


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



 THE NATIONAL ASSEMBLY PARLIAMENT OF KENYA	
<b>REPORT</b>	
DATE: 03 MAR 2022	DAY: <u>THUR</u>
TABLED BY:	<u>LOM</u>
CLERK-AT THE-TABLE:	<u>C. Ndiritu</u>

OF

THE AUDITOR-GENERAL

ON

NATIONAL COUNCIL FOR CHILDREN SERVICES

FOR THE YEAR ENDED 30 JUNE, 2020



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**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2020**

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

**The National Council for Children Services  
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For the year ended June 30, 2020**

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## **KEY ENTITY INFORMATION AND MANAGEMENT**

### **(a) Background information**

The National Council For Children's Services was established through the children Act 2001 and it was inaugurated in September, 2002.

The council is a Semi-Autonomous Government Agency (SAGA)

### **(b) Principal Activities**

The mandate of the council is executed by the secretariat as instructed by the council. The secretariat is instructed into four sections that represent the thematic committees formed by the council in the daily running of N.C.C.S

The thematic committees are as follows; -

- Policy development and legal issues,
- Resource mobilization,
- Planning research and mobilization,
- Advocacy media participation.

### **(c) Key Management**

The Secretary/Chief Executive Officer provides leadership to a Secretariat that manages the operations of the Trust Fund

### **(d) Fiduciary Management**

Key management personnel who held office during the financial year ended 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

<b>Designation</b>	<b>NAME</b>
Ag. C.E.O	Abdinoor Sheikh
Assistant Director, Children's Services/Section head	Benson Bakala Wambani
Principal Children's Officer/ Section head	Truphena Chemining'wa
Chief Accountant	Moses Muga
Senior Children's Officer/ Section head	Judy Wachira
Senior Children's Officer/ Section head	Mary Thiong'o
Supply Chain Management Officer [1]	Joseph Oyugi

### **(e) Fiduciary Oversight Arrangements**

Here, provide a high-level description of the key fiduciary oversight arrangements covering (say):

- Audit and finance committee activities
- Parliamentary committee activities
- Development partner oversight activities
- Other oversight activities

**ENTITY INFORMATION AND MANAGEMENT (Continued)**

**(f) Entity Headquarters**

National social security house (NSSF)  
Block C 4<sup>th</sup> floor  
Bishop road  
P.O. Box 6446-00100  
Nairobi.

**(g) Entity Contacts**

Telephone :( 254) 020-2691023  
E-mail: [nccssecretariat@nccs.go.ke](mailto:nccssecretariat@nccs.go.ke)  
Website: [www.nccs.go.ke](http://www.nccs.go.ke)

**(h) Entity Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Kenya Commercial Bank  
Account: 1132458803  
Branch: Moi Avenue  
P.O. Box 48400-00100  
Nairobi

**(i) Independent Auditors**

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

**(j) Principal Legal Adviser**

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

**THE BOARD OF DIRECTORS**



JOYCE NGUGI-CHAIRPERSON

**Date of birth:**

**Key Qualifications:**

Master's degree in Counselling Psychology and a post graduate diploma in substance abuse counselling and management and a Bachelor's degree in Education and currently undertaking a PHD in Leadership and Governance

**Work Experience:**

She has experience in public service delivery in several sectors including the education sector, women empowerment, youth drug addiction prevention/rehabilitation and children rights. I am serving on my 2<sup>nd</sup>(second) term as the chairperson of the Kenya National Council for Children where I have initiated, steered and completed several projects and programs focused on improving the welfare of children in different parts of the country.



NURIA GOLLO HALAKE HSC

**Date of Birth: 1965**

**Work Experience**

Executive Director Marsabit Women Advocacy and Development Organization and Network treasurer of Mionet (Marsabit Indigenous Organization Network.) Organizations working with and on children matters. Member of CUC (Court Users Committee) Representing the interest of Children Member of CEB (County Education Board) Cso representing children. Currently, Madam Nuria is a Chair of the audit committee of the council



HENRY MUTWIRI RIUNGU

**Date of birth:1971,**



**Key Qualifications:**

Master's in Business Administration  
 Bachelor of Commerce (Business Admin)

**Work Experience:**

As Finance –trained Professional and also having studied Business Administration I am able to drive business and organizational success by using financial and managerial knowledge and skills to influence strategic decisions and manage performance. I am able to analyze issues and events in global business environment and decide whether proposed long-term projects are financially viable. I have also been involved in preparing national budgets forecasts and used techniques for analyzing and improving credit management and disbursements for donor-financed projects and parastatals and other Government Investments in Public Entities. I am also able to analyze competitive environment and evaluate strategic options and also implement strategic plans and manage change.

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 <p><b>MR SETH NYAMWEYA MASESE</b></p> <p>Bachelor of Social Laws, Bachelor of Laws (Special)</p>	<p><b>Date of birth:1973</b>  <b>Key Qualifications:</b>          Bachelor of Social Laws  <b>work experience:</b>          Seth is a Lawyer with a Bachelor’s Degree in Law. He is an Advocate of the High Court of Kenya and has over eighteen years of experience in commercial law, civil society and governance work with particular strengths in vetting and negotiating International and Local Treaties and Agreements, negotiations skills, legal research and rendering general legal advice particularly to the Government of the Republic of Kenya. Currently he is a Deputy Head - Senior Principal State Counsel, Attorney General’s Chambers and Department of Justice in the Legal Advisory and Research Division.</p>
 <p><b>NOAH MOKAYA OMAMBIA SANGANYI, HSC</b></p>	<p><b>Date of birth:1962</b>  <b>Key Qualifications:</b>          Bachelor of Social Laws  <b>Work Experience:</b>          Sanganyi is a Child Protection Specialist, Director Children’s Services at the Department of Children Services under the Ministry of Labour and Social Protection. He specializes in Child Protection including Psychosocial Support to Orphans and Vulnerable Children, Development of work plans, Development of National Programme Guidelines on Orphans and other Children made Vulnerable by HIV/AIDS (OVC), Development of National Policy on Orphans and Vulnerable Children (OVC), Development of National Plan of Action on Orphans and Vulnerable Children (OVC).          He has 6 years management of ILO/IPEC – child labour funded programme in Kisii soapstone industry, 6 years Government of Kenya(GOK )Expert on Treatment of Juvenile Delinquent System with technical co-operation programmes of Japan International Cooperation Agency (JICA), 6 years as a GOK Expert on Promotion of Street Children and Youth at Risk with German Technical Co-operation (GTZ) and lastly 3 years GOK Expert in management of National Cash Transfer Programme for Orphans and Vulnerable Children (OVC – CT).</p>

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**DR LAURA BONARERI ANGWENYI OYIENGO**

**Date of birth:1976**

**Key Qualifications:**

**Masters of medicine, Paediatric and child health**

**Work Experience:**

Consultant Paediatrician, Child and Adolescent health specialist currently serving as the Head of Neonatal and Child health services at the Ministry of Health. I am currently supporting the Ministry of Health, Kenya working with partners and stakeholders, in ensuring delivery of quality health services to infants and children amidst the COVID-19 pandemic. Previously worked at the National AIDS STI Control Program (NAS COP), Kenya where I led the Paediatric and Adolescent HIV care and treatment program wide experience in clinical patient management and public health including in-depth knowledge of the public and private sectors in Kenya. spearheaded as well as collaborated on multiple high impact projects which have brought about positive impacts for children and adolescents living with HIV and reforms in health service delivery for the young population



**BISHOP BERNARD KARIUKI**

**Date of birth:1950**

**Key Qualifications:**

Masters of Theology

Bachelor of Theology

Bachelor of Law





**Work Experience**

Mr Kariuki ministering in the church ACK for 25 years in the church & PISCOPOL Church for a period of 15 years. He was a commissioner CKRC for 5 years (NGAI commission). He has been a director at Rural Electrification Authority for years.



Kariuki has a legal firm to Tobiko and Njoroge Advocates, a medium law.

Kariuki is now a member of board of directors at The National Council for Children Services.

MANAGEMENT TEAM

 <p>ABDINOOR SHEIKH</p>	<p>Ag. C.E.O, NCCS</p>
 <p>BENSON WAMBANI        Bachelor of Social Work</p>	<p>ASSISTANT DIRECTOR CHILDREN        SERVICES</p>
 <p>MOSES MUGA</p>	<p>HEAD FINANCE, NCCS</p>
 <p>TRUPHENA CHEMININGWA        Bachelor of Arts - Anthropology</p>	<p>ASSISTANT DIRECTOR CHILDREN'S        SERVICES</p>

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 <p><b>JUDY WACHIRA.</b> Bachelor of Arts – Social Work Masters in Counselling Psychology</p>	<p>ASSISTANT DIRECTOR CHILDREN'S SERVICES</p>
 <p><b>MARY THIONG'O</b> Bachelor of Arts – Sociology</p>	<p>ASSISTANT DIRECTOR CHILDREN'S SERVICES</p>

## **REPORT OF THE CHIEF EXECUTIVE OFFICER**

The National Council for Children's services has made great strides in the execution of its mandate in the period of 2019/2020 under review.



The council has ensured that there was a legislation that is aligned to the constitution and policies to guide in the implementation of child rights and welfare.

Further the council has ensured that there's adherence to the state obligations to the UNCRC and the ACRWC by coordinating the consolidation and submission of the periodic state party reports.

To achieve its objectives, the council has developed a five years' strategic plan in line with its mission, mandate, and its vision 2030, SDGs as per the work plan and performance contract for the year 2019/2020 financial year.

It is within the council's mandate to ensure that child rights and welfare is advocated for and that child participation is emphasized in order to give children a voice. This was achieved during National celebrations of the day of the African Child 2019 the council also coordinated the united Nations Conventions on the Rights of the Child 30<sup>th</sup> Anniversary that also provided children forum to voice their opinion. Children presented their communities to the guest of honour who was the head of state represented by the cabinet secretary labor.

The council will also regulate and supervise actors in children sector to ensure that there's adherence to the legislation and policies put in place to govern the sector. Children must be cared for and be protected to ensure holistic growth and development.

Charitable Children Institutions are registered through the council and thus there is need for the council to monitor compliance by the said institutions to the set regulations and standards. More often than not, children suffer in the hands of their caregivers, there's need therefore for them to be protected.

The council has realised successes during financial year 2019/2020. Some of the key highlights are and not limited to;

- Submission of the children Bill 2019 to the AG
- Finalizing NPA on CSEC
- Finalization of the 2<sup>nd</sup> and 3<sup>rd</sup> State Party Report on the level of implementation of the ACRWC
- Celebration for the Day of African Child
- Coordination of stakeholder where issues affecting children are discussed.
- Draft strategic plan in place and mobilization of resources through partners.

Despite the achievements listed above, there were challenges since there's inadequate resources both human and financial. The funds from the exchequer are very little and there's a lean staffing of the council thus affecting the operations of the council adversely.

However, it's our hope and trust that soon the council will be categorized and operationalized to achieve its mandate. Once this is achieved the council will strategize on how to effectively regulate children sector and if possible undertake a benchmarking tour to learn best practises.



**Abdinoor Sheikh**  
**Ag, C.E.O, N.C.C.S**

**CHAIRPERSONS' STATEMENT**



It my pleasure to present to you the financial report for the National Council for Children's Services for the period 2019-2020 financial year.

This is the first report under my tenure as the chair of this board. In releasing this report, I wish to acknowledge the immense contribution of my board members and the secretariat that made us reach this milestone.

Induction of our board members on Mwongozo code of governance for State Corporation has enabled us to entrench values and principals of public service and best practices in the council's corporate governance.

The council would not have achieved our targets without the valuable inputs and support from our partners who have offered both technical and financial support. It is through this concerted effort that the council has realized the finalization of children bill 2019

The council in partnership with other stakeholders have also consolidated the second and third state party periodic report on the level of implementation on the African charter on the right and welfare of the child.

During the financial year 2019/2020 the council was able to steer the launch and the national celebration of the day of the African child which took place in West Pokot and Tana River counties and also finalized the national plan of action on child sexual exploitation on children (CSEC). The council also coordinated the celebrations of the 30<sup>th</sup> Anniversary of the United Nations of the convention of the rights of the child (CRC@ 30)

**Joyce Ngugi,  
Chairperson.**

**CORPORATE GOVERNANCE STATEMENT**

The Board of Directors appointed members to committees based on their professional competencies and skills.

The committee are expected to operate transparently, ensure full disclosure to the board and confine themselves within the rules and procedures set out by the board. Matters deliberated by the committees are presented to the board by the respective chairmen during the Full board meetings. The committees are: Audit and Risk, Finance and Administration and Strategy and Implementation Committees. The responsibility and members of the committees are summarized below;

**1. AUDIT COMMITTEE.**

The committee assists the board to monitor, evaluate, make decisions and propose to the board with respect to all auditing, risk management and internal control functions relating to the council.

The main responsibilities of the council are;

- a) Evaluate the adequacy of the control environment to provide reasonable assurance that the systems of internal control are of a high standard and functioning as intended
- b) Performing an independent review of the financial statements to ensure the integrity and transparency of the financial reporting process.
- c) Monitoring the effectiveness of the Council’s performance information and compliance with the performance management framework and performance reporting requirements,
- d) Review the effectiveness of how the Council monitors compliance with relevant legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour
- e) Ensure that external audit recommendations are fully addressed, that the quality of internal audit is of an appropriate standard and that line management has full regard to internal audit recommendations
- f) Advise the Council on financial reporting

The Members of the committee are as follow;

S/No.	Name	Organization	Telephone	Email address
1	Nuria Golo Halakhe (Chairperson)	MWANDO (FBO)	0725401221	nuriagollo@yahoo.com
2	Henry Mutwiri	National Treasury	0720091044	mutwirihr@gmail.com
3	Noah M.O. Sanganyi	Director Children Services	0722813560	sanganyinoah@yahoo.com
4	Seth Masese	Office of the Attorney General	0721910995	nyamweyaseth@gmail.com
5	Nereah Olick	Director of Education	0725871877	anyangoolick@gmail.com

**2. FINANCE AND ADMINISTRATION COMMITTEE.**

The finance and administration committee assists the board in fulfilling its oversight on management of funds, allocations of funds, preparation and reviewing of budget and financial reporting.

The main responsibilities of the committee are;

- a) Establish financial management system through the development of appropriate guidelines;
- b) Determine the criteria for disbursement of funds and resources to needy and deserving cases,
- c) Conduct training and other capacity building activities to strengthen management and organizational development for the Council and its partners
- d) Ensure proper utilization of the resources in adherence to the financial regulations
- e) Facilitate timely development and implementation of the Council’s strategic plan and

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f) Observe proper assets management and disposals mechanisms  
The Members of the committee are as follow;

S/No.	Name	Organization	Telephone	Email address
1	Laura Bonareri (Chairperson)	Director of Health	0724097033	bonarerimk@gmail.com
2	Henry Mutwiri	National Treasury	0720091044	mutwirih@gmail.com
3	Bishop Bernard Kariuki	Faith Based Org. (FBO)	0722754425	bpnjoroge@gmail.com
4	Mary Owino	PS Representative Social Protection	0722330377	owino@yahoo.com
5	Nereah Olick	Director of Education	0725871877	anyangoolick@gmail.com

**3. STRATEGY AND IMPLEMENTATION COMMITTEE.**

The Strategy and Implementation committee main objective is to assist the board in establishing, coordinate and operationalize mechanisms on service delivery to children matters.

The main responsibilities of the committee are;

- Identify, design and implement resource mobilization initiatives directed at various internal and external stakeholders.
- Advocate child rights welfare i.e. Develop advocacy, media participation and partnership strategies towards safeguarding children's welfare and rights.
- To Develop and review legislation, policies and programmes for care and protection of children,
- To enhance research, monitoring and evaluation on children issues i.e. Collaborate with research institutions on children welfare matters and disseminate the findings to relevant stakeholder

The Members of the committee are as follow;

S/No.	Name	Organization	Telephone	Email address
1	Bishop Bernard Kariuki (Chairperson)	Faith Based Org. (FBO)	0722754425	bpnjoroge@gmail.com
2	Noah M.O. Sanganyi	Director Children Services	0722813560	sanganyinoah@yahoo.com
3	Seth Masese	Office of the Attorney General	0721910995	nyamweyaseth@gmail.com
4	Laura Bonareri	Director of Health	0724097033	owarfa@yahoo.com
5	Nuria Golo Halakhe	MWANDO (FBO)	0725401221	nuriagollo@yahoo.com

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**FULL BOARD MEMBERS**

S/No.	Name	Organization	Telephone	Email address
1	Joyce Wanjiku Ngugi	Chairperson	0722514125	joycejossy@yahoo.com
1	Nuria Golo Halakhe	MWANDO (FBO)	0725401221	nuriagollo@yahoo.com
2	Henry Mutwiri	National Treasury	0720091044	mutwirih@gmail.com
3	Bishop Bernard Kariuki	Faith Based Org. (FBO)	0722754425	bpnjoroge@gmail.com
4	Seth Masese	Office of the Attorney General	0721910995	nyamweyaseth@gmail.com
5	Noah M.O. Sanganyi	Director Children Services	0722813560	sanganyinoah@yahoo.com
6	Mary Owino	PS Representative Social Protection	0722330377	owinoma@yahoo.com
7	Laura Bonareri	Director of Health	0724097033	bonarerimk@gmail.com
8	Abdinoor S. Mohamed	Ag. CEO, NCCS - Secretary	0720938187	Abdinoor.sheikh57@gmail.com

## **CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

For The National Council for Children's Services, 'corporate social responsibility' refers to efforts to positively change business behaviour and practices as they affect children. This is done in collaboration with a range of stakeholders, including NGOs, government, civil society, children and young people.

Businesses have significant impacts, both positive and negative, on children's rights. They make important contributions to the well-being of children by creating jobs and livelihoods for families, as well as in the form of philanthropic initiatives. At the same time, violations of children's rights by companies can threaten children's protection, survival and development.

We do this through four interrelated work areas:

1. Policy development and legal issues
2. Advocacy, Media and communication
3. Planning, research, monitoring and evaluation and
4. Resources mobilization.

The Council's work on CSR is grounded in delivering results for the most disadvantaged children. It represents a unique opportunity to work together with the private sector – through addressing core social and economic practices and leveraging corporate knowledge, skills and networks – to address the challenges facing disadvantaged children.

We believe that our CSR can make a valuable contribution to children's rights because:

- Companies interact with children on a daily basis. Children are workers in factories and fields, consumers of products, family members of employees, and live in neighborhoods where businesses operate.
- Business impacts a wide range of children's rights. In the past, corporate responsibility towards children has often focused on preventing and eliminating child labor, or on philanthropic investments. But companies also affect children through products and services, marketing methods, relationships with local and national governments, and investments in local communities.
- Companies have a responsibility to comply with national law and respect international standards on children's rights. While governments have a duty to protect children against violations, companies have a responsibility to respect children's rights throughout their activities and relationships.
- Business can act as a champion for children's rights through core business activities, strategic social investments and philanthropy, advocacy and public policy engagement. Companies can work in partnership with, and exercise influence over, governments, peers, suppliers and other business relationships as part of promoting children's rights.

The Council has an important role in raising awareness of children rights, and in working with private sectors to promote the responsibility to protect, respect and support children's rights in the workplace, marketplace and community.

Our CSR work is part of the efforts to develop and maintain innovative partnerships and collaborative relationships, with the goal of promoting equity, reducing disparities and expanding services for the most vulnerable and marginalized children.

## **REPORT OF THE DIRECTORS**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2020 which show the state of the council' s affairs.

### **Principal activities**

The principal activities of the entity are:

In line with Mwongozo guidelines, the board;

- (a) Exercise their role collectively and not individually.
- (b) Determine the organization's mission, vision, purpose and core values.
- (c) Set and oversee the overall strategy and approve significant policies of the organization.
- (d) Ensure that the strategy is aligned with the purpose of the organization and the legitimate interests and expectations of its shareholders and other stakeholders.
- (e) Ensure that the strategy of the organization is aligned to the long-term goals of the organization on sustainability so as not to compromise the ability of future generations to meet their own needs.
- (f) Approve the organizational structure.
- (g) Approve the annual budget of the organization.
- (h) Monitor the organization's performance and ensure sustainability.
- (i) Enhance the corporate image of the organization.
- (j) Ensure availability of adequate resources for the achievement of the organization's objectives.
- (k) Hire the CEO, on such terms and conditions of service as may be approved by the relevant government organ(s) and approve the appointment of senior management staff.
- (l) Ensure effective communication with stakeholders.

### **Results**

The results of the council for the year ended June 30, 2020 are set out on page 1-13

### **Directors**

The members of the Board of Directors who served during the year are shown on page xiii. During the year 2019/2020 no director retired/ resigned and none was appointed with effect.

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**Auditors**

The Auditor General is responsible for the statutory audit of the council in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the council for the year/period ended June 30, 2020 in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

Corporate Secretary  
Nairobi  
Date: .....

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Section 81 of the Public Finance Management Act, 2012 and Section 30(1) of the Children Act 2001 require the Directors to prepare financial statements in respect of that the council, which give a true and fair view of the state of affairs of the council at the end of the financial year/period and the operating results of the council for that year/period. The Directors are also required to ensure that the council keeps proper accounting records which disclose with reasonable accuracy the financial position of the council. The Directors are also responsible for safeguarding the assets of the council

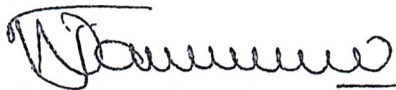
The Directors are responsible for the preparation and presentation of the council's financial statements, which give a true and fair view of the state of affairs of the council for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate 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 council; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the council financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the State Corporations Act) – Section 30(1) of the Children Act 2001. The Directors are of the opinion that the Council's financial statements give a true and fair view of the state of Council's transactions during the financial year ended June 30, 2020, and of the Council's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Council's, which have been relied upon in the preparation of the Council's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Council's will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

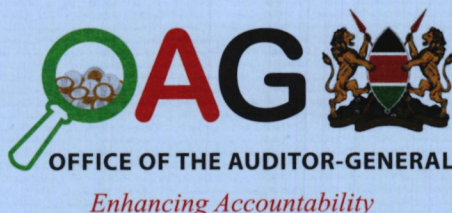
The council's financial statements were approved on behalf of the Board on 30/6 2020  
by:



**CHAIRMAN OF THE BOARD**

# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL COUNCIL FOR CHILDREN SERVICES FOR THE YEAR ENDED 30 JUNE, 2020**

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Council for Children's Services set out on pages 1 to 13, which comprise the statement of financial position as at 30 June, 2020, the statement of financial performance, the statement of changes in net assets, the statement of cash flows, the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Council for Children Services as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Children Act, 2001.

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

##### **Property, Plant and Equipment**

The statement of financial position reflects a balance of Kshs.15,286,844 under property, plant and equipment as at 30 June, 2020. As previously reported, most of the assets were donated by the State Department for Social Protection at net book value and have not been revalued. This is contrary to Paragraph 27 of IPSAS 17 - Property, Plant and Equipment which requires assets acquired through non-exchange transactions be measured at fair value as at the date of acquisition. Further, the Council had not developed or disclosed the depreciation policy on the non-current assets. In addition, the asset register did not disclose the date of purchase for some of the assets, respective costs of the assets and the status of the assets. Further, the assets were not tagged for ease of tracking and verification.

Under the circumstances, the accuracy and fair statement of the property, plant and equipment balance of Kshs.15,286,844 as at 30 June, 2020 could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects budgeted expenditure and actual on comparable basis of Kshs.46,500,000 and Kshs.38,355,925 respectively, resulting to an under-expenditure of Kshs.8,144,075 or 17.5% of the budget. However, the Council overspent on programs and Board expenses by Kshs.2,043,000 or 19.8% and Kshs.805,700 or 12% respectively, while an under expenditure of Kshs.10,992,776 or 40% of the budget was recorded under general expenses. The Council has not explained material variances in the notes to the financial statements.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

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

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

## **Conclusion**

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

## **Basis for Conclusion**

### **Lack of Substantive Office Holders and Weak Internal Controls**

Section 37 of the Children's Act, 2001 provides for the appointment of a Director and Deputy Directors of Children's services as well as Children's Officers and other Officers. However, as previously reported, the Council had a Chief Executive Officer in an acting capacity and all the Council's staff were on secondment from the Children's Department of the Ministry of Labour and Social Protection. Further, the Council accounting function is done manually. In addition, the Council lacks an approved Human Resource Policy and Procedures Manual; staff grading and establishment; and career guidelines as required by the Human Resource Policies and Procedures Manual of Public Service, 2016. This may have had a negative impact on the Council's ability to formulate policy direction and effectively deliver on its mandate.

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

### **Responsibilities of Management and the Board of Directors**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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 and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council'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 Council to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Council 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.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

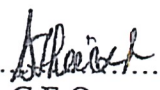
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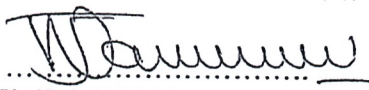
**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**


**1. STATEMENT OF FINANCIAL PERFORMANCE**

	Note	2019-2020	2018-2019
		Kshs	Kshs
<b>REVENUES</b>			
Grants from National Government	1	46,500,000.00	45,118,310.00
Other receipts		230,668.10	
<b>TOTAL REVENUE</b>		<b>46,730,668.10</b>	<b>45,118,310.00</b>
<b>EXPENSES</b>			
Employee costs	2	00	00
Board Expenses/remuneration of Management	3	7,443,552.00	2,558,136.00
Repairs and maintenance	4	2,408,352.00	2,884,877.00
Contracted services	5	00	00
Programs	6	12,348,400.00	8,715,480.00
General expenses	7	16,155,620.80	40,073,215.00
Depreciation of Assets	10	3,138,138.00	3,851,063.00
<b>TOTAL EXPENSES</b>		<b>41,494,062.90</b>	<b>58,082,771.00</b>
<b>Surplus/ Deficit for the period</b>		<b>5,236,605.20</b>	<b>-12,964,461.00</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:

  
 Ag C.E.O  
 Abdinoor Sheikh

  
 CHAIRMAN OF THE BOARD  
 Joyce Ngugi


  
 HEAD FINANCE:  
 Moses O. Muga  
 ICPAK Member No. 14266

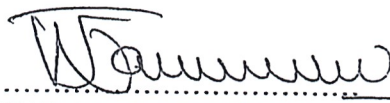
THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES  
 Reports and Financial Statements  
 For the year ended June 30, 2020


2.STATEMENT OF FINANCIAL POSITION

		2019-2020	2018-2019
		Kshs	Kshs
<b>ASSETS</b>			
<b>Current assets</b>			
Cash at Bank	8	284,946.30	356,484.00
<b>Non-Current Assents</b>			
Property, plant and equipment	10	15,286,843.90	14,404,188.00
<b>TOTAL ASSETS</b>		<b>15,571,790.20</b>	<b>14,760,672.00</b>
<b>Liabilities</b>			
Outstanding Debts			5,067,687.00
Payables	11	642,200.00	
Total current liabilities			
Deferred tax liabilities			
<b>TOTAL LIABILITIES</b>		<b>642,200.00</b>	<b>5,067,687.00</b>
<b>NET ASSETS</b>		<b>14,929,590.20</b>	<b>9,692,985.00</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>		<b>14,929,590.20</b>	<b>9,692,984.08</b>
<b>Bal b/f</b>		<b>9,692,985.00</b>	<b>22,657,446.08</b>
Surplus for the year		5,236,605.20	(12,964,461.00)
<b>TOTAL</b>		<b>14,929,590.20</b>	<b>9,692,984.08</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:

  
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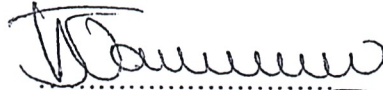
**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

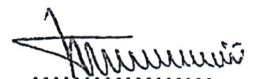
**3. STATEMENT OF CHANGES IN NET ASSETS**

	Capital Reserve	Revenue Reserve	Revaluation Reserve	Total Amount
Balance as at 1st July 2018	15,638,578.00	7,018,867.00	-	22,657,445.00
Capitalized Government Grant			-	
Total Comprehensive Income for the Year		-12,964,461.00		-12,964,461.00
Balance as at 30th June 2019	15,638,578.00	-5,945,594.00	-	9,692,984.00
Balance as at 1st July 2019	15,638,578.00	-5,945,594.00	-	9,692,984.00
Capitalized Government Grant			-	
Total Comprehensive Income for the Year		5,236,605.20		5,236,605.20
Balance as at 30th June 2020	15,638,578.00	(708,988.80)		14,929,589.20

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:

  
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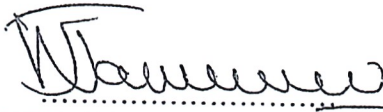
THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES  
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 For the year ended June 30, 2020

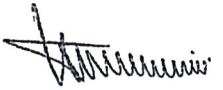
4 STATEMENT OF CASH FLOWS

		KSH.	KSH.
RECEIPTS		2019-2020	2018-2019
Grants from National government	1	46,730,668.10	45,118,310
Other Receipts		230,668.10	
<b>Total receipts</b>		<b>46,730,668.10</b>	<b>45,118,310</b>
PAYMENTS			
Employee cost	2		-
Board expenses	3	6,801,352.00	2,558,136
Repairs and maintenance	4	2,408,352.00	2,884,877
General expenses	7	16,155,620.80	40,073,215
Contracted services	5	0	0
Programs	6	12,348,400.00	8,715,480
<b>Total Payments</b>		<b>37,713,724.80</b>	<b>54,231,708.00</b>
<b>Adjusted for:</b>			
Changes in receivables		0	0
Changes in payables		4,425,486.00	5,067,686
<b>Net cash flow from operating activities</b>		<b>(4,425,486.00)</b>	<b>-4,045,712</b>
Cash flow from Investing Activities			
Acquisition of Assets	10	4,020,795.00	0
<b>Net cash flows from Investing Activities</b>		<b>(4,020,795.00)</b>	<b>0</b>
Cash flow from Borrowing Activities			
Proceeds from Domestic Borrowings			0
<b>Net cash flow from financing activities</b>			<b>-</b>
Add back Depreciation			
<b>Net increase in Cash and Cash Equivalent</b>		<b>-71,537.30</b>	<b>-4,045,712</b>
Cash and cash equivalent at beginning of the period		356,484.00	4,402,196.00
<b>Cash and cash equivalent at END of the year</b>		<b>284,946.70</b>	<b>356,484.00</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:

  
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THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES  
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5. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS FOR  
 THE YEAR ENDED 30 JUNE 2020


Receipts/Payments 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>						
Grants: National Government	46,500,000.00	0	46,500,000.00	46,500,000.00	0	100%
<b>Total Receipts</b>	<b>46,500,000.00</b>	<b>0</b>	<b>46,500,000.00</b>	<b>46,500,000.00</b>	<b>0</b>	
<b>Payments</b>						
Board Expenses	6,637,852.00	0	6,637,852.00	7,443,552.00	0	112%
Employee Costs	-	0	0	0	0	0%
Repairs and Maintenance	2,408,352.00	0	2,408,352.00	2,408,352.00	0	100%
Contracted Services	-	0	0		0	0%
Programs	10,305,400.00		10,305,400.00	12,348,400.00	0	120%
General Expenses	27,148,396.00		27,148,396.00	16,155,620.80		60%
Other Receipts				230,668.10		
<b>Total Payments</b>	<b>46,500,000.00</b>	<b>0</b>	<b>46,500,000.00</b>	<b>38,355,925.00</b>	<b>8,144,075.00</b>	

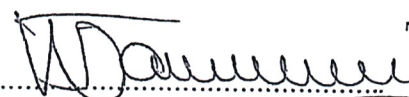
**Budget Notes**

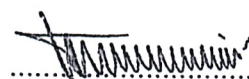
The under expenditures were due to

1. **Employees Cost-** The employees under the council were seconded from the Ministry and their cost borne by the ministry. Therefore, there was no cost related to the employees.
2. **General expenses-** the under expenditure is inclusive of depreciation

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:

  
 Ag C.E.O  
 Abdinoor Sheikh

  
 CHAIRMAN OF THE BOARD  
 Joyce Ngugi

  
 HEAD FINANCE:  
 Moses O. Muga  
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**NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

The National Council is established by and derives its authority and accountability from Children's Act. The National Council for Children Services is a Semi-Autonomous Government Agency under the State Department for Social Protection. The National Council for Children's Services principal activity is Oversight of Children issues in the country

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION**

The National Council for Children's Services financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the entity. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to The National Council for Children's Services and can be measured reliably.

**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**  
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**ii) Revenue from exchange transactions**

**a) Rendering of services**

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

**b) Budget information**

The original budget for FY 2019-2020 was approved by the National Assembly on September. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by The National Council for Children's Services upon receiving the respective approvals in order to conclude the final budget. Accordingly, The National Council for Children's Services recorded additional appropriations of fifty million on the 2017-2018 budgets following the governing body's approval.

The National Council for Children's Services budget is prepared on basis of the work plan, procurement plans translated into the actual income and expenditure. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

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**For the year ended June 30, 2020**

**c) Property, plant and equipment**

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

**1. TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES**

<b>Name of the Entity sending the grant</b>	<b>2019-20</b>	<b>2018-19</b>
	Kshs	Kshs
State Department of social protection	46,500,000.00	43,048,800.00
Direct Payment by State Department of social protection		2,069,510.00
Other receipts	230,668.10.00	
<b>Total</b>	<b>46,730,668.10</b>	<b>45,118,310.00</b>

**2 EMPLOYEE COSTS**

<b>Description</b>	<b>2019-20</b>
	KShs
Transport allowance	0
Travelling allowance	0
<b>Total employee cost</b>	<b>0</b>

**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**  
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**For the year ended June 30, 2020**

<b>3. BOARD EXPENSES/REMUNERATION OF MANAGEMENT</b>		
<b>Description</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>KShs</b>	<b>KShs</b>
Chairman's Honoraria	980,000.00	119,000.00
Directors emoluments	6,463,552.00	2,439,136.00
<b>Total director emoluments</b>	<b>7,443,552.00</b>	<b>2,558,136.00</b>

**4. REPAIRS AND MAINTENANCE**

<b>Description</b>	<b>2019-20</b>	<b>2018-2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Repairs and Maintenance- Others	1,283,400.00	660,000.00
Repairs and Maintenance-Vehicles	1,124,952.00	1,544,877.00
Furniture and Fittings	-	-
Computers and Accessories	-	680,000.00
<b>Total Repairs and Maintenance</b>	<b>2,408,352.00</b>	<b>2,884,877.00</b>

**5. CONTRACTED SERVICES**

<b>Description</b>	<b>2019-20</b>	<b>2018-2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Consultancy on child to child abuse	-	-
Payment of Rent	0	0
<b>Totals</b>	<b>0</b>	<b>0</b>

**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**6.PROGRAMS**

	2019-20	2018-2019
	KShs	KShs
Cash transfer on a National Day Celebrations	10,305,400.00	545,000
Children Bill	2,043,000.00	-
<b>Total Cost</b>	<b>12,348,400.00</b>	<b>545,000</b>

**7.GENERAL EXPENSES**

Description	2019-2020	2018-2019
	Kshs	Kshs
Domestic travel	4,959,185.00	29,545,227.00
Foreign travel	49,425.00	3,333,420.00
Catering services	1,810,190.00	2,682,390.00
Fuel and oil	660,000.00	
Office and general supplies	1,352,455.00	1,182,438.00
Bank Charges	183,105.80	62,068.00
Electricity Expenses	-	
Specialised Materials and Supplies	-	498,000.00
Purchase of Computers and Accessories		-
Printing stationeries	5,518,160.00	90,000.00
Postal & Courier		19,152.00
Provisions for Audit fee		50,000.00
Conferences and delegation & Training	826,500.00	598,000.00
Subscriptions		777,520.00
Telecommunications		1,235,000.00
Care reform	796,600.00	
<b>Total General Expenses</b>	<b>16,155,620.80</b>	<b>40,073,215.00</b>

THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES  
 Reports and Financial Statements  
 For the year ended June 30, 2020

**8. CASH AND CASH EQUIVALENTS**

Description	2019-2020	2018-2019
	Kshs	Kshs
Bank	284,946.30	356,484.00
<b>Total cash and cash equivalents</b>	<b>284,946.30</b>	<b>356,484.00</b>

**9. DETAILED ANALYSIS OF THE CASH AND CASH EQUIVALENTS**

Name of Bank	Account number	Currency	2019-2020	2018-2019
Kenya Commercial Bank	1132458803	Kshs	Kshs	Kshs
		<b>TOTALS</b>	284,946.30	356,484.00

**10. DEPRECIATION AND AMORTIZATION OF NON - CURRENT ASSETS  
 MOVEMENT SCHEDULE**

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers	Office Equipment	Total
Cost	KShs	KShs	KShs	KShs	KShs	KShs
As At 1 July 2018	-	5,624,250	1,876,000	4,225,000	6,530,000	18,255,250
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-
As At 30 <sup>th</sup> June 2019	-	5,624,250	1,876,000	4,225,000	6,530,000	18,255,250
Charge for the year		1,406,063	234,500	1,394,250	816,250	3,851,063
As At 30 June 2019 (at cost)		4,218,188	1,641,500	2,830,750	5,713,750	14,404,188
<b>Depreciation and impairment</b>						
Charge for the year	-					
As At 1 July 2018	-					
Charge for the year						
As At 30 <sup>th</sup> June 2019		4,218,188	1,641,500	2,830,750	5,713,750	14,404,188
Additions				1,242,495	2,778,300	4,020,795
As At 30 <sup>th</sup> June 2020		4,218,188	1,641,500	4,073,245	8,492,050	18,424,983
Charge for the year		527,274	205,188	1,344,171	1,061,506	3,138,138
As At 30 <sup>th</sup> June 2020		527,274	205,188	1,344,171	848,969	2,925,601
Net book values As At 30 <sup>th</sup> June 2020		3,690,915	1,436,313	2,729,074	7,430,544	15,286,845

**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**  
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<b>11. PAYABLES</b>		
	<b>2019-2020</b>	<b>2018-2019</b>
<b>particulars</b>	<b>Total Cost</b>	<b>Total Cost</b>
Payables	642,200.00	5,067,687.00

**THE NATIONAL COUNCIL FOR CHILDREN'S SERVICES**  
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<b>PRIOR YEAR AUDIT ISSUES</b>			
<b>S/N</b>	<b>ISSUE RAISED</b>	<b>MANAGEMENT RESPONSE</b>	<b>STATUS</b>
1	<b>Depreciation of Assets</b>	The assets were not depreciated in the financial year 2017/18 because the council had no board in place to direct a revaluation process and policy on these assets which were transferred from the ministry at cost	<b>Resolved</b>