

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

PARLIAMENT  
OF KENYA  
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REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF  
COMMISSION ON ADMINISTRATIVE  
JUSTICE

FOR THE YEAR ENDED  
30 JUNE 2016





Chair: Dr. Otiende Amollo, EBS  
V. Chair: Dr. Regina G. Mwachia, MBS  
Member: Cmmr. Saadia A. Mohamed, OGW, MBS

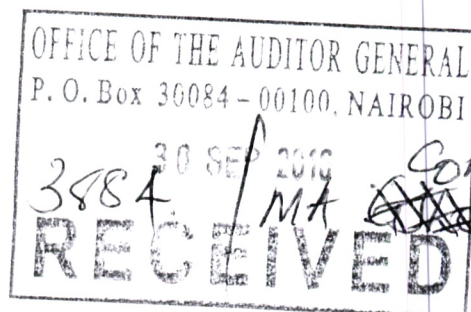


THE  
COMMISSION ON ADMINISTRATIVE JUSTICE  
"Office of the Ombudsman"

Our Ref: CAJ/FA/7/5

30<sup>th</sup> September, 2016

**Mr. Edward Ouko**  
The Auditor General  
Kenya National Audit Office  
Anniversary Towers  
P. O. Box 30084  
**NAIROBI**



Dear Sir,

**RE: FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2016**

Receive warmest compliments from the Commission on Administrative Justice (Office of the Ombudsman).

In accordance with Section 4 of the Public Audit Act 2003 and Sections 81, 82 and 84 of the Public Finance Management Act 2012, I hereby forward the Financial Statements for the period ended 30<sup>th</sup> June, 2016 for audit.

We thank you for your continued support and assure you of our highest regards.

Yours Sincerely,

  
**LEONARD NG'ALUMA, MBS**  
**COMMISSION SECRETARY**

**Copy to:**

The Director General  
Accounting Services  
**National Treasury**

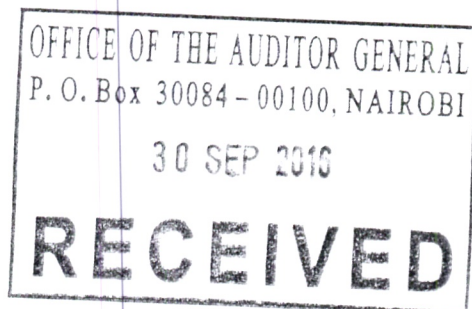
The Controller Budgets  
**Bima House**



THE COMMISSION ON ADMINISTRATIVE JUSTICE  
*"Office of The Ombudsman"*



*'Hata Mnyonge Ana Haki'*



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THE COMMISSION ON ADMINISTRATIVE JUSTICE

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2016

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



**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

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**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**I. KEY ENTITY INFORMATION AND MANAGEMENT**

**MEMBERS OF THE COMMISSION**

| NO. | NAME              | POSITION             |
|-----|-------------------|----------------------|
| 1.  | Dr.Otiende Amollo | Chairperson          |
| 2.  | Dr. Regina Mwatha | Vice Chairperson     |
| 3.  | Saadia A. Mohamed | Commissioner         |
| 4.  | Leonard S.Ngaluma | Commission Secretary |

**SENIOR MANAGEMENT STAFF**

| NO. | NAME              | POSITION                              |
|-----|-------------------|---------------------------------------|
| 1   | Leonard S.Ngaluma | Commission secretary                  |
| 2.  | Daniel Karomo     | Director, Finance, and Administration |
| 3.  | Yuvinalis Angima  | Director, Legal and Advisory Services |
| 4.  | Ismail Maaruf     | Director, Compliance and Risk         |
| 5.  | Micah Nguli       | Director, Research and Investigations |
| 6.  | Phoebe Nadupoi    | Director, Advocacy and Communications |
| 7.  | Edward Okello     | Special Advisor to the Chair          |
| 8.  | Vincent Chahale   | Senior Manager, Legal                 |
| 9.  | Daniel Ochung     | Finance Manager                       |
| 10. | Franklin Mutuma   | Chief ICT Officer                     |

**(a) Background information**

The Commission on Administrative Justice (Office of the Ombudsman) is a Constitutional Commission established under Article 59 (4) and Chapter Fifteen of the Constitution, and the Commission on Administrative Justice Act, 2011.

The Commission has a mandate, inter-alia, to investigate any conduct in state affairs or any act or omission in public administration in any sphere of Government and complaints of abuse of power, unfair treatment, manifest injustice or unlawful, oppressive, unfair or unresponsive official conduct. Further, the Commission has a quasi-judicial mandate to deal with maladministration through conciliation, mediation and negotiation where appropriate.

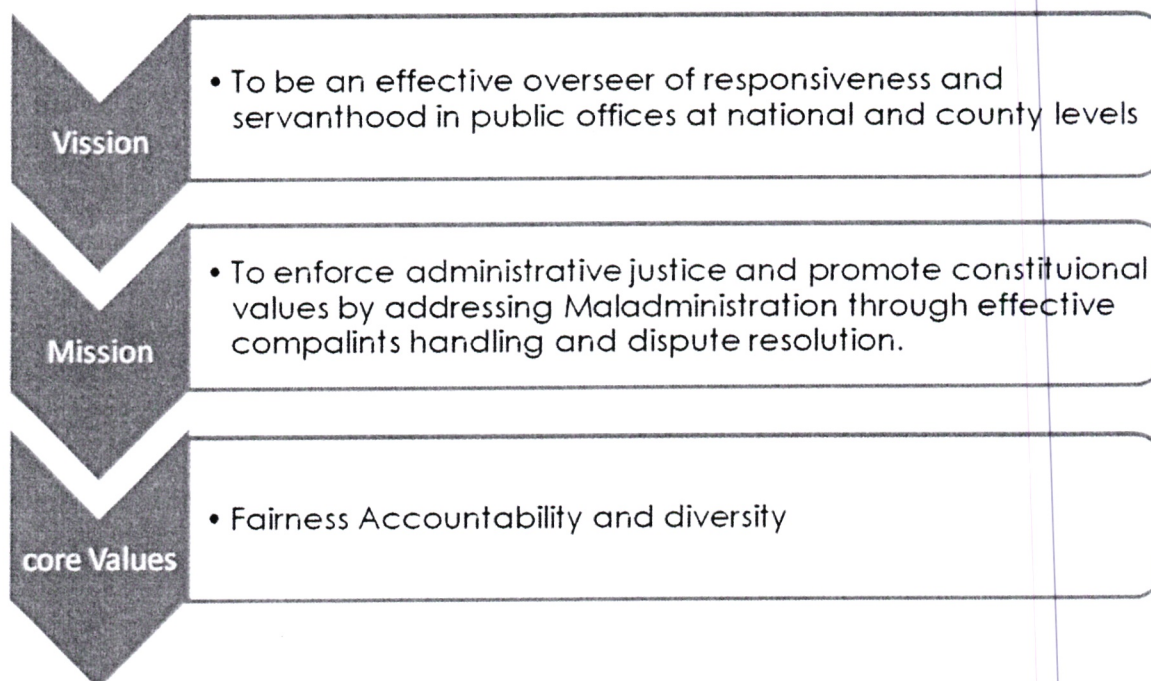
**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

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In the conduct of its functions the Commission has powers to conduct investigations on its own initiative or on a complaint made by a member of the public, issue Summons and require that statements be given under oath, adjudicate on matters relating to Administrative Justice, obtain relevant information from any person or Governmental authorities and to compel production of such information.

#### Mandate

The mandate of the Commission is to enforce administrative justice in the public sector by addressing maladministration through effective complaints handling and alternative Disputes resolution. In addition, the Commission has a Constitutional mandate to safeguard public interest by promoting constitutionalism, securing the observance of Democratic values and principles, and protecting the sovereignty of the people of Kenya.



#### Key Strategic Objectives

1. To enhance responsiveness and effectiveness in the public sector in Kenya.
2. To strengthen the complaints handling capacity of public sector institutions.
3. To enhance public awareness and participation in matters of administrative Justice.
4. To improve standards of public administration and adherence to the rule of law.
5. To strengthen the capacity of CAJ to deliver on its mandate.



**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
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**For the year ended June 30, 2016**

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**Strategic Programmes**

The Commission has been able to utilize the limited resources to implement several programs some of which are listed below

1. An outreach programme to create awareness on administrative justice and the Commission's mandate through county visits,
2. Public interest litigation programme on matters of administrative justice and the rule of law,
3. Integrated Public Complaints Referral Mechanism (IPCRM) which is an electronic based system for referring complaints among various institutions,
4. Initiated, promoted and coordinated collaboration among Constitutional Commissions and Independent Offices in Kenya,
5. Initiated collaborations with key players in the chain of administrative justice and in particular the Judiciary, Kenya Prisons Service and the Independent Policing Oversight Authority (IPOA),
6. Forged partnerships and linkages with foreign ombudsman offices in Finland, Rwanda, Ghana and Canada.

**Key Strategic Priorities**

1. Creating public service that is responsive, accountable, efficient and fair in service delivery
2. Enhance public sector capacity to handle complains
3. Equip and educate Kenyans on matters of administrative justice
4. Constitutionalism and good governance in the conduct of state/public affairs.
5. Strengthened capacity of CAJ to deliver its mandate.

**(b) Fiduciary Management**

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.  | Accounting Officer                 | Mr. Leonard S.Ngaluma, MBS |
| 2.  | Director, Finance & Administration | Mr. Daniel Karomo          |
| 3.  | Finance Manager                    | Mr. Daniel Ochung          |

**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
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**For the year ended June 30, 2016**

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**(c) Head Office**

P.O. Box 20414-00200  
West End Towers  
2nd floor Waiyaki Way – Westlands.  
Nairobi, KENYA

**Contacts**

Telephone - +254 –20-2270000/2303000/2603765/2441211  
Email: [info@ombudsman.go.ke](mailto:info@ombudsman.go.ke)(for general enquiries)  
[Complaints@ombusman.go.ke](mailto:Complaints@ombusman.go.ke)(for complaints)  
Website: [www.ombudsman.go.ke](http://www.ombudsman.go.ke)

**(d) Entity Bankers**

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

**(e) Independent Auditors**

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

**(f) Principal Legal Adviser**

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



## **II. FORWARD BY THE CHAIR**

I am pleased to present the Annual Report and Financial Statement for the Commission on Administrative Justice (Office of the Ombudsman) in accordance with Article 254 of the Constitution and Section 53 of the Commission on Administrative Justice Act, 2011. This is the Fifth Report issued under my stewardship as the Chairperson of the Commission. The Report is our accountability statement to the public on the progress made by the Commission in enforcing administrative justice and promoting constitutional values in respect of addressing maladministration.

As you are aware, the Commission is established under Article 59(4) of the Constitution and the Act to enforce administrative justice and promote constitutional values in the public sector by addressing maladministration through effective complaints handling and dispute resolution. In particular, the Commission is empowered to investigate any conduct in state affairs, or any act or omission in public administration in any sphere of government, as would be prejudicial, constitute improper conduct, or amount to abuse of power, unfair treatment, manifest injustice or unlawful, oppressive or unresponsive official conduct. Accordingly, the Commission undertakes administrative review in the event of maladministration such as delay, inefficiency, discourtesy, ineptitude or unresponsiveness, and provides redress. Moreover, the Commission issues Advisory Opinions on improvement of public administration, including review of legislation, codes of conduct, processes and procedures. Additionally, the Commission participates in strategic public interest litigation on matters of national importance before the court as a way of promoting public administration.

I am encouraged by the accomplishments of the Commission during the reporting period, occasioned by strategic and visionary leadership, institutional strengthening, decentralisation, innovation and strategic partnerships. The accomplishments were registered in all the functional areas of the Commission. Notably, the Commission handled 117,936 complaints and contacts which included 108,920 new matters. Similarly, complaints from branch offices increased from 1,067 in the previous reporting period to 2,379. The rate of resolution also improved from 82% in the period year to 86% in the reporting period.

Further milestones were achieved in key programmatic areas such as awareness creation, building complaints handling capacity in the public sector, promotion of constitutionalism, strategic partnerships and institutional development. In particular, the Commission enhanced its outreach activities to create awareness on administrative justice; trained 4,208 public officers from 212 public institutions; escalated inspections of service delivery by public institutions; enhanced its participation in public interest litigation and alternative dispute resolution methods; and reviewed guidelines on public complaints indicator to strengthen the complaints handling capacity of public institutions. Above all, the Commission continued to employ innovative ways to attaining its mandate mainly through the Huduma Ombudsman Awards for the most responsive and outstanding public institutions and officers; and Ombudsman Committees in informal settlements in Nairobi.

Discharging our mandate has not been without challenges; there were a number of institutional and operational challenges. Notably, the Commission experienced budgetary constraints, increased workload due to low staffing levels, impunity in the public sector, non-compliance with its recommendations and determinations, slow judicial process and adverse judicial decisions. Moving forward, the Commission has adopted a number of strategies to overcome the challenges and deepen

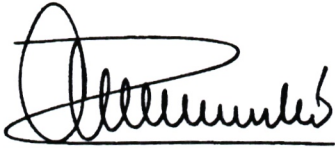
## **THE COMMISSION ON ADMINISTRATIVE JUSTICE**

### **Reports and Financial Statements**

**For the year ended June 30, 2016**

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its activities. In this regard, the Commission intends to enhance its capacity through leverage on technology and countrywide presence; diversify funding sources; lobby for strengthening of the legal framework; and partnerships with stakeholders in the governance process at the national and county levels. As always, we will remain faithful to our mandate and continue to challenge ourselves with high expectations and demanding goals in the execution of our mandate.



**DR. OTIENDE AMOLLO, EBS**  
**CHAIRPERSON OF THE COMMISSION**



## THE COMMISSION ON ADMINISTRATIVE JUSTICE

### Reports and Financial Statements

For the year ended June 30, 2016

### III. 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 by the Public Sector Accounting Standards Board of Kenya from time to time.

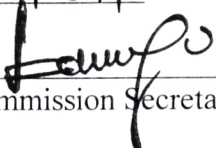
The Accounting Officer in charge of The Commission on Administrative Justice is responsible for the preparation and presentation of the Commission's financial statements, which give a true and fair view of the state of affairs of the Commission for and as at the end of the financial year 2015/2016 ended on June 30, 2016. 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 Commission; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

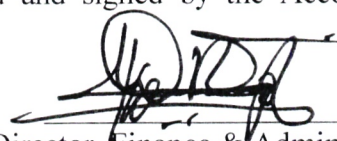
The Accounting Officer in charge of The Commission on Administrative Justice accepts responsibility for the Commission's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Commission's financial statements give a true and fair view of the state of Commission's transactions during the financial year ended June 30, 2016, and of the Commission's financial position as at that date. The Accounting Officer in charge of The Commission on Administrative Justice further confirms the completeness of the accounting records maintained for the Commission, which have been relied upon in the preparation of the Commission's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of The Commission on Administrative Justice 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 Commission'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 Commission's financial statements were approved and signed by the Accounting Officer on 30/09/2016.

  
Commission Secretary

  
Director, Finance & Administration





## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON THE COMMISSION ON ADMINISTRATIVE JUSTICE FOR THE YEAR ENDED 30 JUNE 2016

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Commission on Administrative Justice set out on pages 9 to 25, which comprise the statement assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation – recurrent and development combined and summary statement of provisionings 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.

#### Management's Responsibility 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 preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The 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.

#### Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229 of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessments of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

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*Report of the Auditor-General on the Financial Statements of Commission on Administrative Justice for the year ended 30 June 2016*



the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

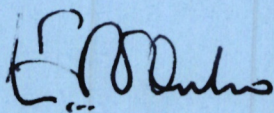
### **Basis for Qualified Opinion**

#### **Pending Bills**

As disclosed under note 12 to the financial statements, the Commission had pending bills totalling Kshs.7,126,021 as at 30 June 2016. Had the bills been paid in 2015/2016 financial year, the statement of receipts and payments for the year then ended would have reflected a reduced surplus of Kshs.20,111,488 instead of Kshs.27,237,509 now shown.

#### **Qualified Opinion**

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Commission on Administrative Justice as at 30 June 2016, 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 Public Finance Management Act, 2012.



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

**Nairobi**

**29 March 2017**



**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**V. STATEMENT OF RECEIPTS AND PAYMENTS**

|                               | Note | 2015-2016<br>Kshs  | 2014-2015<br>Kshs  |
|-------------------------------|------|--------------------|--------------------|
| <b>RECEIPTS</b>               |      |                    |                    |
| Exchequer releases            | 1    | 443,900,000        | 363,420,000        |
| Other Receipts                | 2    | -                  | 518,319            |
| <b>TOTAL RECEIPTS</b>         |      | <b>443,900,000</b> | <b>363,938,319</b> |
| <b>PAYMENTS</b>               |      |                    |                    |
| Compensation of Employees     | 3    | 213,450,925        | 148,553,571        |
| Use of goods and services     | 4    | 142,276,155        | 128,788,533        |
| Other grants and transfers    | 5    | 429,124            | -                  |
| Social Security Benefits      | 6    | 57,058,957         | 40,720,000         |
| Acquisition of Assets         | 7    | 3,447,330          | 35,128,393         |
| <b>TOTAL PAYMENTS</b>         |      | <b>416,662,491</b> | <b>353,190,497</b> |
| <b>SURPLUS FOR THE PERIOD</b> |      | <b>27,237,509</b>  | <b>10,747,822</b>  |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/09/ 2016 and signed by:

  
 Commission Secretary

  
 Director, Finance & Administration

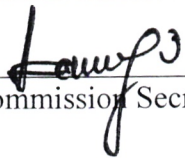


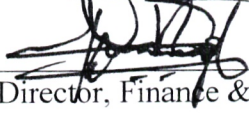
**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
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**For the year ended June 30, 2016**

**VI. STATEMENT OF ASSETS**

|                                             | Note | 2015-2016<br>Kshs         | 2014-2015<br>Kshs        |
|---------------------------------------------|------|---------------------------|--------------------------|
| <b>FINANCIAL ASSETS</b>                     |      |                           |                          |
| <b>Cash and Cash Equivalents</b>            |      |                           |                          |
| Bank Balances                               | 8A   | 141,402,192               | 64,711,353               |
| Cash Balances                               | 8B   | 177,564                   | 29,808                   |
| <b>Total Cash and cash equivalent</b>       |      | <b><u>141,579,756</u></b> | <b><u>64,741,161</u></b> |
| Accounts receivables – Outstanding Imprest  | 9    | 114,214                   | 1,099,723                |
| <b>TOTAL FINANCIAL ASSETS</b>               |      | <b><u>141,693,970</u></b> | <b><u>65,840,884</u></b> |
| <b>FINANCIAL LIABILITIES</b>                |      |                           |                          |
| Accounts Payables – Deposits and retentions | 10   | 90,544,126                | 41,928,549               |
| <b>NET FINANCIAL ASSETS</b>                 |      | <b>51,149,844</b>         | <b>23,912,335</b>        |
| <b>REPRESENTED BY</b>                       |      |                           |                          |
| <b>Fund balance b/fwd</b>                   | 11   | 23,912,335                | 13,164,513               |
| <b>Surplus/Deficit for the year</b>         |      | 27,237,509                | 10,747,822               |
| <b>NET FINANCIAL POSSITION</b>              |      | <b><u>51,149,844</u></b>  | <b><u>23,912,335</u></b> |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/09/2016 and signed by:

  
 Commission Secretary

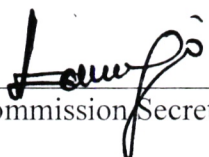
  
 Director, Finance & Administration

**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**VII. STATEMENT OF CASHFLOW**

|                                                          |   | <b>2015 - 2016</b> | <b>2014 - 2015</b>  |
|----------------------------------------------------------|---|--------------------|---------------------|
|                                                          |   | <b>Kshs</b>        | <b>Kshs</b>         |
| <b>Receipts for operating income</b>                     |   |                    |                     |
| Exchequer Releases                                       | 1 | 443,900,000        | 363,420,000         |
| Other Receipts                                           | 2 | -                  | 518,319             |
| <b>Payments for operating expenses</b>                   |   |                    |                     |
| Compensation of Employees                                | 3 | (213,450,925)      | (148,553,571)       |
| Use of goods and services                                | 4 | (142,276,155)      | (128,788,533)       |
| Other grants and transfers                               | 5 | (429,124)          | -                   |
| Social Security Benefits                                 | 6 | (57,058,957)       | (40,720,000)        |
| <b>Adjusted for:</b>                                     |   |                    |                     |
| Changes in payables                                      |   | 48,615,578         | 37,360,664          |
| <b>Net cash flow from operating activities</b>           |   | <b>79,300,417</b>  | <b>83,236,879</b>   |
| <b>CASHFLOW FROM INVESTING ACTIVITIES</b>                |   |                    |                     |
| Acquisition of Assets                                    | 7 | (3,447,330)        | (35,128,393)        |
| <b>Net cash flows from Investing Activities</b>          |   | <b>(3,447,330)</b> | <b>(35,128,393)</b> |
| <b>CASHFLOW FROM BORROWING ACTIVITIES</b>                |   |                    |                     |
| Proceeds from Domestic Borrowings                        |   | -                  | -                   |
| Proceeds from Foreign Borrowings                         |   | -                  | -                   |
| Repayment of principal on Domestic and Foreign borrowing |   | -                  | -                   |
| <b>Net cash flow from financing activities</b>           |   | <b>-</b>           | <b>-</b>            |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>          |   | <b>75,853,087</b>  | <b>48,108,486</b>   |
| <b>Cash and cash equivalent at BEGINNING of the year</b> |   | <b>65,840,885</b>  | <b>17,732,399</b>   |
| <b>Cash and cash equivalent at END of the year</b>       |   | <b>141,693,972</b> | <b>65,840,885</b>   |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/09/ 2016 and signed by:

  
 Commission Secretary

  
 Director, Finance & Administration



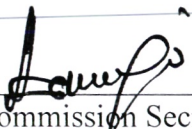
**VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

| Receipt/Expense Item       | Original Budget    | Adjustments         | Final Budget       | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization |
|----------------------------|--------------------|---------------------|--------------------|----------------------------|-------------------------------|------------------|
|                            | a                  | b                   | c=a+b              | d                          | e=c-d                         | f=d/c %          |
| <b>RECEIPTS</b>            |                    |                     |                    |                            |                               |                  |
| Exchequer releases         |                    |                     |                    | 443,900,000                | 443,900,000                   | 100%             |
| Other Receipts             |                    |                     |                    |                            |                               |                  |
| <b>PAYMENTS</b>            |                    |                     |                    |                            |                               |                  |
| Compensation of Employees  | 226,021,000        | (4,700,000)         | 221,321,000        | 213,450,925                | (7,870,075)                   | 96%              |
| Use of goods and services  | 174,244,220        | (3,258,583)         | 170,985,637        | 142,276,155                | (28,709,482)                  | 83%              |
| Other grants and transfers | 550,000            | (100,000)           | 450,000            | 429,125                    | (20,876)                      | 95%              |
| Social Security Benefits   | 58,793,200         | -                   | 58,793,200         | 57,058,957                 | (1,734,243)                   | 97%              |
| Acquisition of Assets      | 21,102,500         | (7,832,337)         | 13,270,163         | 3,447,330                  | (9,822,833)                   | 26%              |
| Other Payments             |                    |                     |                    |                            |                               |                  |
| <b>TOTALS</b>              | <b>480,710,920</b> | <b>(15,890,920)</b> | <b>464,820,000</b> | <b>416,662,491</b>         | <b>(48,157,509)</b>           | <b>90%</b>       |

**Note:**

The significant under-utilization of budget under Acquisition of Assets (below 50%) was due to late release of quarter 4 budget allocation of funds by The National Treasury; which delayed the procurement process.

The entity financial statements were approved on 30/09/ 2016 and signed by:

  
 Commission Secretary

  
 Director, Finance & Administration

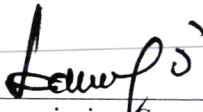
## IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

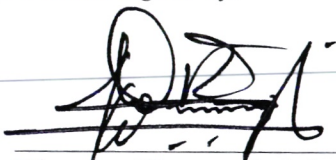
| Receipt/Expense Item       | Original Budget    | Adjustments         | Final Budget       | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization |
|----------------------------|--------------------|---------------------|--------------------|----------------------------|-------------------------------|------------------|
|                            | a                  | b                   | c=a+b              | d                          | e=c-d                         | f=d/c %          |
| <b>RECEIPTS</b>            |                    |                     |                    |                            |                               |                  |
| Exchequer releases         |                    |                     |                    | 443,900,000                | 443,900,000                   | 100%             |
| Other Receipts             |                    |                     |                    |                            |                               |                  |
| <b>PAYMENTS</b>            |                    |                     |                    |                            |                               |                  |
| Compensation of Employees  | 226,021,000        | (4,700,000)         | 221,321,000        | 213,450,925                | (7,870,075)                   | 96%              |
| Use of goods and services  | 174,244,220        | (3,258,583)         | 170,985,637        | 142,276,155                | (28,709,482)                  | 83%              |
| Other grants and transfers | 550,000            | (100,000)           | 450,000            | 429,125                    | (20,876)                      | 95%              |
| Social Security Benefits   | 58,793,200         |                     | 58,793,200         | 57,058,957                 | (1,734,243)                   | 97%              |
| Acquisition of Assets      | 21,102,500         | (7,832,337)         | 13,270,163         | 3,447,330                  | (9,822,833)                   | 26%              |
| Other Payments             |                    |                     |                    |                            |                               |                  |
| <b>TOTALS</b>              | <b>480,710,920</b> | <b>(15,890,920)</b> | <b>464,820,000</b> | <b>416,662,491</b>         | <b>(48,157,509)</b>           | <b>90%</b>       |

**Note:**

The significant under-utilization of budget under Acquisition of Assets (below 50%) was due to late release of quarter 4 budget allocation of funds by The National Treasury; which delayed the procurement process.

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Commission Secretary

  
Director, Finance & Administration



## X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

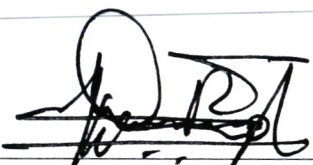
| Receipt/Expense Item       | Original Budget | Adjustments | Final Budget | Actual on<br>Comparable Basis | Budget<br>Utilization<br>Difference | % of<br>Utilization |
|----------------------------|-----------------|-------------|--------------|-------------------------------|-------------------------------------|---------------------|
|                            | a               | b           | c=a+b        | d                             | e=c-d                               | f=d/c %             |
| <b>RECEIPTS</b>            |                 |             |              |                               |                                     |                     |
| Exchequer releases         |                 |             |              |                               |                                     |                     |
| Other Receipts             |                 |             |              |                               |                                     |                     |
| <b>PAYMENTS</b>            |                 |             |              |                               |                                     |                     |
| Compensation of Employees  |                 |             |              |                               |                                     |                     |
| Use of goods and services  |                 |             |              |                               |                                     |                     |
| Other grants and transfers |                 |             |              |                               |                                     |                     |
| Social Security Benefits   |                 |             |              |                               |                                     |                     |
| Acquisition of Assets      |                 |             |              |                               |                                     |                     |
| Other Payments             |                 |             |              |                               |                                     |                     |
| <b>TOTALS</b>              |                 |             |              |                               |                                     |                     |

**Note:**

The significant under-utilization of budget under Acquisition of Assets (below 50%) was due to late release of quarter 4 budget allocation of funds by The National Treasury; which delayed the procurement process.

The entity financial statements were approved on 30/09/ 2016 and signed by:

  
Commission Secretary

  
Director, Finance & Administration

**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
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**XI. SUMMARY STATEMENT OF PROVISIONINGS**

*[The provisioning summary statement is required for entities that have a vote in the National Budget.]*

- Details of General Accounts On Vote

|                                  | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|----------------------------------|--------------------|--------------------|
|                                  | <b>Kshs</b>        | <b>Kshs</b>        |
| GAV Provisioning account balance | 20,920,000         | 30,565,500         |
| <b>Total</b>                     | <b>20,920,000</b>  | <b>30,565,500</b>  |

- Details of Exchequer Provisioning

|                                | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|--------------------------------|--------------------|--------------------|
|                                | <b>Kshs</b>        | <b>Kshs</b>        |
| Exchequer Provisioning balance | 443,900,000        | 363,420,000        |
| <b>Total</b>                   | <b>443,900,000</b> | <b>363,420,000</b> |

  
 Commission Secretary

  
 Director, Finance & Administration



## **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 and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Commission and all values are rounded to the nearest thousand (Kshs'000). The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts.

### **2. Recognition of revenue and expenses**

The Commission recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the Commission. In addition, the Commission recognises all expenses when the event occurs and the related cash has actually been paid out by the Commission.

### **3. In-kind contributions**

In-kind contributions are donations that are made to the Commission 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 Commission includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

### **4. 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.

## **THE COMMISSION ON ADMINISTRATIVE JUSTICE**

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#### **5. Accounts Receivable**

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

#### **6. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

#### **7. Non-current assets**

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

#### **8. Pending bills**

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

#### **9. Budget**

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

#### **10. Comparative figures**

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

#### **11. Subsequent events**

Events subsequent to submission of the financial year end financial statements to the National Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of National Treasury.



**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
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**XIII. NOTES TO THE FINANCIAL STATEMENTS**

**1 EXCHQUER RELEASES**

|                                        | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|----------------------------------------|--------------------|--------------------|
|                                        | <b>Kshs</b>        | <b>Kshs</b>        |
| Total Exchequer Releases for quarter 1 | 68,700,000         | 62,000,000         |
| Total Exchequer Releases for quarter 2 | 83,000,000         | 92,420,000         |
| Total Exchequer Releases for quarter 3 | 120,900,000        | 85,000,000         |
| Total Exchequer Releases for quarter 4 | 171,300,000        | 124,000,000        |
| <b>Total</b>                           | <b>443,900,000</b> | <b>363,420,000</b> |

**2 OTHER REVENUES**

|                                                                  | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|------------------------------------------------------------------|--------------------|--------------------|
|                                                                  | <b>Kshs</b>        | <b>Kshs</b>        |
| Receipts from Administrative Fees and Charges                    | -                  | -                  |
| Receipts from Administrative Fees and Charges - Collected as AIA | -                  | 41,000             |
| Receipts from Incidental Sales by Non-Market Establishments      | -                  | -                  |
| Receipts from Sales by Non-Market Establishments                 | -                  | -                  |
| Receipts from Sale of Incidental Goods                           | -                  | -                  |
| Fines Penalties and Forfeitures                                  | -                  | -                  |
| Receipts from Voluntary transfers other than grants              | -                  | -                  |
| Other Receipts Not Classified Elsewhere                          | -                  | 477,319            |
|                                                                  | -                  | -                  |
| <b>Total</b>                                                     | <b>-</b>           | <b>518,319</b>     |

**3 COMPENSATION OF EMPLOYEES**

|                                                                     | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|---------------------------------------------------------------------|--------------------|--------------------|
|                                                                     | <b>Kshs</b>        | <b>Kshs</b>        |
| Basic salaries of permanent employees                               | 154,029,268        | 115,462,433        |
| Basic wages of temporary employees                                  | -                  | -                  |
| Personal allowances paid as part of salary                          | 58,939,497         | 32,782,258         |
| Personal allowances paid as reimbursements                          | -                  | -                  |
| Personal allowances provided in kind                                | -                  | -                  |
| Pension and other social security contributions                     | -                  | -                  |
| Employer Contributions Compulsory national social security schemes  | 482,160            | 308,880            |
| Employer Contributions Compulsory national health insurance schemes | -                  | -                  |
| <b>Total</b>                                                        | <b>213,450,925</b> | <b>148,553,571</b> |

**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**4 USE OF GOODS AND SERVICES**

|                                                              | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|--------------------------------------------------------------|--------------------|--------------------|
|                                                              | <b>Kshs</b>        | <b>Kshs</b>        |
| Utilities, supplies and services                             | 2,225,555          | 2,815,921          |
| Communication, supplies and services                         | 11,479,309         | 9,181,383          |
| Domestic travel and subsistence                              | 11,511,059         | 11,005,964         |
| Foreign travel and subsistence                               | 5,390,706          | 4,555,123          |
| Printing, advertising and information supplies & services    | 3,514,434          | 7,843,369          |
| Rentals of produced assets                                   | 48,571,954         | 38,752,957         |
| Training expenses                                            | 6,092,502          | 5,901,293          |
| Hospitality supplies and services                            | 4,198,138          | 5,067,612          |
| Insurance costs                                              | 20,705,636         | 14,908,481         |
| Specialized materials and services                           | 3,000              | 486,000            |
| Office and general supplies and services                     | 6,240,755          | 6,685,939          |
| Other operating expenses                                     | 7,675,558          | 9,680,176          |
| Routine maintenance – vehicles and other transport equipment | 7,162,064          | 5,112,787          |
| Fuel oil and lubricants                                      | 5,359,000          | 5,646,034          |
| Routine maintenance – other assets                           | 2,146,485          | 1,145,495          |
| <b>Total</b>                                                 | <b>142,276,155</b> | <b>128,788,533</b> |

**5 OTHER GRANTS AND TRANSFERS**

|                                                                  | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|------------------------------------------------------------------|--------------------|--------------------|
|                                                                  | <b>Kshs</b>        | <b>Kshs</b>        |
| Membership dues and subscriptions to international organizations | 429,124            | -                  |
| Grants to foreign government                                     | -                  | -                  |
| <b>Total</b>                                                     | <b>429,124</b>     | <b>-</b>           |

**6 SOCIAL SECURITY BENEFITS**

|                                              | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|----------------------------------------------|--------------------|--------------------|
|                                              | <b>Kshs</b>        | <b>Kshs</b>        |
| Government pension and retirement benefits   | 57,058,957         | 40,720,000         |
| Social security benefits in cash and in kind | -                  | -                  |
| Employer Social Benefits in cash and in kind | -                  | -                  |
| <b>Total</b>                                 | <b>57,058,957</b>  | <b>40,720,000</b>  |



**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**7 ACQUISITION OF ASSETS**

**Non Financial Assets**

|                                                              | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|--------------------------------------------------------------|--------------------|--------------------|
|                                                              | <b>Kshs</b>        | <b>Kshs</b>        |
| Purchase of Buildings                                        | -                  | -                  |
| Construction of Buildings                                    | -                  | -                  |
| Refurbishment of Buildings                                   | 414,880            | 14,927,832         |
| Construction of Roads                                        | -                  | -                  |
| Construction and Civil Works                                 | -                  | -                  |
| Overhaul and Refurbishment of Construction and Civil Works   | -                  | -                  |
| Purchase of Vehicles and Other Transport Equipment           | -                  | 19,086,296         |
| Overhaul of Vehicles and Other Transport Equipment           | -                  | -                  |
| Purchase of Household Furniture and Institutional Equipment  | -                  | -                  |
| Purchase of Office Furniture and General Equipment           | 209,100            | 881,093            |
| Purchase of ICT Equipment, Software and Other ICT Assets     | -                  | -                  |
| Purchase of Specialized Plant, Equipment and Machinery       | 2,823,350          | 233,172            |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | -                  | -                  |
| Purchase of Certified Seeds, Breeding Stock and Live Animals | -                  | -                  |
| Research, Studies, Project Preparation, Design & Supervision | -                  | -                  |
| <b><u>Financial Assets</u></b>                               | -                  | -                  |
| Domestic Public Non-Financial Enterprises                    | -                  | -                  |
| Domestic Public Financial Institutions                       | -                  | -                  |
| Foreign financial Institutions operating Abroad              | -                  | -                  |
| Other Foreign Enterprises                                    | -                  | -                  |
| Foreign Payables - From Previous Years                       | -                  | -                  |
| <b>Total</b>                                                 | <b>3,447,330</b>   | <b>35,128,393</b>  |

**8A: Bank Accounts**

| <b>Name of Bank, Account No. &amp; currency</b>  | <b>Amount in bank account currency</b> | <b>Indicate whether recurrent, Development, deposit e.t.c</b> | <b>Exchange rate (if in foreign currency)</b> | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|--------------------------------------------------|----------------------------------------|---------------------------------------------------------------|-----------------------------------------------|--------------------|--------------------|
|                                                  |                                        |                                                               |                                               | <b>Kshs</b>        | <b>Kshs</b>        |
| Central Bank of Kenya,,<br>Account No:1000181524 | KES                                    | Recurrent                                                     |                                               | 50,158,066         | 22,782,805         |
| Central Bank of Kenya,,<br>Account No:1000182377 | KES                                    | Deposit                                                       |                                               | 90,544,126         | 41,928,549         |
| Central Bank of Kenya,,<br>Account No:1000182644 | KES                                    | CBK 165                                                       |                                               | 700,000            | -                  |
| <b>Total</b>                                     |                                        |                                                               |                                               | <b>141,402,192</b> | <b>64,711,353</b>  |

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8B: CASH IN HAND**

|                                          | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|------------------------------------------|--------------------|--------------------|
|                                          | <b>Kshs</b>        | <b>Kshs</b>        |
| Cash in Hand – Held in domestic currency | 177,564            | 29,808             |
| Cash in Hand – Held in foreign currency  | -                  | -                  |
| <b>Total</b>                             | <b>177,564</b>     | <b>29,808</b>      |

**Cash in hand should also be analysed as follows:**

|                                    | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|------------------------------------|--------------------|--------------------|
|                                    | <b>Kshs</b>        | <b>Kshs</b>        |
| Location 1- Head offices           | 177,564            | 29,808             |
| Location 2                         | -                  | -                  |
| Location 3                         | -                  | -                  |
| Other Locations ( <i>specify</i> ) | -                  | -                  |
| <b>Total</b>                       | <b>177,564</b>     | <b>29,808</b>      |

**9: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS**

| <i>Description</i>  | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|---------------------|--------------------|--------------------|
|                     | <b>Kshs</b>        | <b>Kshs</b>        |
| Government Imprests | 114,214            | 606,661            |
| Salary Advances     | -                  | 493,063            |
| <b>Total</b>        | <b>114,214</b>     | <b>1,099,723</b>   |

Breakdown of the outstanding imprest is tabulated below:

| Name of Officer      | Date Imprest Taken | Amount Taken | Amount Surrendered | Balance        |
|----------------------|--------------------|--------------|--------------------|----------------|
|                      |                    | <b>Kshs</b>  | <b>Kshs</b>        | <b>Kshs</b>    |
| Victor Owino Kojo    | 15/10/2015         | 8,000        | -                  | 8,000          |
| James Ivia Kitonga   | 16/10/2015         | 8,000        | -                  | 8,000          |
| Catherine Kassim     | 23/10/2015         | 4,500        | -                  | 4,500          |
| Saidi Swaleh Gongo   | 08/12/2015         | 3,500        | -                  | 3,500          |
| Fredrick Fadey Oundo | 08/12/2015         | 4,500        | -                  | 4,500          |
| Saidi Swaleh Gongo   | 27/10/2015         | 22,100       | 20,746             | 1,354          |
| Victor Owino Kojo    | 05/01/2016         | 21,460       | -                  | 21,460         |
| Rama Chacha          | 04/05/2016         | 6,400        | -                  | 6,400          |
| Grace Gor            | 29/06/2016         | 40,000       | -                  | 40,000         |
| Wilson Wainaina      | 29/06/2016         | 9,500        | -                  | 9,500          |
| Grace Gor            | 29/06/2016         | 7,000        | -                  | 7,000          |
| <b>Total</b>         |                    |              |                    | <b>114,214</b> |



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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10. ACCOUNTS PAYABLE**

|              | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|--------------|--------------------|--------------------|
|              | <b>Kshs</b>        | <b>Kshs</b>        |
| Deposits     | 90,544,126         | 41,928,549         |
| <b>Total</b> | <b>90,544,126</b>  | <b>41,928,549</b>  |

These are contractors' retention moneys and staff gratuity held in the deposit account to be settled when due for payment

**11. FUND BALANCE BROUGHT FORWARD**

|                      | <b>2015 - 2016</b> | <b>2014 - 2015</b> |
|----------------------|--------------------|--------------------|
|                      | <b>Kshs</b>        | <b>Kshs</b>        |
| Bank accounts        | 22,782,805         | 12,846,556         |
| Cash in hand         | 29,808             | 231,923            |
| Accounts Receivables | 1,099,723          | 86,034             |
| Accounts Payables    | -                  | -                  |
| <b>Total</b>         | <b>23,912,335</b>  | <b>13,164,513</b>  |

**12. OTHER IMPORTANT DISCLOSURES**

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

|                             | <b>Kshs</b>      | <b>Kshs</b>     |
|-----------------------------|------------------|-----------------|
| Construction of buildings   | -                | -               |
| Construction of civil works | -                | -               |
| Supply of goods             | 6,340,989        | 775,960         |
| Supply of services          | 785,032          | 4,111,860       |
|                             | <b>7,126,021</b> | <b>4887,820</b> |

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**13. 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.

| <b>Referen<br/>ce No.<br/>on the<br/>external<br/>audit<br/>Report</b> | <b>Issue /<br/>Observations from<br/>Auditor</b>                      | <b>Management comments</b>              | <b>Focal Point<br/>person to<br/>resolve the<br/>issue (Name<br/>and<br/>designation)</b> | <b>Status:<br/>(Resolved /<br/>Not<br/>Resolved)</b> | <b>Timeframe:<br/>(Put a date<br/>when you<br/>expect the<br/>issue to be<br/>resolved)</b>                                                                              |
|------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Paragrap<br>h 7 –<br>Basis for<br>Qualifie<br>d<br>Opinion             | Pending bills as at<br>30 <sup>th</sup> June 2015 of<br>KSh.4,561,860 | The matter has already<br>been resolved | Supply Chain<br>Manager                                                                   | Resolved                                             | The matter<br>stands solved<br><br>The payment<br>of this amount<br>was treated as<br>a first charge<br>on the<br>approved<br>budget for the<br>2015/6<br>Financial year |
|                                                                        |                                                                       |                                         |                                                                                           |                                                      |                                                                                                                                                                          |
|                                                                        |                                                                       |                                         |                                                                                           |                                                      |                                                                                                                                                                          |
|                                                                        |                                                                       |                                         |                                                                                           |                                                      |                                                                                                                                                                          |
|                                                                        |                                                                       |                                         |                                                                                           |                                                      |                                                                                                                                                                          |
|                                                                        |                                                                       |                                         |                                                                                           |                                                      |                                                                                                                                                                          |

**Guidance Notes:**

- Use the same reference numbers as contained in the external audit report;
- Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

  
 Commission Secretary

  
 Director, Finance & Administration



**THE COMMISSION ON ADMINISTRATIVE JUSTICE**

**Reports and Financial Statements**

**For the year ended June 30, 2016**

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

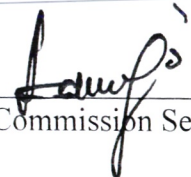
| Supplier of Goods or Services      | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2016 | Outstanding Balance 2015 | Comments |
|------------------------------------|-----------------|-----------------|---------------------|--------------------------|--------------------------|----------|
|                                    | a               | b               | c                   | d=a-c                    |                          |          |
| <b>Construction of buildings</b>   |                 |                 |                     |                          |                          |          |
| 1.                                 |                 |                 |                     |                          |                          |          |
| <b>Sub-Total</b>                   |                 |                 |                     |                          |                          |          |
| <b>Construction of civil works</b> |                 |                 |                     |                          |                          |          |
| 2.                                 |                 |                 |                     |                          |                          |          |
| <b>Sub-Total</b>                   |                 |                 |                     |                          |                          |          |
| <b>Supply of goods</b>             |                 |                 |                     |                          |                          |          |
| 3. Furniture                       | 1,994,000       | 13/6/16         |                     | 1,994,000                |                          |          |
| 4. Furniture                       | 289,500         | 09/6/16         |                     | 289,500                  |                          |          |
| 5. Furniture                       | 215,480         | 09/6/16         |                     | 215,480                  |                          |          |
| 6. Bronchures                      | 296,000         | 24/6/16         |                     | 296,000                  |                          |          |
| 7. Suspension files                | 16,740          | 24/6/16         |                     | 16,740                   |                          |          |
| 8. Tonners                         | 320,299         | 14/6/16         |                     | 320,299                  |                          |          |
| 9. Tonners                         | 824,760         | 31/05/16        |                     | 824,760                  |                          |          |
| 10. Motor vehicle rims             | 26,280          | 16/6/16         |                     | 26,280                   |                          |          |
| 11. Office folders                 | 173,500         | 09/6/16         |                     | 173,500                  |                          |          |
| 12. Tonners                        | 326,424         | 15/3/16         |                     | 326,424                  |                          |          |
| 13. Tonners                        | 924,856         | 14/6/16         |                     | 924,856                  |                          |          |

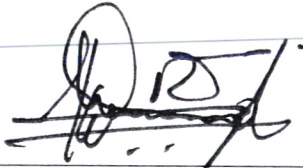
**THE COMMISSION ON ADMINISTRATIVE JUSTICE**

**Reports and Financial Statements**

**For the year ended June 30, 2016**

| Supplier of Goods or Services | Original Amount  | Date Contracted | Amount Paid To-Date | Outstanding Balance 2016 | Outstanding Balance 2015 | Comments |
|-------------------------------|------------------|-----------------|---------------------|--------------------------|--------------------------|----------|
| 14. Laptops and Printer       | 264,480          | 09/6/16         |                     | 264,480                  |                          |          |
| 15. Annual Report             | 334,080          | 05/5/16         |                     | 334,080                  |                          |          |
| 16. Staff uniforms            | 334,590          | 05/5/16         |                     | 334,590                  |                          |          |
| <b>Sub-Total</b>              | <b>6,340,989</b> |                 | -                   | <b>6,340,989</b>         | <b>775,960</b>           |          |
| <b>Supply of services</b>     |                  |                 |                     |                          |                          |          |
| 17. Legal services            | 750,000          | 24/6/16         | -                   | 750,000                  |                          |          |
| 18. Telephone bills           | 35,032           | 24/6/16         |                     | 35,032                   |                          |          |
| 19.                           |                  |                 |                     |                          |                          |          |
| <b>Sub-Total</b>              | <b>785,032</b>   |                 | -                   | <b>785,032</b>           | <b>4,111,860</b>         |          |
| <b>Grand Total</b>            | <b>7,126,021</b> |                 | -                   | <b>7,126,021</b>         | <b>4,887,820</b>         |          |

  
Commission Secretary

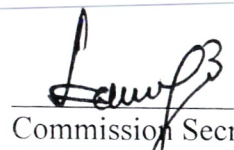
  
Director, Finance & Administration



**THE COMMISSION ON ADMINISTRATIVE JUSTICE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**ANNEX 2 – SUMMARY OF FIXED ASSET REGISTER**

| <b>Asset class</b>                           | <b>Historical Cost<br/>(Kshs)<br/>2015/16</b> | <b>Historical Cost<br/>(Kshs)<br/>2014/15</b> |
|----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Land                                         |                                               |                                               |
| Buildings and structures                     |                                               |                                               |
| Transport equipment                          | 45,186,296.00                                 | 45,186,296.00                                 |
| Office equipment, furniture and fittings     | 9,478,297.00                                  | 9,478,297.00                                  |
| ICT Equipment, Software and Other ICT Assets | 14,615,000.00                                 | 12,000,000.00                                 |
| Other Machinery and Equipment                | 6,518,633.00                                  | 6,290,300.00                                  |
| Heritage and cultural assets                 |                                               |                                               |
| Intangible assets                            |                                               |                                               |
| <b>Total</b>                                 | <b>75,798,226.00</b>                          | <b>72,954,893.00</b>                          |

  
Commission Secretary

  
Director, Finance & Administration