints during the period. Of these a total of 2704 of were resolved by the commission. The Commission held a total of 28 Investigations 16 being rapid response missions. The complaints were distributed as follows:



Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017



Progress in the development of the National Action Plan on Business and Human Rights: The Commission continued to collaborate with the Department of Justice to develop a National Action Plan on Business and Human Rights. Regional consultations in 7 regions were successfully concluded and it is projected to finalise the process during the current financial year.

Thematic research and publications: The Commission undertook the following researches and published the following reports:

Fallacious Vote Party Nominations Report.	Implementing Article 12 of the CRPD on Legal Capacity.
Alternative Dispute Resolution Guidelines 2016	Disservice to the Service: Report of the Monitoring of the 2016 Recruitment of Police Constables to the National Police Service
Alternative Dispute Resolution Manual 2016	Sessional Paper No. 3 of 2014 on National Policy and Action Plan on Human Rights
Alternative Dispute Resolution Curriculum 2016	Public Inquiry Report On Mining And Impact On Human Rights: Taita Taveta County
County Policing Authorities Human Rights Perspective_2016	Mending the Rift: Public Inquiry on Insecurity And its Impact To The Enjoyment of Fundamental Human Rights in The North Rift Region of Kenya.
Gender Audit of the Situation of Women Human Rights Defenders 2017	Universal Periodic Review Implementation Matrix 2015-2019
Securing National Security and Protection of Human Rights.	Leaving no one Behind: Making UPE A reality for the Children of Kenya.
Footprints Of Impunity: Counting The Cost Of Human Rights Violations Nyayo House Torture Chambers Kenya.	Defending the Defenders: Human Rights Defenders in Conflict with the Law In Kenya.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Prison monitoring: The Commission undertook 4 surveys focussing on the impact of the presidential pleasure, right to health, death penalty and the registration of voters in a total of 30 prisons and submitted a memorandum with key recommendations to the Commissioner of Prisons drawing attention to the poor conditions that inmates were held.

Monitoring of Police recruitment: The Commission monitored police recruitment and observed that recommendations made by the Commission in the previous police recruitment exercise had been adopted by the police. The process was therefore an improvement to previous exercises however the Commission advised that recruitment has to progress in a way that progresses the service towards the professionalization of the service by attracting candidates with higher academic competencies as opposed to the current process that focuses on physical aptitude.

Monitoring for Compliance with Human Rights standards in 2017 Elections: Commission monitored the Anti - Independent Electoral and Boundaries Commission (IEBC) demonstrations and issued advisories on the respect of Article 47 rights. The Court issued a decision that supported advisories issued by the Commission. The Commission implemented the first phase of its election project by providing input to the electoral laws. The submissions of the Commission were adopted by the Joint Parliamentary Committee of Senate and National Assembly on electoral reforms. As a result of the Commission's interventions on the electoral reforms human rights principles were incorporated into the law including the facilitation of persons with disabilities and prisoners to exercise their right to vote.

Review of Legislation to ensure compliance with Human rights principles: With support from IDLO the commission has developed guidelines on Human rights based approach in legislative drafting to policy and law making at County and National level. These guidelines will serve as a useful tool to National and County assemblies as they will assist to infuse a culture and respect for human rights principles and standards during policy and legislative processes.

Use of IT to monitor human rights: The Commission upgraded its Complaints Management System. The system now allows the Commission to have a 360 degrees overview of the complaint management process. The system provides notifications for action points on each case. This therefore ensures that all petitions are received, processed and closed on time.

Statement on State of Human Rights: The Commission issued its state of human rights reports highlighting achievements and areas for attention and improvement by the Government with regards to compliance with obligations at the National, Regional and international level.

Emerging Issues

Implementation of SDGs: The Merida Declaration of 2015 on the role of National Human Rights Institutions (NHRI) lays out the role that NHRIs should play at the national level to facilitate the attainment of the goals. The KNCHR is seeking partnerships with the Ministry of Devolution and Planning and the KNBS so as to build a strong national platform to track progress in implementation of the 2030 Agenda. Priority actions include, execution of Memorandum of Understanding with KNBS that will provide for capacity building for both KNCHR and KNBS staff.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

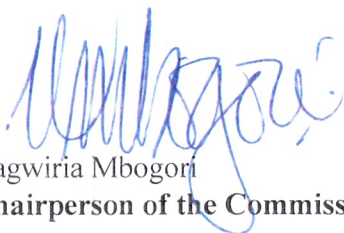
Implementation Challenges and Recommendations on Way Forward

Inadequate funding in core mandate areas: This is a perennial challenge for the Commission. As demonstrated above the Commission gets minimal support from the Treasury for its core functions. Areas that have continued to be under funded included complaints and investigations, compliance audits, public education, monitoring of security agencies, prison visits and capacity building for staff. The Commission will continue to engage with the National Assembly, through the Parliamentary Committee on Justice and Legal Affairs. The Commission will endeavour to involve the parliamentary committee in the identification of strategic priorities in the next planning period.

Failure by state agencies to implement the recommendations of the Commission: The Commission has faced difficulties in engaging with Ministries, Departments & Agencies (MDAs) who are acting in disregard of constitutional directives. Repeatedly the findings of the Commission have been met with blanket denials. The Commission will pursue dialogue with the head of Public Service so that MDAs can be impressed upon to comply. In addition the Commission will work closely with Parliament so that Parliament follows up on the recommendation of the recommendations as provided for under the law.

IFMIS platform related challenges:

1. Late disbursement of quarterly allocation funds by Treasury, which brings up a constraint in the procurement of goods and services as per the procurement plan.
2. Sometimes the changes that are effected in the system are not communicated to us and we find it in the hard way delaying payments and procurement of goods and services. One case in point is where we needed to change from explorer browser to safari a change that was effected in the IFMIS system and was never communicated.
3. IFMIS system has been down most of the time in the third quarter, hence affecting procurement module and the lead time in carrying out procurement processes. This has also affected the supplier payments by way of causing delays to the same. Support from the IFMIS department is also not good.
4. The quarterly budget allocation has made it difficult to implement the planned activities on time and hence a lower absorption rate of certain budget line items.



Kagwiria Mbogori
Chairperson of the Commission

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

IV. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

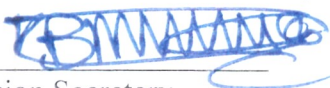
The Accounting Officer in charge of the Kenya National Commission on Human Rights is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the Kenya National Commission on Human Rights accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the KNCHR's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2017, and of the entity's financial position as at that date. The Accounting Officer charge of the Kenya National Commission on Human Rights further confirms the completeness of the accounting records maintained for the KNCHR, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Kenya National Commission on Human Rights' financial statements were approved and signed by the Accounting Officer on 14th September 2017.



Commission Secretary

Name: Dr. Bernard Mogesa



Finance Manager

Name: John Wamwanga

ICPAK Member Number: 2872

REPUBLIC OF KENYA

P.O. Box 30084-00100
NAIROBI

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



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON KENYA NATIONAL COMMISSION ON HUMAN RIGHTS FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya National Commission on Human Rights set out on pages 29 to 59, which comprise the statement of financial assets and liabilities as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statements of appropriation – recurrent, development and combined 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 National Commission on Human Rights as at 30 June, 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Kenya National Commission on Human Rights Act, 2011.

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

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya National Commission on Human Rights in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Report of the Auditor-General on the Financial Statements of Kenya National Commission on Human Rights for the year ended 30 June 2017

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Commission's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Commission to cease sustaining 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 Commission to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

03 May 2018

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

VI. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017 Kshs	2015-2016 Kshs
RECEIPTS			
Proceeds from Domestic and Foreign Grants	1	116,485,764	121,738,543
Exchequer releases	2	416,145,00	441,700,000
Contribution in Kind		0	
Other Receipts	3	0	3,166,058
TOTAL RECEIPTS		532,630,764	566,604,601
PAYMENTS			
Compensation of Employees	4	204,019,793	189,803,819
Use of goods and services	5	164,906,382	178,915,305
Transfers to Other Government Units	6	0	13,550,832
Other grants and transfers	7	1,526,407	2,056,884
Social Security Benefits	8	7,151,476	7,494,527
Acquisition of Assets	9	7,337,200	59,058,841
Contribution in Kind		0	
Other Payments	10	95,321,632	87,663,746
Mortgage & Car loan (Transfer)			
TOTAL PAYMENTS		480,262,890	538,543,952
SURPLUS/DEFICIT		52,367,874	28,060,649

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved by the Commission on 14th September 2017 and signed by:

Commission Secretary
Dr. Bernard Mogesa

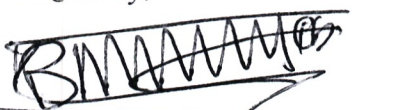
Finance Manager
John Wamwanga
ICPAK Member Number: 2872

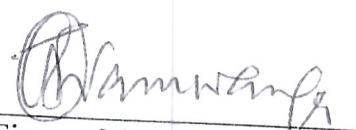
Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

VII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2016-2017 Kshs	2015-2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	11A	116,197,965	63,735,113
Cash Balances	11B	200,000	200,000
Cash Equivalent	12		
Total Cash and cash equivalent		<u>116,397,965</u>	<u>63,935,113</u>
Deposits	17.4	7,940,608	7,349,310
Accounts receivables – Outstanding Imprests	13	1,145,134	1,240,111
TOTAL FINANCIAL ASSETS		<u>125,483,707</u>	<u>72,524,535</u>
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	14	591,297	
NET FINANCIAL ASSETS		124,892,410	72,524,535
REPRESENTED BY			
Fund balance b/fwd		72,524,535	44,463,882
Surplus/Deficit for the year		52,367,874	28,060,652
NET FINANCIAL POSITION		<u>124,892,410</u>	<u>72,524,535</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved by the Commission on 14th September 2017 and signed by:


 Commission Secretary
 Dr. Bernard Mogesa


 Finance Manager
 John Wamwanga
 ICPAK Member Number: 2872

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

VIII. STATEMENT OF CASH FLOWS

		2016-2017 Kshs	2015-2016 Kshs
Receipts for operating income			
Proceeds from Domestic and Foreign Grants	1	116,485,764	121,738,543
Exchequer Releases	2	416,145,000	441,700,000
Other Revenues	3	-	3,166,058
Payments for operating expenses			
Compensation of Employees	4	(204,019,793)	(189,803,819)
Use of goods and services	5	(164,906,382)	(178,915,305)
Transfers to Other Government Units	6	0	(13,550,832)
Other grants and transfers	7	(1,526,407)	(2,056,884)
Social Security Benefits	8	(7,151,476)	(7,494,527)
Other Expenses	10	(95,321,632)	(87,663,746)
Adjusted for:			
Changes in receivables		(9,085,742)	0
Changes in payables		591,297	
Net cash flow from operating activities		51,210,629	86,981,301
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	9	(7,337,200)	(59,058,841)
Net cash flows from Investing Activities		(7,337,200)	(59,058,841)
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENT		43,873,429	28,060,652
Cash and cash equivalent at BEGINNING of the year		72,524,535	44,463,882
Cash and cash equivalent at END of the year		116,397,965	72,524,535

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved by the Commission on 14th September 2017 and signed by:

Commission Secretary

Dr. Bernard Mogesa

Finance Manager

John Wamwanga

ICPAK Member Number: 2872

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Proceeds from Domestic and Foreign Grants	125,734,196		125,734,196	116,485,764	9,248,432	93%
Exchequer releases	482,785,599	-8,000,000	420,785,599	412,145,000	8,000,000	98%
Proceeds from Sale of Assets						
Other Receipts						
PAYMENTS						
Compensation of Employees	209,330,088	-7,000,000	202,330,088	204,019,793	-1,689,705	101%
Use of goods and services	200,190,165	-1,000,000	170,690,165	164,906,382	5,783,783	83%
Transfers to Other Government Units						
Other grants and transfers				1,526,407	-1,526,407	
Social Security Benefits	10,745,512		10,745,512	7,151,476	3,594,037	67%
Acquisition of Assets	8,519,834		8,519,834	7,337,200	1,182,634	86%
Car & Mortgage Loan						
Other Payments	125,734,196		125,734,196	95,321,632	30,412,564	76%
Total Payments	554,519,795	-8,000,000	546,519,795	480,262,890	66,256,905	88%
Surplus/ Deficit						

Notes:

(a) Underutilisation in Social Security Contributions of 67% was a result of several officers leaving the employment of the National Commission and other transactions relating to the same have been posted to the Compensation of Employees Budget line.

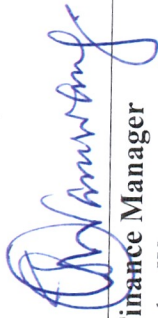
**Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017**

- (b) Underutilisation in Acquisition of Assets of 87% was as a result of us not being able to approve an LPO in the IFMIS System on time because it was down.
- (c) Underutilisation of 73% in Other Payments was as a result of late disbursements from some of our Development Partners coupled with the fact that these funds are to be expended for an average period of two to three years.

The entity financial statements were approved on 14th September 2017 and signed by:



Commission Secretary
Dr. Bernard Mogesa



Finance Manager
John Wamwanga
ICPAK Member Number: 2872

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Tax Receipts						
Proceeds from Domestic and Foreign Grants	125,734,196		125,734,196	116,485,764	9,248,432	93%
Exchequer releases	428,785,599	-8,000,000	420,785,599	412,785,599	8,000,000	98%
Proceeds from Sale of Assets						
Other Receipts						
PAYMENTS						
Compensation of Employees	209,330,088	-7,000,000	202,330,088	204,019,793	-1,689,705	101%
Use of goods and services	200,190,165	-1,000,000	170,690,165	164,906,382	34,283,783	83%
Transfers to Other Government Units	0	0	0	0	0	
Other grants and transfers				1,526,407	-1,526,407	
Social Security Benefits	10,745,512		10,745,512	7,151,476	3,594,037	67%
Acquisition of Assets	8,519,834		8,519,834	7,337,200	1,182,634	86%
Car & Mortgage Loan						
Other Payments	125,734,196		125,734,196	95,321,632	30,412,564	76%
Totals	554,519,795	-8,000,000	546,519,795	480,262,890	66,256,905	88%
Surplus/Deficit						


Notes

- (a) Underutilisation in Social Security Contributions of 61% was a result of several officers leaving the employment of the National Commission and other transactions relating to the same have been posted to the Compensation of Employees Budget line.
- (b) Underutilisation in Acquisition of Assets of 87% was as a result of us not being able to approve an LPO in the IFMIS System on time because it was down.

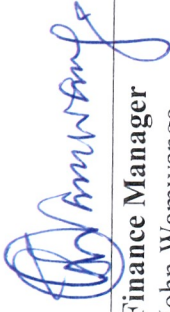
**Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017**

(c) Underutilisation of 73% in Other Payments was as a result of late disbursements from some of our Development Partners coupled with the fact that these funds are to be expended for an average period of two to three years.

The entity financial statements were approved by the Commission on 14th September 2017 and signed by:



Commission Secretary
Dr. Bernard Mogesa



Finance Manager
John Wamwanga
ICPAK Member Number: 2872

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

XI. EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 20xx Kshs	Adjustments Kshs	Final Budget 20xx Kshs	Actual on comparable basis Date, 20xx Kshs	Budget utilization difference Kshs
Programme 1					
Sub-programme 1	554,519,795	-8,000,000	546,519,795	480,262,890	66,256,905

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based.)

The Kenya National Commission on Human Rights has only one Programme: Protection and Promotion of Human Rights and one Sub-Programme: Complaints, Investigations and Redress

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The receivables and payables are disclosed in the Statement of Assets and Liabilities. The Statement of Assets and Liabilities is not mandatory statement under the IPSAS Cash basis but is encouraged in order to disclose information on assets and liabilities.

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

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

2. Reporting entity

The financial statements are for the Kenya National Commission on Human Rights. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012. However, KNCHR has no projects to implement but programs under recurrent definition.

3. Recognition of receipts and payments

a) Recognition of receipts

The Entity recognizes all receipts from the various sources when the event occurs and the related cash has actually been received by the entity.

Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer

Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by the entity or any other debt the Entity may take on will be treated on cash basis and recognized as receipts during the year of receipt.

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 2017, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognised in the financial statements the time associated cash is received.

b) Recognition of payments

The entity recognises all expenses when the event occurs and the related cash has actually been paid out by the entity.

Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Use of goods and services

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

Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

Acquisition of fixed assets

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

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

4. In-kind contributions

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

5. 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.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Restriction on cash

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2017, this amounted to Kshs 0 compared to Kshs 0 in prior period as indicated on note (N/A).

There were no other restrictions on cash during the year

6. Accounts Receivable

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

Kenya National Commission on Human Rights (KNCHR)**Reports and Financial Statements****For the year ended June 30, 2017****XIII. NOTES TO THE FINANCIAL STATEMENTS****1 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

Name of Donor	Date received	Amount in foreign currency	2016-2017	2015-2016
			Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)				
United Nations Development Program (K117)			-	22,116,066
Deutsche Gesellschaft fur Internationale-3				
Deutsche Gesellschaft fur Internationale -Good Governance (K135,138)			15,464,088	4,208,618
Royal Norwegian Embassy (141)			31,050,000	-
Royal Netherlands Embassy (137)			30,771,667	60,628,997
French Embassy			0	-
European Union (132)			-	12,480,925
Open Society Institute for East Africa (K133,139)			20,003,250	13,199,375
German Embassy (K134,140)			4,995,000	9,104,562
Other Income			14,192,729	-
Deutsche Gesellschaft fur Internationale4			9,030	
Total			116,485,764	121,738,543

(Provide explanation with regards to specific projects and programmes that the donors have supported and whether the donations are restricted.)

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

2 EXCHEQUER RELEASES

Description	2016-2017	2015-2016
	Kshs	Kshs
Total Exchequer Releases for quarter 1	84,800,000	65,000,000
Total Exchequer Releases for quarter 2	126,600,000	115,700,000
Total Exchequer Releases for quarter 3	98,000,000	79,200,000
Total Exchequer Releases for quarter 4	106,745,000	181,800,000
Total	416,145,000	441,700,000

(Exchequer received was 416,145,000 against a budget of Kes 428,785,599 thus a shortfall of Kes 12,640,599. Kes 28,500,000 was received for Car & Mortgage loan)

3 OTHER REVENUES

	2016-2017	2015-2016
	Kshs	Kshs
Other Receipts Not Classified Elsewhere	-	3,166,058
Total	-	3,166,058

(These are one off funds received from sale of tender etc)

4 COMPENSATION OF EMPLOYEES

	2016-2017	2015-2016
	Kshs	Kshs
Basic salaries of permanent employees	204,019,793	189,803,819
Total	204,019,793	189,803,819

5 USE OF GOODS AND SERVICES

	2016-2017	2015-2016
	Kshs	Kshs
Utilities, supplies and services	584,913	628,606
Communication, supplies and services	8,227,952	7,766,483
Domestic travel and subsistence	24,027,343	36,559,645
Foreign travel and subsistence	13,244,117	16,254,920
Printing, advertising and information supplies & services	8,891,610	10,902,172
Rentals of produced assets	46,552,893	41,796,168
Training expenses	7,957,335	5,916,282
Hospitality supplies and services	6,475,398	9,339,157
Insurance costs	23,873,893	23,458,259
Specialized materials and services	9,179,867	14,850,679
Office and general supplies and services	863,521	3,067,715
Fuels Oil & Lubricants	4,526,798	0
Other operating expenses	3,668,813	1,119,636
Routine maintenance – vehicles and other transport equipment	5,376,533	6,820,760
Routine maintenance – other assets	1,455,397	434,823
Mortgage & Car Loan	0	
Total	164,906,382	178,915,305

6 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2016-2017	2015-2016
	Kshs	Kshs
Transfers to other levels of Government - Counties		
NGEC	0	9,515,910
CAJ	0	4,034,922
TOTAL	0	13,550,832

These were funds transferred to National Gender and Equality Commission and Commission on Administration of Justice. It was a co shared project funded by UNDP and KNCHR was the leader partner and received funds on behalf of the other two entities)

The above transfers were made to the following self-reporting entities in the year:

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Description	Recurrent	Development	Total	2015-2016
	Kshs	Kshs	Kshs	Kshs
Transfers to Projects- GoK counterpart funding				
Realization of Human Rights and Access to Justice in Kenya				13,550,832
TOTAL				13,550,832

These are funds transferred in previous FY 2015/16 to National Gender and Equality Commission and Commission on Administrative Justice.

7 OTHER GRANTS AND TRANSFERS

Explanation	2016-2017	2015-2016
	Kshs	Kshs
Other	1,526,407	2,056,884
Total	1,526,407	2,056,884

(These are fund balances that remained after donor projects were implemented and closed. The same was returned to the respective donors)

8 SOCIAL SECURITY BENEFITS

Explanation	2016-2017	2015-2016
	Kshs	Kshs
Government pension and retirement benefits	7,151,476	7,494,527
Total	7,151,476	7,494,527

(This is contributory provident fund for KNCHR staff held by BRITAM)

9 ACQUISITION OF ASSETS

Non-Financial Assets	2016-2017	2015-2016
	Kshs	Kshs
Purchase of Vehicles and Other Transport Equipment	0	21,116,512
Purchase of Office Furniture and General Equipment	4,839,409	24,968,426
Purchase of ICT Equipment, Software and Other ICT Assets	1,966,758	12,973,903
Purchase of Specialized Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.	531,034	
Total	7,337,200	59,058,841

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

10 OTHER EXPENSES

	2016-2017	2015-2016
	Kshs	Kshs
Other expenses	95,321,632	87,663,746
Total	95,321,632	87,663,746

(These are expenses incurred using donor funds that are not in IFMIS system. They are managed by Sage Pastel Accounting software).

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit etc.	Exc rate (if in foreign currency)	2016-2017 Kshs	2015-2016 Kshs
Central Bank of Kenya, 01-010-R085(1000181702),Kes		R		12,207,866	9,233,452
GOK, Kenya Commercial Bank, 1103251996, Kes		R		14,489,766	20,849,931
Other Donors (OSIEA1 n2), Kenya Commercial Bank, 1103252437, Kes		R		40,508,712	23,381,134
EU/DGSP, Kenya Commercial Bank, 1113793821, Kes		R		74,372	2,740,989
Dutch Embassy(NED), Kenya Commercial Bank, 1103254723, Kes		R		64,677	6,258,703
GTZ-SJ-German Embassy, Kenya Commercial Bank, 1116749068, Kes		R		1,400,854	4,492,775
GTZ-Gogo, Kenya Commercial Bank, 1129279790, Kes		R		3,094,500	488,260
Norwegian Embassy, Kenya Commercial Bank, 110321311, Kes		R		13,027,475	4,505
HelAge-GIZ3, Kenya Commercial Bank, 1146399022, Kes		R		2,829,743	530
Cash in Transit		R			-3,715,167
Mortgage & Car Loan-KCB				28,500,000	
Total				116,197,965	63,735,113

At the end of the Financial Period, no funds had been borrowed by staff relating to Mortgage Kes 20,000,000 and car loan Kes 8,500,000.

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

11B: CASH IN HAND

	2016-2017	2015-2016
	Kshs	Kshs
Cash in Hand – Held in domestic currency-Petty cash	200,000	200,000
Cash in Hand – Held in foreign currency	0	0
Total	200,000	200,000

Cash in hand should also be analysed as follows:

	2016-2017	2015-2016
	Kshs	Kshs
Location 1-Nairobi	200,000	200,000
Other Locations		
Total	200,000	200,000

[Cash count certificates for each as attachments has been provided with the financial statements]

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

<i>Description</i>	2016-2017	2015-2016
	Kshs	Kshs
Government Imprests	1,145,134	1,240,111
Total	1,145,134	1,240,111

[Include a breakdown of the outstanding imprest below or as an annex to the notes if the list is longer than 1 page.]

Imprest/Advance

Name of Officer	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Erastus Kamura	13/3/2017	13,150	12,450	700
Lawrence Muasya	19/9/2016	59,900	61,300	(1,400)
Benard Kibet	2/5/2017	312,102	287,970	23,952
Dominic Rono	20/4/2017	600,899	534,224	66,675
Samson Omondi	2/3/2017	160,000	166,000	(6,000)
Suzanne Chivusia	28/03/2017	156,500	136,500	20,000
Stella Wangechi	6/6/2017	18,132	-	18,132
Jane Hongo	13/3/2017	34,323	14,880	19,443
Kevin Luyego	11/4/2017	247,000	246,640	360
Ibrahim Kassim	31/1/2017	40,500	53,938	(13,438)
Charles Kigotho	13/3/2017	21,550	21,000	550
Thuo Kinyanjui	2/5/2017	450,790	410,370	40,420
James Miriti	10/4/2017	35,532	-	35,532
Kefa Omweno	2/5/2017	240,000	246,454	(6,454)
Mohammed Shallow	7/12/2016	531,290	381,250	150,041
Janet Kabaya	6/6/2016	707,704	643,050	64,654
Alice Mbuvi	2/5/2017	383,100	210,589	172,511
Caroline Nduta	29/9/16	20,000	-	20,000
Ruth Getoboi	20/4/2017	60,000	55,275	4,725
Judy Lema	2/2/2017	92,150	96,050	(3,900)

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

Christopher Kilaka	18/10/2016	120,950	112,550	8,400
Maureen Mwadime	9/3/2017	184,000	189,775	(5,775)
Balkheisa Ibrahim	31/8/2016	240,700	256,700	(16,000)
Bildaad Mulanda	3/3/2017	50,750	27,250	23,500
Mercy Asoyong	29/9/2016	148,750	140,010	8,740
Adan Dalacha	11/7/2016	103,950	107,950	(4,400)
Annemarie Okutoyi	13/3/2017	21,550	20,850	700
Kathambi Gichunge	2/5/2017	220,450	-	220,450
Maina Kariuki				93,793
Kagwiria Mbogori	27/6/2017	155,100	132,100	23,001
George Morara	20/6/2017	625,823	493,080	132,743
Mohammed Shallow	1/7/2017			31,816
Peter Odenyo	1/7/2017			21,663
Total				1,145,134

(NB: The total of the balance column should agree to the total amount under note 13)

14. ACCOUNTS PAYABLE

Description	2016-2017	2015-2016
	Kshs	Kshs
Deposits	591,297	591,297
Total		-

[These are statutory deductions that will be paid in FY18]

Kenya National Commission on Human Rights (KNCHR)**Reports and Financial Statements**

For the year ended June 30, 2017

15. FUND BALANCE BROUGHT FORWARD

Description	2015-2016	2014-2015
	Kshs	Kshs
Bank accounts	63,735,113	36,294,605
Cash in hand	200,000	200,000
Cash equivalents (short-term deposits)		6,344,049
Accounts Receivables	1,240,111	1,625,574
Accounts Payables	-	-
Total	65,175,224	44,463,882 9

[There is no Cash Equivalent in FY17 because the same has now been reported as a disclosure 17.4 since KNCHR is reporting on cash basis)

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. RELATED PARTY DISCLOSURES

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

The following comprise of related parties to the Kenya National Commission on Human Rights

- Key management personnel that include the Cabinet Secretaries and Accounting Officers
- Other Ministries Departments and Agencies and Development Projects;
- County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

Related party transactions:

	2016/2017	2015/2016
	Kshs	Kshs
Key Management compensation	N/A	N/A
Transfers to the Other Ministries Departments and Agencies		13,550,832
Transfers to other State Corporations and Semi-Autonomous Government Agencies	N/A	N/A
Transfers to Government Development Projects	N/A	N/A
Transfers from other Ministries Departments and Agencies	N/A	N/A

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	2016 – 2017	2015 – 2016
	Kshs	Kshs
Construction of buildings	3,530,660	0
Construction of civil works	N/A	N/A
Supply of goods	N/A	N/A
Supply of services	N/A	N/A
	3,530,660	0

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2016 – 2017	2015 – 2016
	Kshs	Kshs
Senior management	N/A	N/A
Middle management	N/A	N/A
Unionisable employees	N/A	N/A

17.3: DONOR ANALYSIS

18. Donor Analysis

Donor	Income	Expenses
Other Income	10,842,225	34,125
Helpage	9,030	7,625
European Union	-	7,687,242
Open Society Institute 1	13,500,000	8,558,776
German Embassy 1		1,012,625
Government of Kenya	-	-1,791,027
Royal Netherlands Embassy	30,771,667	36,369,680
Deutsche Gesellschaft für Internationale-2	15,464,088	13,010,357
Open Society Institute 1	6,503,250	5,354,051
German Embassy 2	4,995,000	6,109,564

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Royal Norwegian Embassy	K141	31,050,000	18,012,768
Government of Kenya	K142	416,145,000	404,577,651
DANIDA	K143	-	950,607
Deutsche Gesellschaft für Internationale-3 (GIZ)	K145	3,350,504	17,300
Total		531,104,357	499,899,283

Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

17.4 SHORT TERM DEPOSITS

Name of Bank	2016 - 2017 Kshs
Banker's Guarantee for Fuel - Total Kenya	1,999,646
Rent deposit -Msa Office	930,000
Rent deposit - CVS Plaza	270,000
Rent deposit -Kapenguria	4,479,962
Celtel deposit	60,000
Safaricom deposit	101,000
	100,000
Total	7,940,608

These are deposits paid to third parties for long term services. These were in prior years part of Cash and Cash Equivalents in the Statement of Assets and note 22C in FY16.

**Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017**

18. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>As disclosed in note 22A to the financial statements, the bank balances of KShs. 63,735,113 reflected in the Statement of Assets as at 30 June 2016 are net-off Cash in Transit amounting to KShs. 3,715,167. However, no sufficient documentary evidence has been provided in support of the amount. As a result, completeness and accuracy of the bank balances of KShs. 63,735,113 cannot be ascertained</p>	<p>The amount of KShs. 3.7m reflected as cash in transit is analyzed as follows:</p> <ul style="list-style-type: none"> This amount is largely received from Network for Africa National Human Rights Institutions Secretariat for the medical cover paid on behalf of their staff by the Kenya National Commission on Human Rights and their monthly contribution to our hospitality budget support. These monies were deposited in our GOK-KCB bank account. The balance to date is Kes 3,611,623.85 (See annex 1). These funds should have been banked in the Central Bank of Kenya account and the respective expense account credited but due to lack of clarity on how to expend or to transact such receipts in the Central Bank of Kenya account we had to hold these monies in this account where it can be easily traced. The second category of the figures on this cash in transit account are mispostings to various expense accounts which nets off to KShs. (376,438) (See annex 2). The third category of the figures in the cash in transit account are expenses paid for from the GOK-KCB account which reimbursement is to be claimed from the Central Bank of Kenya Account Kes 223,771.8 (See annex 3). <p>It is our suggestion that we make these adjustment in the 2016/2017 financial year Financial Statements since doing it now will result to major changes in the 2015/2016 financial year Financial Statements.</p>	Finance Manager	Resolved	

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Description	Supplier	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016
	- Nairobi university					
Sub-Total						
Grand Total					3,530,660	

ANNEX 2 - ANALYSIS OF PENDING STAFF RECEIVABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
Senior Management		a	b	c	d=a-c		
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							

Kenya National Commission on Human Rights (KNCHR)

Reports and Financial Statements

For the year ended June 30, 2017

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total					1,145,134	1,240,111	



Kenya National Commission on Human Rights (KNCHR)
Reports and Financial Statements
For the year ended June 30, 2017

ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2015/2016	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2016/2017
Land				
Buildings and structures	0	531,034		531,034
Transport equipment	89,402,378			89,402,378
Office equipment, furniture and fittings	78,126,126	4,839,409		82,965,535
ICT Equipment, Software and Other ICT Assets	44,399,005	1,966,758		46,365,763
Other Machinery and Equipment	0	0		0
Intangible assets	0	0		0
Total	211,927,509	7,337,200		219,264,709

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Ministry, Department or Agency. Additions during the year should tie to note 18 on acquisition of assets during the year.

