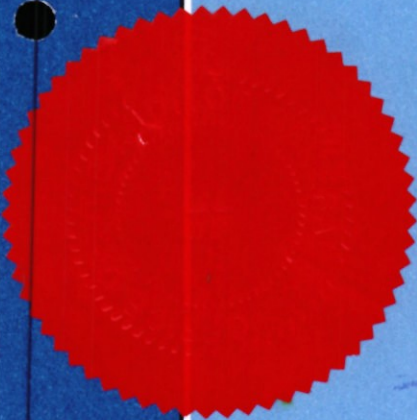


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

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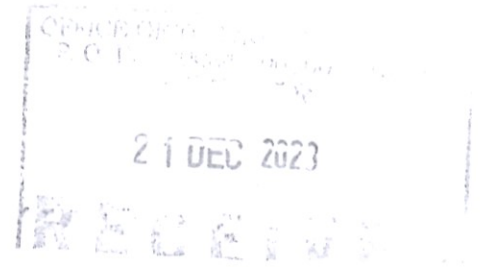
Hon. Naomi Wago, MP
Deputy Majority Whip
A. Shubuka

THE AUDITOR-GENERAL

ON

**STATE DEPARTMENT FOR
CORRECTIONAL SERVICES**

**FOR THE YEAR ENDED
30 JUNE, 2023**



STATE DEPARTMENT FOR CORRECTIONAL SERVICES

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2023

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



STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

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1. Acronyms and Glossary of Terms

AIE	Authority to Incur Expenditure
SCFO	Senior Chief Finance Officer
HAU	Head of Accounting Unit
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
SDCS	State Department for Correctional Services
BIC	Budget Implementation Committee
MDA	Ministry, Department and Agencies
CS	Cabinet Secretary
PS	Principal Secretary
IFMIS	Integrated Financial Management Information Systems
GOK	Government of Kenya

2. Key Entity Information and Management

(a) Background information

The State Department for Correctional Services falls under the Ministry of Interior and National Administration as per the Executive Order No. 1 of January 2023. The State Department comprises of two technical departments namely; Kenya Prisons Service and the Probation and After Care Services, supported by General Administration and Planning Services.

Vision Statement, Mission Statement and Strategic Objectives

Vision

To be an excellent organization in correctional services.

Mission

To contribute to the promotion of just and secure society through efficient management of offenders.

Mandate

Specific functions of the State Department for Correctional services as derived from the Executive Order No. 1 of 2023 include:

- ❖ Correctional services;
- ❖ Policy for reforms of Penal Justice system,
- ❖ Prisons Enterprise;
- ❖ Development of Administrative Policies for Borstal Institutions and Facilities for Incarcerated Minors; and
- ❖ Probation Services.

Strategic Objectives

To realize its vision, the State Department was guided by the following strategic objectives:

1. To ensure responsive effective and efficient services to the public;
2. To contain inmate in secure and humane conditions;
3. To efficiently facilitate access to justice;
4. To supervise, rehabilitate reintegrate and resettle offenders;
5. To revitalize prison farms and industries; and
6. To enhance development of skills for offenders under rehabilitation.

Bottom-Up Economic Transformation Agenda

The BETA agenda is geared towards economic turn around and inclusive growth and aims to increase investment in at least five sectors envisaged to have the largest impact to the Kenyan citizen's livelihood as well as Household. This includes; Agricultural transformation, Micro small and medium enterprise, Housing and settlement, Health care, Digital super highway. The Ministry of Interior and National Administration identified five key priority areas as part of its contribution to BETA as follows:

- Security Sector Institutional Reforms

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- Improve Border Controls Delivery of Citizen Services
- Transform Kenya Prisons Enterprises
- Security Sector Equipment Modernization
- Upgrade of Service Delivery Systems

State Department for Correctional Services Beta aligned priorities

The State Department has mainstreamed and aligned the programmes and strategies to Bottom-Up Economic Transformation Agenda (BETA) and will implement BETA priorities as one of the Subsector within the Governance and Administration Sector in the Medium Term Plan four (MTPIV 2023-2027). Among the prioritize strategies include:

- i. Legal and policy reforms;
- ii. Capacity enhancement;
- iii. Strengthening security in penal facilities;
- iv. Decongestion of prison facilities;
- v. prison modernization programme;
- vi. Mobility;
- vii. Upgrade of services delivery systems through digitization of correctional services & ICT infrastructure set up;
- viii. Offenders' safe custody, rehabilitation, supervision and reintegration; and
- ix. Transforming Kenya prisons enterprises.

(b) Key Management

The State Department's day-to-day management is under the following key organs:

- General Administration;
- Kenya Prison Service and;
- Probation and After Care Services.

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(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Cabinet Secretary	Kithure Kindiki, PhD
2.	Accounting Officer	Salome M. Beacco
3.	Commissioner General -Prisons	Brid (Rtd) John K Warioba,EBS
4.	Secretary Administration	Jonam Kinama
5.	Secretary, Probation and After Care	Mary W Mbau
6.	Director, HRM&D	Peter.K. Koros
7.	Senior Chief Finance Officer	Arthur Nduati
8.	Director, Central Planning Unit	James M. Nyabochoa
9.	Head, Supply Chain Management	George.M.Njane
10.	Head of Accounting Unit	Johnson W. Njuguna

(d) Fiduciary Oversight Arrangements

(a) Budget Implementation committee

The committee is mandated to oversee the budget implementation process and advise the Accounting Officer on the performance of the entire budget during the implementation phase and to oversee production of performance reports.

(b) Parliamentary Budget committee

The committee is mandated to respond to matters raised by Parliamentary Account Committee in relation to budgetary allocations and appropriations.

(c) Audit Committee

The duties and responsibilities of Audit Committee include financial and management reporting, risk management, internal controls and compliance with laws, regulation, ethics and good governance.

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Annual Report and Financial Statements for the year ended 30th June 2023

(e) State Department Headquarters

Entity Contacts

Telephone: (254) 228411

E-mail: ps@correctional.go.ke

Website: www.go.ke

(f) Entity Bankers

Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA

(g) Independent Auditors

Auditor - General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

(h) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

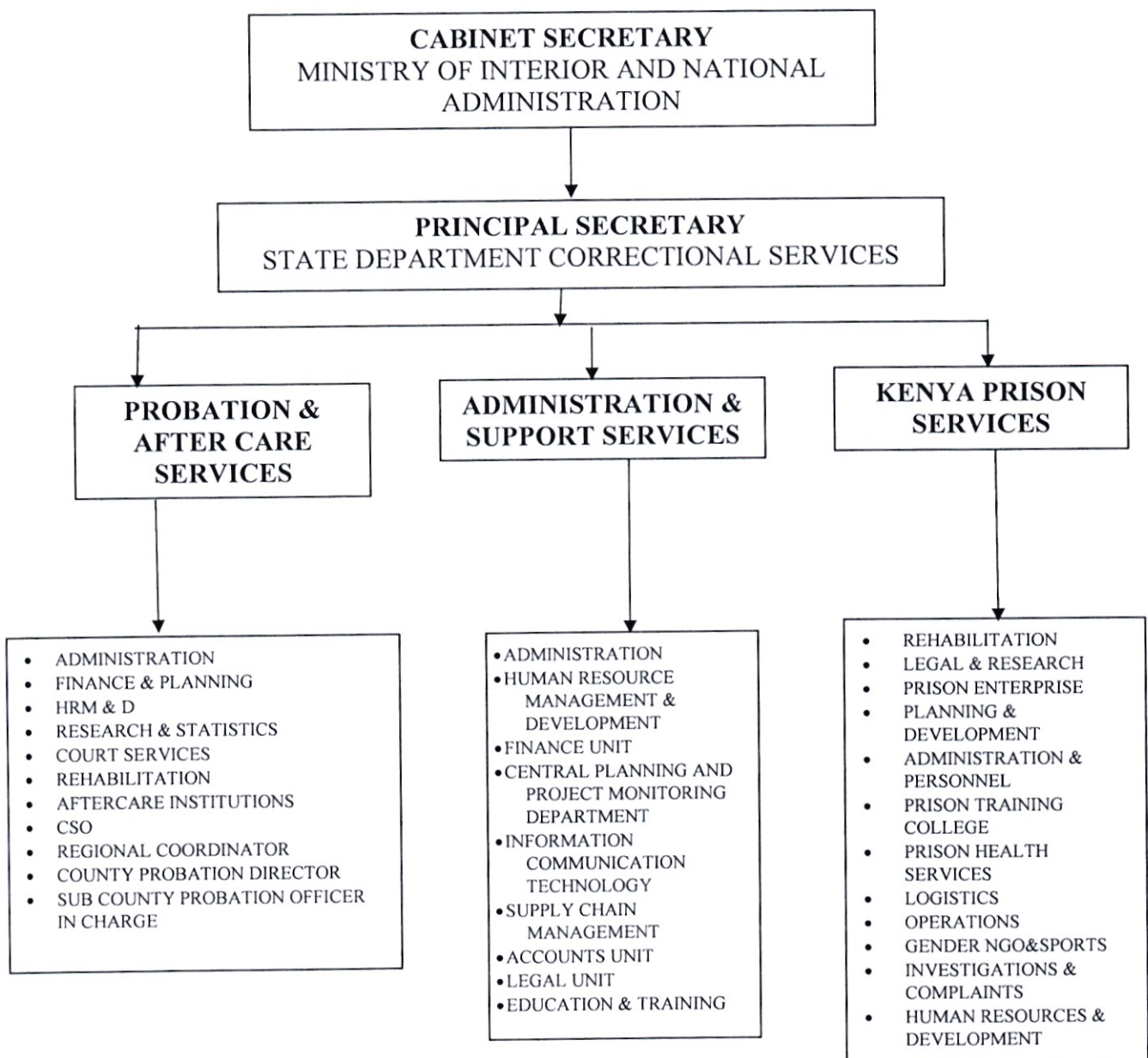
Nairobi, Kenya

3. Statement of Governance

1. key leadership structure

The State Department for Correctional services is under the Ministry of Interior and National Administration which is headed by the Cabinet Secretary, the accounting officer for State department for correctional services is the Principal Secretary while the state department has three key department of probation and after care services, administrative and support services and Kenya Prison Services.

Current Organization Structure Of The State Department For Correctional Services



2. Budget Implementation Committee

The State Department has established a Budget Implementation Committee (BIC) and Project Implementation Committee (PIC) as per Treasury circular no. 08/2015 dated 10th June, 2015 and Nation Treasury circular no. 14/2016 dated 13th July, 2016 respectively.

The BIC is mandated to oversee the budget implementation process and advise the Accounting Officer on the performance of the entire budget during the implementation phase and to oversee production of performance reports. The Terms of Reference for BIC is as below;

1. To review and consider the cash flow plans which involves regular review of the ministerial cash plan and approval of any changes to the initial cash flow plan and advice the National Treasury appropriately to enable processing of the State Department's exchequer.
2. To review the utilization of cash limits and consider any changes as may be required.
3. To advise the accounting officer on any challenges related to the budget implementation.
4. To review and recommend re-allocation of expenditure items.
5. To review and approve the submission of expenditures returns, IPPD, pending bills and AIA returns and recommend actions to be taken.
6. To participate in Sector Working Group.
7. To prepare the budget for the State Department in consultations with the implementing agents.

The membership of the BIC is constituted of;

- i. Accounting officer– Chairperson
- ii. Head of Planning - Secretary
- iii. Head of Finance - Member
- iv. Head of Administration
- v. A maximum of six representatives from technical department.

The BIC's Terms of Reference include;

1. Prioritization of projects based on the MDAs Strategic Plan, Medium Term Plan of the Vision 2030, and the Big Four Agenda namely Food & Nutrition Security, Universal Health Coverage, Manufacturing and Affordable Housing,
2. Assessment of the viability and sustainability of new projects,
3. Approval of projects to be implemented based on established criteria,
4. Identification of the potential projects 'risks and mitigating measures,
5. Providing guidance on any changes in the project's design during implementation and
6. Monitoring and evaluating the achievement of programmes/projects outputs and outcomes.

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
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3.Parliamentary Budget Committee

The State Department followed the guidelines and circulars issued by the National Treasury in the preparation of the Financial Year 2022/23 Budget under the guidance of the Accounting Officer. The committee was mandated to respond to matters raised by Parliamentary Account Committee in relation to budgetary allocations and appropriations.

The members of state department for correctional services who were mandated by the accounting officer to prepare responses to the parliamentary account committee briefs included,

1. The Commissioner General Prisons
2. Director probation and After Care Services
3. Director Administration
4. Head Planning Unit
5. Head of Accounting Unit
6. Head Finance Unit
7. Head Supply Chain Management
8. Head Legal Unit.

The State Department's 2022/2023 budget was discussed by the National assembly, and gazetted on 8th July, 2022.

The State Department appeared at the National Assembly on Wednesday 25th May, 2022 for the examination of the 2020/2021 Auditor General's report.

4.Audit Committee

1.0 Mandate and establishment of Audit Committee

Section 73(5) of the Public Finance Management Act, 2012 provides that every national government public entity shall establish an audit committee whose composition and functions shall be as prescribed by the regulations.

Audit Committee members;

S/No.	Name	Position
1.	Prof. Daniel K. Tarus	Chairperson
2.	Dr. James Mwangi	Member
3.	Ms Sabina W. Maghanga	Member
5.	Mr. Paul Famba	Member
6.	Ms. Edwina O. Magoha	The National Treasury Representative
7.	Elizabeth Kiano (Mrs.)	Secretary

1.1 The purpose of the Audit Committee is stipulated in the PFM Regulation 175 as follows;

- - a) Support the Accounting Officer with regard to their responsibility on issues of risk control and governance and associated assurance but the responsibility over the management of risk control and governance processes remains with the management of Ministry.
 - b) Follow up on the implementation of the recommendations of internal and external auditors.

The Responsibility of the Audit Committee

The duties and responsibilities Audit Committee include the following;

(i) Financial and Management Reporting

Review the adequacy, reliability and accuracy of the financial information provided by management and other providers of such information and make recommendations for improvements as required.

(ii) Risk Management

The SDCS Risk Management Framework provides that the Audit Committee is responsible for the oversight of the risk management function and for its effectiveness. While Internal Audit will provide independent assurance on the effectiveness of risk management in the state department, risk management is to be carried out by management.

(iii) Systems of Accounting and Internal Controls

Internal control is the process that provides reasonable assurance that the State department will be able to achieve its objectives in effectiveness and efficiency of operations, in reliability of financial reporting and in complying with applicable laws and regulations.

(iv) Compliance with Laws, Regulations, Ethics and Good Governance

The Audit Committee shall review the procedures put in place to ensure compliance with pertinent laws and regulations. It shall also evaluate the effectiveness of controls aimed at preventing or detecting conflicts of interest and fraud.

4. Statement by the Cabinet Secretary

The State Department for Correctional Services is domiciled in the Ministry of Interior and Coordination of National Government.

During the financial year 2022/23, the State Department for Correctional Services had an approved total budget allocation amounting to Kshs. 32,071,515,667.00. The Recurrent Vote had Kshs. 31,566,343,797.00 while Development Vote amounted to Kshs. 505,171,870.00.

During the period under review, the State Department's total Expenditure amounted to Kshs 31,444,240,921.65 attaining an absorption rate of 98% of the allocated funds.

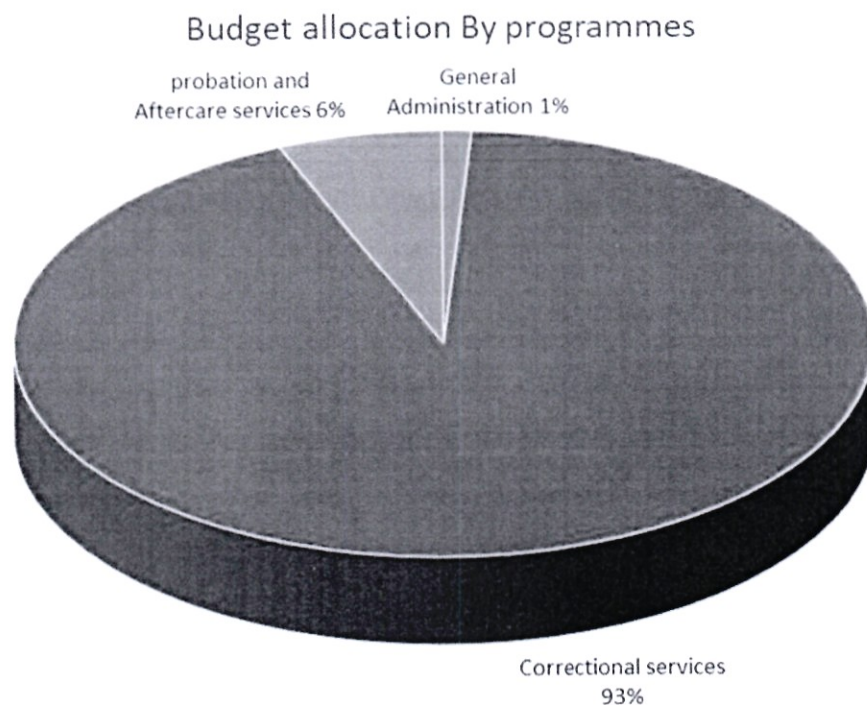
Recurrent and Development Expenditures amounted to Kshs 31,163,971,749.75 and Kshs 280,269,171.90 respectively.

The State Department endeavored to execute the budget in the most prudent manner despite the fact that employees' compensation took up 71%, use of goods and services 27% and acquisition of assets 2% of the total funds received.

BUDGET ALLOCATION

In the financial year 2022/23 the State Department for Correctional Services had a gross budget of **Kshs 32,071,515,667.00** which was made up of Kshs 31,566,343,797.00 and Kshs 505,171,870.00 for recurrent and development vote respectively.

The State Department was to expend the gross budget of **Kshs 32,071,515,667.00** under the following four programmes:



Programme 1 Correctional Services

Objective: To facilitate increased access to justice, provide quality services for custody, containment, supervision, rehabilitation and reintegration of all categories of offenders.

Programme 2: Probation and after care services

Objective: To efficiently facilitate access to justice.

Programme 3: General Administration

Objective: To provide better planning, policy direction and support services for improved service delivery.

The 2022/2023 budget was funded and utilized as analyzed below:

Programmes	Approved Budget Allocation	Actual Payments	Variance	Actual as a Percentage of budget
	Amount (KShs) a	Amount (KShs) b	Amount (KShs) c	d=b/a
Correctional services	29,737,591,034.00	29,287,498,602.40	450,092,431.60	98%
Probation and After Care Service	1,978,418,630.00	1,842,382,386.90	136,036,243.10	93%
General Administration	355,506,003.00	314,359,932.35	41,146,070.65	88%
TOTAL	32,071,515,667.00	31,444,240,921.65	627,274,745.35	98%

STRATEGIC FOCUS FOR THE STATE DEPARTMENT FOR CORRECTIONAL SERVICES

The State Department's Strategic plan is focused on undertaking the projects as below: -

1. Modernization of Prison Infrastructure by constructing a Maximum Security Prison (Super Maximum Prison); construction of modern prison facilities; establishment of Prison wings for Special needs offenders and violent extremists.
2. Modernization of Prisons Enterprise by revitalization of prison industries and mechanization. prison farms
3. Digitization of offender records through acquisition of Integrated Offender Records Management System (ORMS).
4. Finalize the development of the National Correctional Policy.
5. Development of Case Management System.

Emerging Issues related to the Entity

- a) COVID-19 pandemic compounded congestion and sanitation problems in prisons as majority of prison stations do not have reliable running water, have poor sanitation and are congested hence making it difficult to enforce Ministry of Health (MoH) guidelines which recommends frequent washing of hands, proper hygiene and maintaining social distance of 1.5 metres.
- b) Collaborating gang crimes that have posed security challenges to containment and facilitation of justice
- c) Emerging crimes such as terrorism, extremism/radicalization and cybercrimes requiring specialized containment thus increased challenges in offender management.
- d) Inadequate offender management facilities besides the increasing numbers and sophisticated crimes by inmates.
- e) Additional responsibility by constitutional bodies and Acts of Parliament not factored in the budget leading to constraint of available resources

Key risk management strategies

- a) Effective management of high-risk offenders
- f) Sufficient staffing capability and capacity to deliver effective offender management
- g) Effectiveness of offender rehabilitation & re-integration programmes
- h) Corroboration with other security and correctional services agencies

Implementation challenges

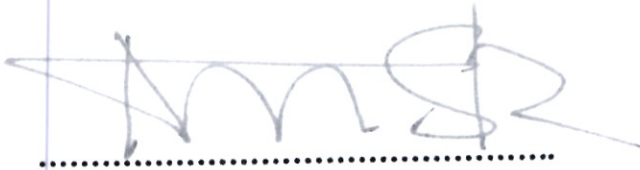
- a) Inadequate budgetary allocation for key mandate areas i.e. safe containment of offenders
- b) Lack of adequate transport services beside the obligations by independent judicial system agencies to facilitate justice through production of inmates to courts and conduction of social inquiries, preparation and submission of mandatory reports
- c) Budget cuts introduced during the implementation of budget affecting non-discretionary areas leading to conflict with judicial system agencies and instances of contempt of court orders against our officers.

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Recommended way forward.

- a) Budget rationalization and prioritization of activities.
- b) Adoption of online court sessions has helped to reduce transport costs.
- c) Procurement of food and rations from prison farms and other government agencies under favourable terms.

All the above have helped to stretch scarce resources to finance the State Department's requirements.



.....
Kithure Kindiki, PhD

CABINET SECRETARY

MINISTRY OF INTERIOR AND NATIONAL ADMINISTRATION

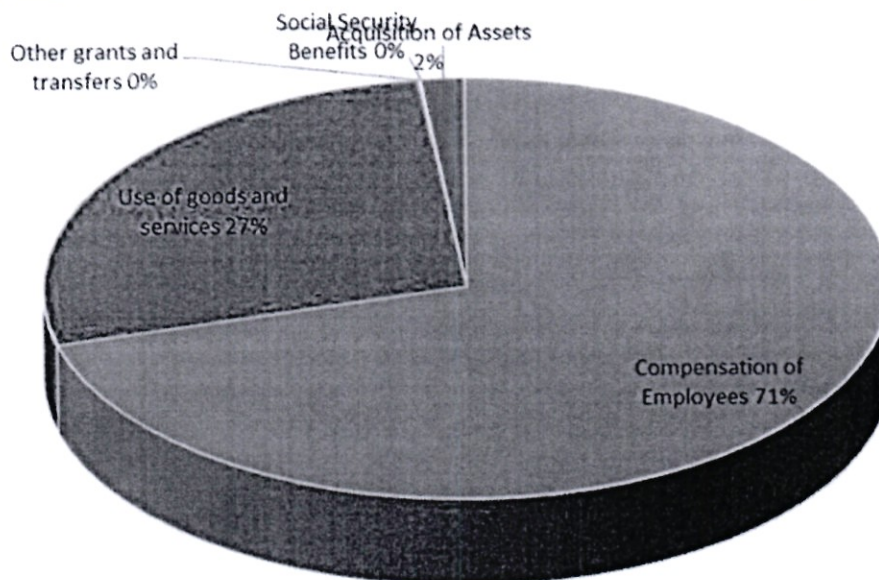
5. Statement by the Principal Secretary / Accounting Officer

1.The State Department endeavored to execute the budget in the most prudent manner despite the fact that employees' compensation took up 71%, use of goods and services 27% and acquisition of assets 2% of the total funds received.

Economic Classification	Approved Budget Allocation	Actual Payments	Variance	Actual as a Percentage of budget
	a	b	c	d=b/a
Compensation of Employees	22,710,496,780.00	22,625,661,241.35	84,835,538.65	99.63%
Use of goods and services	8,809,268,937.00	8,423,472,297.75	385,796,639.25	95.62%
Other grants and transfers	9,250,000.00	8,954,147.00	295,853.00	96.80%
Social Security Benefits	12,974,000.00	12,941,043.65	32,956.35	99.75%
Acquisition of Assets	529,525,950.00	373,212,191.90	156,313,758.10	70.48%
Total Payments	32,071,515,667.00	31,444,240,921.65	627,274,745.35	98.04%

The high proportion of personal emoluments left the State Department with little room for improvement of correctional facilities as indicated by the graph below.

Budget Utilisation by Economic Classification and Programmes



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The Table below depicts the economic classification expenditures as per the State Department's three programmes of Administration and Planning, Prison Services and Probation & After Care services.

Programme	Economic Classification	Approved Budget Kshs	Actual Payments Kshs	Variance Kshs
Administration and Planning		355,506,003.00	314,359,932.35	41,146,070.65
	Wages and salary contribution	136,824,531.00	136,277,145.60	547,385.40
	Goods and Services	183,510,697.00	143,255,703.00	40,254,994.00
	Routine Maintenance	9,900,675.00	9,557,684.20	342,990.80
	Social Security Benefits	8,600,000.00	8,599,999.55	0.45
	Acquisition of Fixed Assets	16,670,100.00	16,669,400.00	700.00
Correctional Services		29,737,591,034.00	29,287,498,602.40	450,092,431.60
	Wages and salary contribution	21,048,070,901.00	20,964,255,020.30	83,815,880.70
	Goods and Services	8,230,465,725.00	7,985,522,429.05	244,943,295.95
	Routine Maintenance	66,903,585.00	59,358,571.80	7,545,013.20
	Other Transfers and Emergency Relief	5,000,000.00	5,000,000.00	0.00
	Social Security Benefits	3,634,000.00	3,633,976.10	23.90
	Acquisition of Fixed Assets	383,516,823.00	269,728,605.15	113,788,217.85
Probation and After Care Services		1,978,418,630.00	1,842,382,386.90	136,036,243.10
	Wages and salary contribution	1,525,601,348.00	1,525,129,075.45	472,272.55
	Goods and Services	301,049,755.00	210,156,397.70	90,893,357.30
	Routine Maintenance	17,438,500.00	15,621,512.00	1,816,988.00
	Other Transfers and Emergency Relief	4,250,000.00	3,954,147.00	295,853.00
	Social Security Benefits	740,000.00	707,068.00	32,932.00
	Acquisition of Fixed Assets	129,339,027.00	86,814,186.75	42,524,840.25
	Grand Total	32,071,515,667.00	31,444,240,921.65	627,274,745.35

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2. Detail key achievements for the entity

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes/no)	BUDGET
1.	Security in Penal Institutions	Security	Salome M. Beacco	Yes	80,452,411
2.	Construction of penal facilities	Security	Salome M. Beacco	Yes	12,998,748
3.	Prison staff housing	Housing	Salome M. Beacco	Yes	7,558,743
4.	Probation office accommodation	Housing	Salome M. Beacco	Yes	56,668,947
5.	Construction of penal facilities II	Security	Salome M. Beacco	Yes	5,316,226
6.	Security in penal facilities - II	Security	Salome M. Beacco	Yes	8,000,000
7.	Construction of penal facilities	Security	Salome M. Beacco	Yes	4,318,680
8.	Complete construction of staff houses	Housing	Salome M. Beacco	Yes	23,272,506
9.	Acquisition of ICT applications & infrastructure	Information Technology	Salome M. Beacco	Yes	121,277,799
10.	Probation Hostels	Housing	Salome M. Beacco	Yes	36,670,051
11.	Construction of Probation Office blocks	Administration	Salome M. Beacco	Yes	35,336,429
12.	Security in penal institutions	Security	Salome M. Beacco	Yes	15,500,000
13.	Completion of stalled projects	Security	Salome M. Beacco	Yes	15,301,330
14.	Perimeter wall, watch tower & gate lodge	Security	Salome M. Beacco	Yes	6,500,000
15.	Prisoners wards	Security	Salome M. Beacco	Yes	2,000,000
16.	Administration blocks	Administration	Salome M. Beacco	Yes	2,000,000
17.	Construction of penal facilities	Security	Salome M. Beacco	Yes	2,000,000
TOTAL DEVELOPMENT					435,171,870

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F/Y 2022-2023 Achievements

Digitization of Correctional Service delivery systems

- Purchased 30 computers, 20 laptops and installed and commissioned 3IP-PABX at prisons headquarters, Kamiti max and Shimo max.
- Constituted the State Department technical working team on business process and ICT to spearhead digitization
- Identified services to be on boarded on the e-citizen platform
- Acquired ICT equipment and accessories to support service delivery (83 Desk top computers and 68 lap tops, hard disk and related hardware,89 printers,104 chairs,104 tables,2 cameras and tonners) for the Probation and aftercare services.

Security sector equipment modernization

- Procured 300VHF radio
- Procured 300 VHF base radio
- Procured 30HF radio
- Procured Antenna accessories

Environmental Conservation

- Planted 352,379 trees in various penal institutions across the country.
- Contributed to environment and climate change by planting 20,896 exotic and indigenous trees in arid areas to enhance forest cover and mitigate against desertification through the Community Service Orders – Afforestation programme.

HealthCare

- Provided comprehensive medical insurance to 32,528 member of staff and their families
- Provided medical drugs and paid medical expenses for inmates.

Improve management of correctional services

- Supervised, facilitated and offered policy direction to 134 gazetted penal institutions, 8 regional commands and Prisons Staff Training College (PSTC)
- Updating of Prisons rules (CAP 90 and Borstal Institutions Act CAP 92) ongoing.
- Continued to Collaborate with the County Governments and National Government Administration Officers (NGAO) on supervision of non-custodial offenders.

Review Implementation status of MTP III & Develop Strategies for MTP IV

- i. Review implementation of the SDCs Strategic Plan for the Period 2018 – 2022.
- ii. Prepare & Implement the State Department annual work plan fy2022/23.
- iii. Develop Correctional services proposals for Medium Term Plan IV

Improve Offenders' Access to Justice

- Timely produced inmates to courts
- Offered legal aid to inmates attending courts
- Generated, compiled and submitted **17,477** social inquiry reports to courts for sentencing of offenders/convicts

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- Submitted **1,375** reports on post- sentences reviews to High court and Court of Appeal.
- Submitted **31** reports to Power of Mercy Advisory Committee (POMAC) within 30 days.
- Generated **82** reports for the statutory review /Advisory boards for post- release review of offenders/convicts within 30 days of conviction

Supervision, rehabilitation and reintegration of offenders

- Applied the offender assessment and classification tool to determine the rehabilitation needs of **5,384** offenders.
- Facilitated provision of vocational training to 6,183 inmates
- Offered formal education to 6,507 long-term serving inmates
- Registered 880 inmates for KCPE and 104 for KCSE
- Offered psychological counseling to 21,125 inmates and spiritual counseling to all inmates.
- Provided psychosocial support and training opportunities to 88 ex – offenders exiting penal facilities
- Supervised, rehabilitated and provided psychosocial support to 46,504 non-custodial offenders serving sentences within the community.
- Identified and provided 1 Male needy probationer with relevant workshop tools
- A total of **977** Probationers at Probation Hostel were provided with vocational training
- Identified and provided educational support to 244 needy school going probationers.

Enhance Containment of offenders in secure and humane conditions

- Provided safe custody to daily average of 60,000 inmates in all penal institutions across the country
- Enhanced inmates' welfare through provision of 26,800 pairs of uniform and 8,120 blankets to inmates.

Youth Internships/ Industrial Attachments/ Apprenticeships

- Provided Industrial Attachment opportunities to 596 youth on request
- Provided apprenticeship opportunities to 6,183 youthful inmates.
- Provided internship opportunities to 193 Youths seconded from PSC.

Psychosocial Programme

- Facilitated provision of psychological counseling services to 5,002 staff and spiritual counseling to all staff.
- Facilitated 3153 staff to access prescribed health screening package for HIV, NCDS and mental health
- Reached 2716 members of staff and family with the prescribed sensitization package for NCDs
- Reached 12,637 members of staff and family with the prescribed sensitization package on HIV Prevention
- Reached 2,710 members of staff and family with the prescribed sensitization package for mental health
- Reduce new infections among adults by 75% through provision of HIV Testing Services to 8,805 staff and inmates

Financial Stewardship and Fiscal Discipline

- Raised Ksh 5,491,700.00 in Appropriation in Aid through conference charges and hiring out of institutional facilities against a target of Kshs. 3,500,000.
- cleared all fy2021/2022 pending bills amounting to Ksh.82.94 million in development and Ksh 118.11 million in the recurrent expenditure totaling to Ksh.201.05 million.

Transforming Kenya prisons enterprises. (financed by revolving funds)

- Installed a maize miller at Naivasha Maximum Security Prison.
- Potato seed production project at Nyandarua prison is ongoing

3. List of emerging issues related to the entity include,

- (i) Emerging crimes including terrorism, extremism/radicalization and cybercrime require specialized containment thus increasing the challenge in offender management.
- (ii) Collaborating gang crimes that pose security challenges to containment and facilitation of justice.

4. Key Risk Management Strategies

The State department has adopted the following risk management strategies;

- (i) Prioritizing activities with the biggest impact
- (ii) Avoiding unnecessary costs
- (iii) Reduce costs incurred in overall programmes and projects implementation
- (iv) Transferring the cost to be incurred at cost centres through station based budgeting
- (v) Spreading the costs over a longer planning period

6. Implementation challenges and recommended way forward.

Challenges

1. The State Department inadequate budgetary provisions hampered implementation of key rehabilitation programs for both custodial and non-custodial offenders and procurement of critical specialized materials for priority programmes.
2. The emerging crime trends such as terrorism, extremism/radicalization and cybercrimes have increased challenges in offender management due to high levels of crime complexity committed with ICT facilities such as mobile phones and internet connectivity.
3. Shortage of transport services to facilitate expeditious administration of justice

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through timely production of inmates to Courts, conducting social inquiries, preparation and submission of mandatory reports to Courts

4. Additional responsibility by Constitutional bodies and Acts of Parliament not factored in the budget leading to constraint of available resources. These include: Bail and Bond Programme, Power of Mercy, Victim of Offences, Sentence Review and re-sentencing, High Court Sentence Reviews (Prison decongestion), Plea Bargaining)

How they were addressed

- i. Acquired new specialised security equipment to enhance the level of supervision, crime detection and enhance partnership with stakeholder in security sector. Enhance capacity building of staff to manage special category inmates
- ii. A proposal for acquisition of more vehicles to facilitate the State Department to undertake its Core Mandate of facilitation of expeditious administration of justice presented to National Treasury.
- iii. Consideration for funding on additional mandates and assignments as required by Constitutional bodies and Acts of Parliament.



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DR. SALOME M. BEACCO, CBS
PRINCIPAL SECRETARY / ACCOUNTING OFFICER
STATE DEPARTMENT FOR CORRECTIONAL SERVICES

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**6. Statement of Performance Against Pre-Determined Objectives for FY 2022
 2023**

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key strategic objectives as per the strategic plan for the Financial Year 2022-2023 were to:

- i. To enhance leadership and coordinate correctional services;
- ii. To efficiently facilitate access to justice;
- iii. To supervise, rehabilitate and reintegrate offenders; and
- iv. To contain inmates in secure and humane conditions.

Progress on the attainment of Strategic Objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and Key outputs identified. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

The program objectives are as per the below;

SDCS PROGRAM PERFORMANCE FY 2022/2023

Sub Program me	Key output	Strategic objective	Key Performance Indicators	Planned Targets (2022/23)	Achieved Target (2022/23)	Remarks
SP 1.1: 0604010 Offender	Youthful offenders' rehabilitation	To rehabilitate youthful	No. of Borstals/YCTC boys and girls	950	542	Target under achieved due to low number of

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services	treatment services	inmates	provided with treatment programmes			boys and girls admitted to and high number discharged from Borstal institutions/Youth Corrective Training Centre (YCTC).
SP 1.1: 0604010 Offender services	Offender containment services	To enhance inmates welfare	No. of uniforms issued to inmates	12,000	14,800	Target achieved.
			No. of inmates provided with bedding and linen	15,000	8,120	Target under-achieved due to budget rationalization
			No. of inmates provided with medical services	56,000	59,359	Target achieved.
SP 1.1: 0604010 Offender services	Staff welfare services	To enhance welfare of staff	No. of staff provided with pairs of uniforms	10,000	7,500	Target under-achieved due to budget rationalization
			No. of staff provided with insurance medical cover	32,528	32,528	Target achieved.
SP 1: 0604010 Offender services	Containment Services	To provide humane containment of offenders	No. of high-risk inmates contained daily	26,000	21,828	This were the medium risk inmates contained daily
	Administration of justice services	To facilitate access to justice	No. of high-risk inmates and remandees produced in court	75,000	285,781	Target achieved.
SP 1.1: 0604010 Offender services	Containment Services	To provide humane containment of offenders	No. of Medium risk inmates contained daily in humane and safe custody	24,638	38,713	Target achieved.
			No. of medium risk inmates and remandees produced in court	350,000	393,221	These were the medium risk inmate produced in court.
			No. energy saving jikos acquired	100	15	Target not achieved due to rationalization of funds
			No. of inmates provided with	35,000	25,500	Target not achieved due to

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			feeding pans			rationalization of funds	
SP 1.1: 0604010 Offender services	Penal facilities supervision services	To facilitate service delivery within the field stations	No. of Penal institutions operations supervised	133	134	Target achieved. An additional prison known as Eldas Prison was gazetted.	
			No. of regions operations supervised	8	8	Target achieved	
	Custodial offender rehabilitation services	To enhance custodial offender rehabilitation	Number of offenders offered formal education	8,100	5,668	Target under achieved due to low number of long term inmates who qualified to undertake formal education	
			No. inmates registered for KCSE	100	109	The target was achieved as a result high enrolment.	
			No. inmates registered for KCPE	750	798	target achieved	
			Number of offenders offered vocational training	8,100	5,668	Target under achieved. low number of inmates who qualified to undertake vocational training	
			% of offenders provided with spiritual and psychological counselling services	100	100	Target achieved	
	SP 1.1: 0604010 Offender services	Penal institutions security services	To enhance security of penal institutions	No. Of Perimeter/security walls under construction funded.	13	10	Target not achieved due to budget rationalization
	SP 1.2: 0604020 Capacity Development	Staff Capacity Development services	To enhance staff capacity	No. of new prisons officers recruited and trained	4,000	4,022	Target achieved
				No. of existing	2500	2,500	Target achieved

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			prisons officers trained on various course			
P. 2 0628000 Probation and Aftercare Services	Coordination of probation services	To enhance non-custodial supervision & rehabilitation	No. of probation officers recruited	400	386	The target was not achieved because the recruitment process is still ongoing at PSC.
			No. of Computers & equipment procured	50	83	Target over achieved
			No of additional/new programmes implemented	3	9	Target over achieved
0628000 Probation and Aftercare Services	Non – custodial offender services	To facilitate offender reintegration	No. of cases of Supervised Pardonees (long term offenders) released through the Power of Mercy Advisory Committee	225	197	The target was under achieved since only 197 cases were referred reports prepared and submitted to POMAC)
0628000 Probation and Aftercare Services	Administration of justice services	To facilitate administration of justice	No. of reports generated and submitted to courts and penal institutions	41,250	63,602	The target was over achieved. Cumulatively 63,602 reports generated and submitted.
			% of reports presented to High Courts and Courts of Appeal	100	100	Target achieved
0628000 Probation and Aftercare Services	Non-custodial offender supervision & rehabilitation services	To enhance non-custodial offender supervision	No. of offenders under Probation orders supervised	30,000	28,428	The target was achieved.
			No. of non-custodial offenders rehabilitated	22,000	33,739	The target was achieved
0628000 Probation and Aftercare Services	Coordination of community services order services	To expand provision of community service orders	No. of offenders serving community services order	30,000	28,428	The target was achieved
			% level of implementation of the Community Service Orders	100	100	The target was achieved

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			co-ordination services programme			
0628000 Probation and Aftercare Services	Regional supervision of probation services	To facilitate offender supervision	No. of counties with probation services supervised	47	47	The target was achieved
0628000 Probation and Aftercare Services	Probation hostels services	To strengthen rehabilitation of special need offenders	No. of probationers provided with temporary accommodation	335	287	The target was partially achieved as these were the only probationers requiring temporary accommodation
			No. of ex-offenders Provided with Vocational training	200	812	The target over achieved. No of ex- offenders offered vocational training increased
0628000 Probation and Aftercare Services	Community focused care model implemented		% level of implementation of the developed care model	100	100	The target was achieved
SP 2.1: Planning policy coordination & support services	Finance and procurement services	To enhance financial fiduciary and prudent application of budgeted resources	No. of budget implementation reports prepared	0	1	Target achieved
			No. of financial performance monitoring reports prepared	4	4	Target achieved
			% of procurement contracts advertised and awarded	100	100	Target not achieved.
SP 2.1: Planning policy coordination & support services	Policy coordination and administration services	To enhance service delivery	No of surveys conducted on improved service delivery	1	1	The target was partially achieved.
			No. of policies processed	4	2	Target partially achieved. (child care policy and Mainstreaming road safety)
			Human resource payroll processed	12	12	Target achieved
SP 2.1:	Planning	To monitor	Monitoring &	4	4	The target

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Planning policy coordination & support services	Services	& provide feedback on service delivery	evaluation reports			achieved.
			Performance contract reports	4	4	Target achieved
SP 2.1: Planning policy coordination & support services	Integrated Correctional Services	To safeguard state department's land	No of title deeds acquired	10	2	The targets were partially achieved.
			Number of parcels surveyed	10	1	To be achieved during the next financial year

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7. Management Discussion and Analysis

(a). Financial performance of State Department for Correctional Services for the last three years

APPROVED BUDGET V/S ACTUAL PAYMENTS

	2022-2023	2021-2022	2020-2021
APPROVED BUDGET	32,071,515,667.00	29,151,382,491.00	27,124,584,838.00
ACTUAL PAYMENT	31,444,240,921.65	28,626,720,359.00	26,100,953,854.00
VARIANCE	627,274,745.35	524,662,132.00	1,023,630,984.00
ACTUAL AS % OF BUDGET	98%	98%	96%

From the above table the State department has continued to get more budget from Kshs.27,124,584,838.00 in F/Y 2020-2021 to Kshs 32,071,515,667.00 in the F/Y 2022-2023.

The budget performance of 100% has been hampered by lack of all exchequer from the National Treasury resulting to a performance of 96% in 2020-2021 and 98% in F/Y 2021-2022 and 2022-2023. these affects the operations of the subsequent years as they result in pending bills.

(b). key projects implemented or ongoing indicating source of funds, project status

Ref	Project Name	Principal activity of the project	2022-2023 Budget	Source Of Funds	Status
1.	Security in Penal Institutions	Security	80,452,411	GOK	Ongoing
2.	Construction of penal facilities	Security	12,998,748	GOK	Ongoing
3.	Prison staff housing	Housing	7,558,743	GOK	Ongoing
4.	Probation office accommodation	Housing	56,668,947	GOK	Ongoing
5.	Construction of penal facilities II	Security	5,316,226	GOK	Ongoing
6.	Security in penal facilities - II	Security	8,000,000	GOK	Ongoing

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7.	Construction of penal facilities	Security	4,318,680	GOK	Ongoing
8.	Complete construction of staff houses	Housing	23,272,506	GOK	Ongoing
9.	Acquisition of ICT applications & infrastructure	Information Technology	121,277,799	GOK	Ongoing
10.	Probation Hostels	Housing	36,670,051	GOK	Ongoing
11.	Construction of Probation Office blocks	Administration	35,336,429	GOK	Ongoing
12.	Security in penal institutions	Security	15,500,000	GOK	Ongoing
13.	Completion of stalled projects	Security	15,301,330	GOK	Ongoing
14.	Perimeter wall, watch tower & gate lodge	Security	6,500,000	GOK	Ongoing
15.	Prisoners wards	Security	2,000,000	GOK	Ongoing
16.	Administration blocks	Administration	2,000,000	GOK	Ongoing
17.	Construction of penal facilities		2,000,000	GOK	Ongoing
	TOTAL		435,171,870		

8. Environmental and Sustainability Reporting

The State Department for Correctional Services exists to transform lives. This is our purpose; the driving force behind everything we do by putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence.

a) Sustainability strategy and profile

The State department through its role of transforming lives has been in the forefront campaigning and championing matters on environmental conservation.

b) Environmental performance /climate change/ mitigation of natural disasters

The State department has always been in the forefront advocating for reservation of Natural resources as well as collaborating with lead agencies in enforcing laws that preserve the environment. Further, when constructing Prisons across the country NEMA certification is usually sort.

c) Employee welfare

The State Department has taken into consideration the 3rd rule on gender ratio when hiring and promoting officers. Further, succession management has been effected for sustainability of service delivery throughout the year. The organisation has also complied with Occupational Safety and Health Act of 2007, (OSHA).

d) Operational practices

i. Responsible Supply chain and supplier relations

The State department advertise for all its procurement opportunities for all interested parties to participate. Further, tender opening is done in presence of all and evaluation is done as per laid down procedures and unsuccessful bidders are informed accordingly.

e) Community Engagements-

The State department has promoted sporting activities especially through the various prisons team who have engaged the community in tournaments. Further as depicted in the achievements' section, the Department has trained serving officers across all cadres especially on career promotional courses. Going forward, the State department will seek to organise more events in line with Corporate-Social Responsibility (CSR).

9. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the State Department for Correctional Services is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Correctional Services accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the State Department's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer in charge of the State Department for Correctional Services further confirms the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The State Department for Correctional Services financial statements were approved on.....30.09..... 2023 and signed by:



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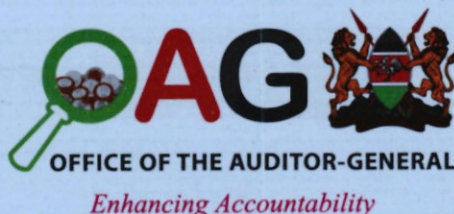
Name: Dr.Salome M. Beacco, CBS
Principal Secretary



.....

Name:Johnson W. Njuguna
Head of Accounting Unit
ICPAK M/No 7626

REPUBLIC OF KENYA



Telephone: +254-(20) 3214000
Email: 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 STATE DEPARTMENT FOR CORRECTIONAL SERVICES FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of State Department for Correctional Services set out on pages 1 to 32, which comprise of the statement of

financial assets and financial liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows, statement of comparison of budget and actual amounts and summary statements of appropriation - recurrent and development for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the State Department for Correctional Services as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Correctional 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 opinion.

Emphasis of Matter

1. Pending Bills

Disclosed in Note 17.2 to the financial statements are pending bills totalling Kshs.6,832,031,742 as at 30 June, 2023 up from previous year balance of Kshs.6,665,944,778 owed to suppliers of goods and services which were not paid in the year under review but were carried forward to 2023/2024 financial year.

In the circumstances, failure to settle bills during the year to which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

2. Contingent Liabilities

As disclosed in Note 17.3 and Annexure 4 to the financial statements, the State Department had contingent liabilities amounting to Kshs.70,673,471 as at June, 2023 relating to thirty-three (33) determined Court cases whose liabilities have not been settled. Although there were no active appeals filed against the Court's determination, Management did not provide any evidence on the measures being taken to clear these outstanding liabilities.

In the circumstances, the settlement of the reported contingent liabilities of Kshs.70,673,471 could not be confirmed.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Over-Commitment of Salaries Beyond Two Thirds of Basic Pay

As disclosed in Note 4 to the financial statements, the statement of receipts and payments reflects Kshs.22,625,666,241 in respect of compensation of employees. Analysis of the Integrated Personnel and Payroll Database (IPPD) revealed that as at 30 June, 2023, 4,082 officers earned less than one-third of their basic salary in contravention of Section C.1(3) of the Human Resource Policies and Procedures Manual for the Public Service of May, 2016.

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

2. Encroachment on Embu Prisons Land

The Commissioner of Lands, vide Kenya Gazette Vol. LXXVIII-No. 14 dated 2 April, 1976 Notice No. 1009 and Kenya Gazette Vol. LXXXI-No.21 Notice No. 1371 gave notice of the government's intention to acquire 24 parcels of land, cumulatively totaling 116.75 acres, registered under different owners. An audit inspection carried out in July, 2023 reviewed documents in respect of the Prison land and established that out of the 24 parcels, 3 parcels totaling 13 Acres either had a private individual claiming beneficiary interest or the land was presently charged to secure loans from different commercial banks by private individuals. Although effort had been made by the Officer in Charge of the Embu Main Prison, vide Ref. No. EMB/ADM/14/VOL.I/31 dated 27 January, 2014

requesting for allocation of funds meant for documentation of the prison land by way of conducting a cadastral survey, the funds are yet to be provided. Consequently, the prison land has no title deed while the boundaries of Embu Prison land have not been identified to date.

Further, the Embu Prison Command claims ownership of a plot located within Embu town. However, records held at the Embu Lands office indicate that the said plot is registered under Kenya Development Corporation under a certificate of lease.

In the circumstances, security and ownership of the facility's land could not be confirmed.

3. Failure to Register Rental Lease

The Ministry of Interior & Coordination of National Government entered into a lease with a State Corporation for lease of three (3) floors for use by the Department for Probation and After Care Services. However, the lease was not registered at the Ministry of Lands and Housing and Urban Development. This is a requirement as per Section 43 (2) of the Land Registration Act, 2012 which provides that, no instrument effecting any disposition of private land under this Act shall operate to sell or assign land or create, transfer or otherwise affect any land, lease or charge until it has been registered in accordance with the laws relating to the registration of instruments affecting land in respect of which the disposition has been made.

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

4. Grounded Vehicles at Naivasha Main Prison

Physical verification conducted in the month of September, 2023 revealed that various vehicles were grounded at the Naivasha Main Prison. Although the vehicles had been inspected by the Chief Mechanical & Transport Engineer (C.M.T.E) on 30 November, 2021 with recommendations for disposal due to their poor mechanical condition, high fuel consumption and uneconomical to repair due to age. Further, minutes of the disposal committee meeting held on 8 November, 2022, one year after inspection by the C.M.T.E, revealed that the vehicles were unserviceable and therefore recommended for disposal. However, no further action was taken to dispose of the vehicles hence subjecting them to the vagaries of weather. This is contrary to Regulation 176 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which stipulates that an accounting officer of a procuring entity shall ensure that an annual assets disposal plan is prepared of items declared as unserviceable, surplus or obsolete, obsolescence stores, asset or equipment as set out under Section 53(4) of the Act.

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

5. Poor Maintenance of Buildings at Nyahururu Medium Security

Audit inspection conducted in July, 2023 revealed that Nyahururu Medium Security Prison has inadequate office accommodation for staff. The prison has three (3) office rooms utilized by the Officer in Charge (OIC), general office and accounts office. Further, the prison did not have adequate budget for repairs and maintenance of building, purchase of generator and installation of CCTV cameras for monitoring activities within the prisons.

In the circumstances, lack of adequate budget provision may lead to further deterioration of prisons assets and inefficient service delivery.

6. Stalled Projects at Nyandarua and Machakos Prisons

Physical inspection at Nyandarua and Machakos correctional facilities revealed abandoned projects at different levels of completion with contracts sum and payments to date of Kshs.28,812,175 and Kshs.12,846,470 respectively.

In the circumstances, with lack of adequate budgetary allocation, it was not possible to confirm that these projects will be completed in time to deliver the intended services and value for money.

7. Failure to Recover Machakos Prison Land from Third Parties

Audit inspection carried out at Machakos Prison Command revealed that the National Land Commission (NLC), vide REF/NLC/MKS/ALLOCATIONS/Vol.1/61 dated 6 January, 2020 recommended that 34 parcels of land that had been alienated, encroached upon and allocated to private individuals be recovered. In its letter, the NLC directed that all letters of allotment and amendment of registry Index maps be cancelled and consequently, a letter of allotment and lease title for Kenya Prison be prepared. However, no letter of allotment or lease title for the Machakos Prison Command was provided to confirm the recovery of the said prison land parcels or the progress made in recovery of the property and stop development on the land by private citizens. This is contrary to Section 79 of the Public Finance Management Act of 2012, which requires that a public officer employed in a National Government state organ or public entity shall ensure that adequate arrangements are made for the proper use, custody, safeguarding and maintenance of public property.

Further, encroaching and development of multi-storey buildings overlooking the prison facilities by private individuals has compromised security of the prison complex with status of ownership remaining unknown.

In the circumstances, Management failed to preserve, safeguard and maintain public property.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the

financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

The 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 maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the State Department's financial reporting process, reviewing the effectiveness of how Management monitors

compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the State Department's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the State Department 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 State Department 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 controls that are identified during the audit.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 January, 2024

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STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

11. Statement of receipts and payments for the year ended 30th June 2023

STATEMENT OF RECEIPTS AND PAYMENTS			
	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Proceeds from Domestic and Foreign Grants	1	-	70,000,000
Transfers from National Treasury	2	31,455,177,220.65	28,360,046,578
Other Revenues	3	-	200,000,000
TOTAL REVENUES		31,455,177,220.65	28,630,046,578
PAYMENTS			
Compensation of Employees	4	22,625,661,241.35	20,747,654,222
Use of goods and services	5	8,423,472,297.75	7,212,515,671
Other grants and transfers	6	8,954,147.00	4,784,007
Social Security Benefits	7	12,941,043.65	17,613,895
Acquisition of Assets	8	373,212,191.90	644,152,564
TOTAL PAYMENTS		31,444,240,291.65	28,626,720,359
SURPLUS/DEFICIT		10,936,299.00	3,326,219

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...15.12.....2023 and signed by:



.....
Name: Dr. Salome M. Beacco, CBS
Principal Secretary



.....
Name: Johnson W. Njuguna
Head of Accounting Unit
ICPAK M/No 7626

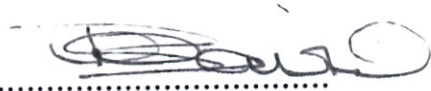
**10. Report of the Independent Auditors on the State Department For
Correctional Services**

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

12. Statement of Financial assets and Financial liabilities as at 30th June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	9A	188,381,299.55	187,143,716
Cash Balances	9B	55,000.00	-
Total Cash And Cash Equivalents		188,436,299.55	187,143,716
Accounts Receivables - Outstanding Imprest and Clearance Accounts	10	11,398,301.00	424,189,184
TOTAL FINANCIAL ASSETS		199,834,600.55	611,332,900
LESS: FINANCIAL LIABILITIES			
Accounts Payables - Deposits	11	184,220,087.55	383,017,655
NET FINANCIAL ASSETS		15,614,513.00	228,315,245
REPRESENTED BY			
Fund balance b/fwd	12	228,315,245.00	224,989,026
Prior year adjustments	13	(223,637,031.00)	-
Surplus/Deficit for the year		10,936,299.00	3,326,219
NET FINANCIAL POSSITION		15,614,513.00	228,315,245

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 15.12.2023 and signed by:



Name: Dr. Salome M. Beacco, CBS
Principal Secretary



Name: Johnson W. Njuguna
Head of Accounting Unit
ICPAK M/No 7626

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

13. Statement of cash flows for the year ended 30th June 2023

CASH FLOW FROM OPERATING ACTIVITIES			
	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts for operating income			
Proceeds from Domestic and Foreign Grants	1	-	70,000,000
Transfers from National Treasury	2	31,455,177,220.65	28,360,046,578
Other Revenues	3	-	200,000,000
Total Receipts		31,455,177,220.65	28,630,046,578
Compensation of Employees	4	22,625,661,241.35	20,747,654,222
Use of goods and services	5	8,423,472,297.75	7,212,515,671
Other grants and transfers	6	8,954,147.00	4,784,007
Social Security Benefits	7	12,941,043.65	17,613,895
Total Payments		31,071,028,729.75	27,982,567,795
Net Receipts/(Payments)		384,148,490.90	647,478,783.00
Adjusted for:			
Changes in receivables		412,790,883.00	(378,900,491)
Changes in payables		(198,797,567.45)	(3,740,745,030)
Adjustments during the year	13	(223,637,031.00)	-
Net cashflow from operating activities		374,504,775.45	(3,472,166,737)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(373,212,191.90)	(644,152,564)
Net cash flows from Investing Activities		(373,212,191.90)	(644,152,564)
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		1,292,583.55	4,302,229,523
Cash and cash equivalent at BEGINNING of the year		187,143,716.00	4,115,085,807
Cash and cash equivalent at END of the year		188,436,299.55	187,143,716

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

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.....15.12.....2023 and signed by:



.....
Name: Dr. Salome M. Beacco, CBS
Principal Secretary



.....
Name: Johnson W. Njuguna
Head of Accounting Unit
ICPAK M/No 7626

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

14. Statement of Comparison of budget and Actual Amounts for FY2022/23

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						0%
Proceeds from Domestic and Foreign Grants	70,000,000.00	-	70,000,000.00	-	70,000,000.00	98%
Exchequer releases	32,145,151,550.00	(147,135,883.00)	31,998,015,668.00	31,455,177,220.65	542,838,446.35	0%
Other Receipts	3,500,000.00	-	3,500,000.00	-	3,500,000.00	98%
Total Receipts	32,218,651,550.00	(147,135,883.00)	32,071,515,667.00	31,455,177,220.65	616,338,446.35	
Payments						100%
Compensation of Employees	24,175,871,550.00	(1,465,374,770.00)	22,710,496,780.00	22,625,661,241.35	84,835,538.65	96%
Use of goods and services	6,816,856,700.00	1,992,412,237.00	8,809,268,937.00	8,423,472,297.75	385,796,639.25	97%
Other grants and transfers	9,250,000.00	-	9,250,000.00	8,954,147.00	295,853.00	100%
Social Security Benefits	14,532,000.00	(1,558,000.00)	12,974,000.00	12,941,043.65	32,956.35	70%
Acquisition of Assets	1,202,141,300.00	(672,615,350.00)	529,525,950.00	373,212,191.90	156,313,758.10	98%
Grand Total	32,218,651,550.00	(147,135,883.00)	32,071,515,667.00	31,444,240,941.65	627,274,745.35	
Surplus/Deficit				10,936,299.00	(10,936,299.00)	

(a) *Variance analysis:*

- (i) Proceed from domestic and foreign grants was as a result of lack of funding by the Development Partner.
- (ii) Acquisition of asset of 70% was as a result of lack of exchequer from national Treasury.
- (iii) Other Receipts amounting to kshs5,491,700.00 which consist of self-generated AIA have been captured in the deposit register.

(b) *Reallocations within the year:*

The changes between the original and final budget is as a result of budget reallocations within the year.

The entity financial statements were approved on15.12..... 2023 and signed by:



.....
Name: Dr. Salome M. Beacco, CBS
Principal Secretary



.....
Name: Johnson W. Njuguna
Head of Accounting Unit
ICPAK M/No 7626

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

14(a) Summary Statement of Appropriation: Recurrent for FY2022/23

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
RECEIPTS						
Exchequer releases	31,049,751,550.00	513,092,247.00	31,562,843,797.00	31,172,484,167.45	390,359,629.55	99%
Other Receipts	3,500,000.00	-	3,500,000.00	-	3,500,000.00	0%
Total Receipts	31,053,251,550.00	513,092,247.00	31,566,343,797.00	31,172,484,167.45	393,859,629.55	99%
PAYMENTS						
Compensation of Employees	24,175,871,550.00	(1,465,374,770.00)	22,710,496,780.00	22,625,661,241.35	84,835,538.65	100%
Use of goods and services	6,746,856,700.00	1,992,412,237.00	8,739,268,937.00	8,423,472,297.75	315,796,639.25	96%
Other grants and transfers	9,250,000.00	-	9,250,000.00	8,954,147.00	295,853.00	97%
Social Security Benefits	14,532,000.00	(1,558,000.00)	12,974,000.00	12,941,043.65	32,956.35	100%
Acquisition of Assets	106,741,300.00	(12,387,220.00)	94,354,080.00	92,943,020.00	1,411,060.00	99%
Grand Total	31,053,251,550.00	513,092,247.00	31,566,343,797.00	31,163,971,749.75	402,372,047.25	99%
Surplus/Deficit	0.00	0.00	0.00	8,512,417.70	(8,512,417.70)	

Notes

(a) Variance analysis:

(i) Other Receipts amounting to kshs5,491,700.00 which consist of self-generated AIA have been captured in the deposit register.

(b) Reallocations within the year:

The difference between the original and final budget is as a result of budget reallocations within the year.

The entity financial statements were approved on 15.12. 2023 and signed by:



Name: Dr. Salome M. Beacco, CBS
Principal Secretary



Name: Johnson W. Njuguna
Head of Accounting Unit
ICPAK M/No 7626

14(b) Summary Statement of Appropriation: Development for FY2022/23

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Proceeds from Domestic and Foreign Grants	70,000,000.00		70,000,000.00	-	70,000,000.00	0%
Exchequer releases	1,095,400,000.00	(660,228,130.00)	435,171,870.00	282,693,053.20	152,478,816.80	65%
Other Receipts						
Total Receipts	1,165,400,000.00	(660,228,130.00)	505,171,870.00	282,693,053.20	222,478,816.80	56%
Payments						
Use of goods and services	70,000,000.00		70,000,000.00	-	70,000,000.00	0%
Acquisition of Assets	1,095,400,000.00	(660,228,130.00)	435,171,870.00	280,269,171.90	154,902,698.10	64%
Grand Total	1,165,400,000.00	(660,228,130.00)	505,171,870.00	280,269,171.90	224,902,698.10	55%
Surplus/Deficit	0.00	0.00	0.00	2,423,881.30	(2,423,881.30)	

(a) *Variance analysis:*

- (i) Proceed from domestic and foreign grants and use of goods and services was as a result of lack of funding by the Development Partner.
- (ii) Acquisition of asset of 64% was as a result of lack of exchequer from national Treasury

(b) *Reallocations within the year:*

The difference between the original and final budget is as a result of budget reallocations within the year.

The entity financial statements were approved on 15. 12. 2023 and signed by:



.....

Name: Dr. Salome M. Beacco, CBS
Principal Secretary



.....

Name: Johnson W. Njuguna
Head of Accounting Unit
ICPAK M/No 7626

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

14(c) Budget Execution by Programmes and Sub-Programmes for FY2022/23

Prog./Sub-prog. Code	Programme/Sub-programme	Final Budget	Actual on comparable basis	Budget utilization difference
		2022-2023	2022-2023	2022-2023
		Kshs	Kshs	Kshs
0623000000	General Administration			
0623010000	Planning, Policy Cordination and Support Services	355,506,003.00	314,359,932.35	41,146,070.65
	SUB TOTAL	355,506,003.00	314,359,932.35	41,146,070.65
0627000000	Correctional services			
0627010000	Offender Services	28,354,625,466.00	27,958,124,388.35	396,501,077.65
0627020000	Capacity Development	1,382,965,568.00	1,329,374,214.05	53,591,353.95
	SUB TOTAL	29,737,591,034.00	29,287,498,602.40	450,092,431.60
0628000000	probation and Aftercare services			
0628010000	Probation Services	1,854,135,756.00	1,727,403,725.90	126,732,030.10
0628020000	Aftercare Services	124,282,874.00	114,978,661.00	9,304,213.00
	SUB TOTAL	1,978,418,630.00	1,842,382,386.90	136,036,243.10
	GRAND TOTAL	32,071,515,667.00	31,444,240,921.65	627,274,745.35

Notes to the Financial Statement

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

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the State Department for Correctional Services. The financial statements encompass the reporting entity as specified under Section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the State Department for Correctional Services during the financial year are as listed in Annex 5 – List of Projects.

3. Reporting Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

Significant Accounting Policies (Continued)

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by State Department for Correctional Services for all the years presented.

a) Recognition of Receipts

The State Department recognises all receipts from the various sources when the event occurs, and the related cash has been received by the Entity.

(i) Transfers from the Exchequer

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

(ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2023, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Significant Accounting Policies (Continued)

(iii) Miscellaneous receipts

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

b) Recognition of payments

The Entity recognises all payments when the event occurs, and the related cash has been paid out by the Entity.

i) Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

ii) Use of Goods and Services

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

iii) Interest on Borrowing

Borrowing costs that include interest are recognized as payment in the period in which they are paid for. The State Department does not borrow as an entity but relies on exchequer issues from the National Treasury.

iv) Principal on borrowing

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The State Department does not borrow as an entity but relies on exchequer issues from the National Treasury.

v) Acquisition of Fixed Assets

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

A fixed asset register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as an annexure 4 to the financial statements.

vi) In-kind contributions

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

vii) Third Party Payments

Included in the receipts and payments, are payments made on its behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings.

c) 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.

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

A bank account register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as an annexure 8 to the financial statements.

Restriction on Cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2023, this amounted to Kshs 94,620,301.20 compared to Kshs 90,213,936.00 in prior period as indicated on note 11. There were no other restrictions on cash during the year.

d) Imprests and advances

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

e) Third party deposits and retention

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (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 for National Government Ministries and Agencies.

Other liabilities including pending bills are disclosed in the financial statements.

f) 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. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

g) Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2022 for the period 1st July 2022 to 30th June 2023 as required by Law and there were 2 supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

h) Comparative Figures

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

i) Subsequent Events

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

j) Prior Period Adjustment

During the year, errors that have been corrected are disclosed under note 13 explaining the nature and amounts.

k) Related Party Transactions

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

l) Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, The entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Note 17.3 and Annex 4 of this financial statement is a register of the contingent liabilities in the year.

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

15. Notes to the Financial Statements

1. Proceeds from Domestic and Foreign Grants

Name of Donor	Date received	Amount in foreign currency	2022-2023	2021-2022
			Kshs	Kshs
SIDA	2021 2022 financial year			70,000,000
TOTAL				70,000,000

The grant is provided by SIDA to probation and after care services in capacity building.

2. Exchequer releases

Description	2022-2023	2021-2022
	Kshs	Kshs
Total Exchequer Releases for quarter 1	5,348,156,460.10	5,019,907,659
Total Exchequer Releases for quarter 2	6,732,785,201.45	7,106,879,444
Total Exchequer Releases for quarter 3	7,273,929,205.55	6,464,581,541
Total Exchequer Releases for quarter 4	12,100,306,353.55	9,768,677,934
TOTAL	31,455,177,220.65	28,360,046,578

3. Other Receipts

Description	2022-2023	2021-2022
	Kshs	Kshs
Sales of Market Establishments		200,000,000
TOTAL		200,000,000

Other Receipts amounting to kshs5,491,700.00 which consist of self-generated AIA have been captured in the deposit register.

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

4. Compensation to Employees

	2022-2023	2021-2022
	Kshs	Kshs
Basic salaries of permanent employees	13,185,726,822.05	13,064,620,390
Personal allowances paid as part of salary	9,439,934,419.30	7,683,033,832
TOTAL	22,625,661,241.35	20,747,654,222

5. Use of Goods and Services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	456,094,109.00	415,914,181
Communication, supplies and services	10,747,375.55	12,913,923
Domestic travel and subsistence	214,813,109.00	275,303,001
Foreign travel and subsistence	-	1,136,391
Printing, advertising and information supplies & services	4,839,971.00	14,202,794
Rentals of produced assets	47,201,038.00	83,454,139
Training expenses	253,195,794.00	270,128,309
Hospitality supplies and services	28,801,865.70	22,251,610
Insurance costs	1,500,000,000.00	1,500,000,000
Specialised materials and services	4,812,884,426.00	3,813,868,579
Office and general supplies and services	50,537,010.65	39,929,663
Fuel Oil and Lubricants	753,840,058.15	490,426,071
Other operating expenses	205,979,772.70	171,242,650
Routine maintenance – vehicles and other transport equipment	73,162,931.00	85,536,303
Routine maintenance – other assets	11,374,837.00	16,208,057
TOTAL	8,423,472,297.50	7,212,515,671

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

6. Other Grants and Transfers

	2022-2023	2021-2022
	Kshs	Kshs
Scholarships and other educational benefits	8,954,147.00	4,784,007
Total	8,954,147.00	4,784,007

7. Social Security Benefits

	2022-2023	2021-2022
	Kshs	Kshs
Government pension and retirement benefits	12,941,043.65	17,613,895
TOTAL	12,941,043.65	17,613,895

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
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Notes to the Financial Statements (Continued)

8. Acquisition of Assets

	2022-2023	2021-2022
	Kshs	Kshs
<u>Non-Financial Assets</u>		
Construction of Buildings	113,237,022.10	440,312,313
Construction and Civil Works	149,582,550.80	81,879,876
Purchase of Vehicles and Other Transport Equipment	16,270,000.00	-
Purchase of Household Furniture and Institutional Equipment	49,726,975.00	66,501,150
Purchase of Office Furniture and General Equipment	399,400.00	103,230
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialised Plant, Equipment and Machinery	43,766,244.00	55,130,245
Purchase of Certified Seeds, Breeding Stock and Live Animals	230,000.00	225,750
TOTAL	373,212,191.90	644,152,564.00

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
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Notes to the Financial Statements (Continued)

9. Cash and Bank Accounts

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Account(Note 9A)	188,381,299.55	187,143,716
Cash on hand (Note 9B)	55,000.00	-
TOTAL	188,436,299.55	187,143,716

9A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	Exc rate (if in foreign currency)	2022-2023	2021-2022
				Kshs	Kshs
<i>Central Bank of Kenya, 1000302054, KShs</i>	Kshs	Recurrent	1	1,312,420.65	1,704,678
<i>Central Bank of Kenya, 1000302062, KShs</i>	Kshs	Development	1	2,848,791.35	319,718
<i>Central Bank of Kenya, 1000302078, KShs</i>	Kshs	Deposit	1	94,620,301.20	90,213,936
<i>Central Bank of Kenya, 1000302089, KShs</i>	Kshs	CBK 165	1		-
<i>Central Bank of Kenya, 1000452617, KShs</i>	Kshs	Pending Bills Deposit	1	89,599,786.35	94,905,384
<i>National Bank of Kenya, Account-01001032494800</i>	Kshs	Kenya Prison Service Imprest Account-01001032494800	1	-	-
Total	-			188,381,299.55	187,143,716

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
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Notes to the Financial Statements (Continued)

9B: Cash on hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Cash in Hand – Held in domestic currency	55,000.00	-
Cash in Hand – Held in foreign currency		
TOTAL	55,000.00	-

Detailed Cash is as follows:

Description	2022-2023	2021-2022
	Kshs	Kshs
Headquarters, State Department for Correctional Services - Recurrent	55,000.00	-
Headquarters, State Department for Correctional Services - Deposit	-	-
TOTAL	55,000.00	-

10. Imprests and Advances

Description	2022-2023	2021-2022
	Kshs	Kshs
Government Imprests	104,650.00	108,100
District suspense	11,293,651.00	424,081,084
TOTAL	11,398,301.00	424,189,184

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

11. Third party deposits and retention

	2022-2023	2021-2022
	Kshs	Kshs
Recurrent Suppliers		117,503,977
Development Contractors		82,940,076
Retention	94,620,301.20	90,213,936
Pending bills deposits	89,599,786.35	94,905,384
Withholding tax		2,545,718
TOTAL	184,220,087.55	383,017,655

12. Fund Balance Brought Forward

	2022-2023	2021-2022
	Kshs	Kshs
Bank accounts	187,143,716.00	187,143,716
Cash in hand	-	210,804
Imprest and advances	424,189,184.00	1,022,689
Third party deposits and retention	(383,017,655.00)	36,611,817
TOTAL	228,315,245.00	224,989,026

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

13. Prior Year Adjustments

	Balance b/f from previous year as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f Current Year
Description of the error	Kshs	Kshs	Kshs
Imprests and advances	-	(424,081,084.00)	424,081,084.00
Third party deposits and retention	-	200,444,053.00	200,444,053.00
		(223,637,031.00)	(223,637,031.00)

14. (Increase)/ Decrease in Advances and Imprests

Description	2022-20223	2021-2022
	Kshs	Kshs
Receivables As At 1 st July (A)	424,189,184.00	45,288,693.50
Receivables As At 30 th June (B)	11,453,301.00	424,189,184.00
(Increase)/ Decrease in Receivables (C=(B-A))	(412,735,883.00)	378,900,490.50

(Receivable as at 1st July for FY 2022/23 should be the same as receivable as at 30th June for FY 2021/22)

15. Increase/ (Decrease) in Retention and Third-Party Deposits

Description	2022-2023	2021-2022
	Kshs	Kshs
Payables As At 1 st July (A)	383,017,655.00	4,123,762,684.60
Payables As At 30 th June (B)	184,220,087.55	383,017,654.98
(Increase)/ Decrease in Receivables (C=(B-A))	(198,797,567.45)	(3,740,745,029.62)

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
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16. Related Party Disclosures

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

The following comprise of related parties to the State department for correctional services.

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

17. Other Important Disclosures

17.1 Related party transactions:

Description	2022-2023	2021-2022
	Kshs	Kshs
Key Management Compensation	38,371,735.20	37,425,234.30
Total	38,371,735.20	37,425,234.30

17.2: Pending Accounts Payable (See Annex 1)

	Balance b/f	Historical Pending bills b/f	Additions for the period	Paid during the year	Balance c/f
	FY 2021/2022				FY 2022/2023
Description	Kshs		Kshs	Kshs	Kshs
Construction of Buildings	-	667,777,881.84	-	-	667,777,881.84
Construction of Civil Works	82,940,076	131,868,236.00	190,854,145.16	82,940,076	322,722,381.16
Supply of Goods	117,503,977	5,665,854,607.10	175,676,872.35	117,503,977	5,841,531,479.45
Total	200,444,053	6,465,500,724.94	366,531,017.51	200,444,053	6,832,031,742.45

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

17.3 Contingent Liabilities

Contingent liabilities	2022-2023	2021-2022
	Kshs	Kshs
Court case 23 against the State Department	70,673,471.09	65,822,046.02
Total	70,673,471.09	65,822,046.02

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

17.4 Progress on follow up of Prior Years Auditor-General’s recommendations

The State Department has implemented public accounts committee recommendations on the government of Kenya accounts for the financial year 2020/2021.

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Inaccuracies in the Financial Statements.	The 605 transactions amounting to Kes 207,096,701 were processed in IFMIS in June 2022 and cleared in the bank in July 2022 hence captured in the IFMIS payment details in the month of July 2022.	Response Provided.	
2.	Unsupported Cash and Cash Equivalents	The cash and cash equivalent has since been analysed and supported.	Response Provided.	
3.	Understated pending bills	The pending bill list has been updated and availed for verification.	Response Provided.	
4.	Encroachment of Prisons Land	The ownership land has been the subject of court litigations between Kitale Prison and other parties (grabbers). Kenya Prisons Service is collaborating with National Land Commission and Ethics and Anti - Corruption Commission to recover grabbed parcels of land.	Response Provided.	
5.	Poor maintainance of	The service is committed to efficient	Response	

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
Annual Report and Financial Statements for the year ended 30th June 2023

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Motor vehicles, Plant, Machinery and Equipment in prisons	service delivery through continuous and timely repair and maintenance of its fleet of motor vehicles. repair and maintenance will be undertaken on all serviceable vehicles.	Provided.	
6.	Poor Sanitation and Lack of water at Migori Main Prison.	Acquisition of water treatment chemicals and payment of water service provider has been factored in the budget of Financial Year 2022/2023.	Response Provided.	
7.	Stalled Projects	The State Department has continuously budgeted for the projects with a view to completion but the budget cuts has continuously hampered their completion. we have budget for stalled projects in F/Y 2022/2023.	Response Provided.	
8.	Poor Construction of a Perimeter Wall at Busia G.K Prison	These was contributed by inadequacies in the preparation of designs, bills of quantities did not factor in the suitability of the soil within the construction site and requirement of introducing the ground beam to withstand the swampy nature of the ground	Response Provided.	

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		some works were omitted to compensate some items were not captured in bill of quantities i.e. ground beams and ring beams		
9.	Failure to Produce Offenders in Courts on Time.	The State Department is engaging the National Treasury with a view of getting additional leased vehicles and resources in order to produce offenders to courts on time.	Response Provided.	



Principal Secretary



Head of Accounting Unit

STATE DEPARTMENT FOR CORRECTIONAL SERVICES
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16. Annexes

Annex 1 - Analysis of Pending Accounts Payable

	Supplier of Goods or Services	Particulars	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Comments
SN				b	c	d=a-c	
1	M/S UPLANDS INTERPRODUCTS AGENCIES	PAYMENT FOR SUPPLY OF WOOD FUEL	4,074,900.00	F/Y 2022/2023		4,074,900.00	Lack of Exchequer
2	M/S PINEVILLE INTERNATIONAL LIMITED	PAYMENT FOR SUPPLY OF FOODSTUFF	3,150,000.00	F/Y 2022/2023		3,150,000.00	Lack of Exchequer
3	MISSION FOR ESSENTIAL DRUGS AND SUPPLIES	SUPPLY OF PHARMACEUTICAL&NON-PHARMACEUTICAL	1,010,100.00	F/Y 2022/2023		1,010,100.00	Lack of Exchequer
4	M/S FORCES EQUIPMENT K.LTD	PAYMENT FOR DELIVERY OF CAP RIFLE GREEN WOOLEN	1,328,100.00	F/Y 2022/2023		1,328,100.00	Lack of Exchequer
5	M/S TARREL NURU ENTERPRISES LIMITED	PAYMENT FOR SUPPLY OF FOODSTUFF	4,450,000.00	F/Y 2022/2023		4,450,000.00	Lack of Exchequer
6	M/S UPLANDS INTERPRODUCTS AGENCIES	PAYMENT FOR SUPPLY OF WOOD FUEL	4,606,000.00	F/Y 2022/2023		4,606,000.00	Lack of Exchequer
7	M/S ROGGERMOS SUPPLIES LIMITED	PAYMENT FOR SUPPLY OF FOODSTUFF	4,250,000.00	F/Y 2022/2023		4,250,000.00	Lack of Exchequer
8	KENYA MEAT COMMISSION	PAYMENT FOR SUPPLY OF FOODSTUFF	5,357,880.00	F/Y 2022/2023		5,357,880.00	Lack of Exchequer

STATE DEPARTMENT FOR CORRECTIONAL SERVICES

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	BOX						
9	RYCE EAST AFRICA LTD	PAYMENT FOR MAINTENANCE	166,438.10	F/Y 2022/2023		166,438.10	Lack of Exchequer
10	M/S SHINA KAIZEN LIMITED	SUPPLY OF LABORATORY AND MEDICAL ITEMS	4,696,250.00	F/Y 2022/2023		4,696,250.00	Lack of Exchequer
11	M/S SEGLAND LIMITED	SUPPLY OF ASSORTED MOTOR VEHICLE TYRES	3,710,272.00	F/Y 2022/2023		3,710,272.00	Lack of Exchequer
12	M/S KENYATTA NATIONAL HOSPITAL	PAYMENT FOR SERVICES OFFERED TO PRISONERS	1,620,526.00	F/Y 2022/2023		1,620,526.00	Lack of Exchequer
13	MOI TEACHING AND REFFERAL HOSPITAL	PAYMENT FOR SERVICES RENDERED	221,150.00	F/Y 2022/2023		221,150.00	Lack of Exchequer
14	MOI TEACHING AND REFFERAL HOSPITAL	PAYMENT FOR SERVICES RENDERED	77,165.00	F/Y 2022/2023		77,165.00	Lack of Exchequer
15	MOI TEACHING AND REFFERAL HOSPITAL	PAYMENT FOR SERVICES RENDERED	88,827.40	F/Y 2022/2023		88,827.40	Lack of Exchequer
16	MOI TEACHING AND REFFERAL HOSPITAL	PAYMENT FOR SERVICES RENDERED	272,370.00	F/Y 2022/2023		272,370.00	Lack of Exchequer
17	MOI TEACHING AND REFFERAL HOSPITAL	PAYMENT FOR SERVICES RENDERED	171,568.00	F/Y 2022/2023		171,568.00	Lack of Exchequer
18	M/S PURMA HOLDINGS	SUPPLY OF BERETS RIFLE GREEN WOOLEN MATERIAL	900,000.00	F/Y 2022/2023		900,000.00	Lack of Exchequer
19	MOI TEACHING AND REFFERAL HOSPITAL	PAYMENT FOR SERVICES RENDERED	189,154.20	F/Y 2022/2023		189,154.20	Lack of Exchequer
20	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	36,980.00	F/Y 2022/2023		36,980.00	Lack of Exchequer
21	M/S EVON INTERNATIONAL	SUPPLY OF PETROLEUM PRODUCTS AND	1,481,000.00	F/Y 2022/2023		1,481,000.00	Lack of Exchequer

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	ENERGY LTD	LUBRICANTS					
22	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	35,550.00	F/Y 2022/2023		35,550.00	Lack of Exchequer
23	M/S EVON INTERNATIONAL ENERGY LTD	SUPPLY OF PETROLEUM PRODUCTS AND LUBRICANTS	420,000.00	F/Y 2022/2023		420,000.00	Lack of Exchequer
24	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	58,200.00	F/Y 2022/2023		58,200.00	Lack of Exchequer
25	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	26,750.00	F/Y 2022/2023		26,750.00	Lack of Exchequer
26	M/S PURMA HOLDINGS LTD	PAYMENT FOR DELIVERY OF BLUE STRIPPED MATERIAL	26,400,000.00	F/Y 2022/2023		26,400,000.00	Lack of Exchequer
27	M/S EVON INTERNATIONAL ENERGY LTD	SUPPLY OF PETROLEUM PRODUCTS AND LUBRICANTS	1,385,000.00	F/Y 2022/2023		1,385,000.00	Lack of Exchequer
28	M/S TELEPOSTA PENSION SCHEME	PAYMENT FOR OFFICE SPACE AND PARKING SERVICES	31,729,554.00	F/Y 2022/2023		31,729,554.00	Lack of Exchequer
29	NITHI WATER AND SANITATION CO. LTD	PAYMENT OF SUPPLY OF WATER	1,300,000.00	F/Y 2022/2023		1,300,000.00	Lack of Exchequer
30	LAVINGTON SECURITY LIMITED	EXPENDITURE INCURED FOR SECURITY SERVICES	360,000.00	F/Y 2022/2023		360,000.00	Lack of Exchequer
31	M/S HOLDEN MEDICAL COMPANY LTD	SUPPLY OF POLYURETHANE FOAM MATTRESS	8,000,000.00	F/Y 2022/2023		8,000,000.00	Lack of Exchequer
32	M/S NYERI WATER AND SANITATION CO. LTD	PAYMENT OF ARREARS FOR WATER CONSUMPTION	4,139,000.00	F/Y 2022/2023		4,139,000.00	Lack of Exchequer

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33	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	703,125.00	F/Y 2022/2023		703,125.00	Lack of Exchequer
34	M/S TYRE GURUS AUTO LTD	SUPPLY OF ASSORTED MOTOR VEHICLE SPARE PARTS	942,671.00	F/Y 2022/2023		942,671.00	Lack of Exchequer
35	M/S FORCES EQUIPMENT K.LTD	PAYMENT FOR PURCHASE OF VARIOUS BADGES	792,000.00	F/Y 2022/2023		792,000.00	Lack of Exchequer
36	M/S IZMIR ENTERPRISES LIMITED	SUPPLY OF GORGETS, CEREMONIAL & LANYARD	430,000.00	F/Y 2022/2023		430,000.00	Lack of Exchequer
37	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	293,570.00	F/Y 2022/2023		293,570.00	Lack of Exchequer
38	DIAMOND HOLDINGS LIMITED	PURCHASE OF BLUE STRIPPED MATERIAL	13,200,000.00	F/Y 2022/2023		13,200,000.00	Lack of Exchequer
39	M/S KENYATTA NATIONAL HOSPITAL	MEDICAL SERVICES OFFERED TO PRISONERS	3,485,899.50	F/Y 2022/2023		3,485,899.50	Lack of Exchequer
40	M/S KENYATTA NATIONAL HOSPITAL	MEDICAL SERVICES OFFERED TO PRISONERS	2,387,256.00	F/Y 2022/2023		2,387,256.00	Lack of Exchequer
41	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	232,530.00	F/Y 2022/2023		232,530.00	Lack of Exchequer
42	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	63,630.00	F/Y 2022/2023		63,630.00	Lack of Exchequer
43	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	100,620.00	F/Y 2022/2023		100,620.00	Lack of Exchequer
44	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	26,510.00	F/Y 2022/2023		26,510.00	Lack of Exchequer

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45	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	64,800.00	F/Y 2022/2023	64,800.00	Lack of Exchequer
46	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	59,165.00	F/Y 2022/2023	59,165.00	Lack of Exchequer
47	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	55,455.00	F/Y 2022/2023	55,455.00	Lack of Exchequer
48	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	285,600.00	F/Y 2022/2023	285,600.00	Lack of Exchequer
49	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	235,700.00	F/Y 2022/2023	235,700.00	Lack of Exchequer
50	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	142,800.00	F/Y 2022/2023	142,800.00	Lack of Exchequer
51	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	51,935.00	F/Y 2022/2023	51,935.00	Lack of Exchequer
52	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	93,430.00	F/Y 2022/2023	93,430.00	Lack of Exchequer
53	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLY OF AIR TICKET	93,830.00	F/Y 2022/2023	93,830.00	Lack of Exchequer
54	M/S SILVER AFRICA TOURS AND SAFARI LTD	SUPPLYING AIR TICKET	19,850.00	F/Y 2022/2023	19,850.00	Lack of Exchequer
55	M/S KENYATTA NATIONAL HOSPITAL	MEDICAL SERVICES RENDERED TO PRISONERS	1,274,508.00	F/Y 2022/2023	1,274,508.00	Lack of Exchequer
56	STATE DEPT FOR BROADCTNG AND TELECOM	PAYMENT FOR ADVERTISEMENT	233,669.00	F/Y 2022/2023	233,669.00	Lack of Exchequer

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57	FIRST FIT AUTO CARE LIMITED	PAYMENT FOR REPAIRS AND SERVICES	240,000.00	F/Y 2022/2023		240,000.00	Lack of Exchequer
58	MOI TEACHING AND REFERRAL HOSPITAL	MEDICAL SERVICES RENDERED TO INMATES	449,096.40	F/Y 2022/2023		449,096.40	Lack of Exchequer
59	KENYATTA NATIONAL HOSPITAL	MEDICAL SERVICES RENDERED TO PRISONERS	2,105,345.95	F/Y 2022/2023		2,105,345.95	Lack of Exchequer
60	KENYATTA NATIONAL HOSPITAL	MEDICAL SERVICES RENDERED TO PRISONERS	3,089,448.95	F/Y 2022/2023		3,089,448.95	Lack of Exchequer
61	DAVINCI INTERNATIONAL LIMITED	SUPPLY OF STATIONERY	142,400.00	F/Y 2022/2023		142,400.00	Lack of Exchequer
62	DAVINCI INTERNATIONAL LIMITED	SUPPLY OF STATIONERY	227,950.00	F/Y 2022/2023		227,950.00	Lack of Exchequer
63	MEMTECH ELECTRICAL SERVICES LIMITED	GENERATOR SERVICE AND CHANGEOVER REPAIR	107,961.20	F/Y 2022/2023		107,961.20	Lack of Exchequer
64	CFAO MOTORS KENYA LIMITED	MOTOR VEHICLE MAINTENANCE	239,864.30	F/Y 2022/2023		239,864.30	Lack of Exchequer
65	PRISON INDUSTRIES FUND	PAYMENT FOR SUPPLY OF FOODSTUFF	400,000.00	F/Y 2022/2023		400,000.00	Lack of Exchequer
66	PETROKENYA OIL CO. LTD	SUPPLY OF DIESEL AUTO	212,400.00	F/Y 2022/2023		212,400.00	Lack of Exchequer
67	PETROKENYA OIL CO. LTD	SUPPLY OF DIESEL	212,400.00	F/Y 2022/2023		212,400.00	Lack of Exchequer
68	PETROKENYA OIL CO. LTD	SUPPLY OF DIESEL	212,400.00	F/Y 2022/2023		212,400.00	Lack of Exchequer
69	PETROKENYA OIL CO. LTD	AUTOMOTIVE DIESEL	544,628.00	F/Y 2022/2023		544,628.00	Lack of Exchequer
70	PRISON INDUSTRIES	PAYMENT FOR SUPPLY OF FOODSTUFF	14,120.00	F/Y 2022/2023		14,120.00	Lack of Exchequer

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	FUND						
71	KENYA MEAT COMMISSION	PAYMENT FOR SUPPLY OF FOODSTUFF	237,390.00	F/Y 2022/2023		237,390.00	Lack of Exchequer
72	PROBATION GIRLS HOSTELS	CONFERENCE FACILITIES	172,000.00	F/Y 2022/2023		172,000.00	Lack of Exchequer
73	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	81,000.00	F/Y 2022/2023		81,000.00	Lack of Exchequer
74	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	133,310.00	F/Y 2022/2023		133,310.00	Lack of Exchequer
75	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	2,261,340.00	F/Y 2022/2023		2,261,340.00	Lack of Exchequer
76	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	129,780.00	F/Y 2022/2023		129,780.00	Lack of Exchequer
77	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	79,800.00	F/Y 2022/2023		79,800.00	Lack of Exchequer
78	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	44,690.00	F/Y 2022/2023		44,690.00	Lack of Exchequer
79	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	675,400.00	F/Y 2022/2023		675,400.00	Lack of Exchequer
80	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	48,600.00	F/Y 2022/2023		48,600.00	Lack of Exchequer
81	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	39,960.00	F/Y 2022/2023		39,960.00	Lack of Exchequer
82	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	48,000.00	F/Y 2022/2023		48,000.00	Lack of Exchequer
83	SILVER AFRICA	SUPPLY OF AIR TICKET		F/Y		25,000.00	Lack of Exchequer

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	TOURS AND SAFARIS		25,000.00	2022/2023			
84	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	239,650.00	F/Y 2022/2023		239,650.00	Lack of Exchequer
85	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	40,490.00	F/Y 2022/2023		40,490.00	Lack of Exchequer
86	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	32,750.00	F/Y 2022/2023		32,750.00	Lack of Exchequer
87	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	67,520.00	F/Y 2022/2023		67,520.00	Lack of Exchequer
88	SILVER AFRICA TOURS AND SAFARIS	SUPPLY OF AIR TICKET	237,680.00	F/Y 2022/2023		237,680.00	Lack of Exchequer
89	TURKENYA TOURS AND SAFARIS LTD	SUPPLY OF AIR TICKET	397,870.00	F/Y 2022/2023		397,870.00	Lack of Exchequer
90	TURKENYA TOURS AND SAFARIS LTD	SUPPLY OF AIR TICKET	1,326,705.00	F/Y 2022/2023		1,326,705.00	Lack of Exchequer
91	TURKENYA TOURS AND SAFARIS LTD	SUPPLY OF AIR TICKET	26,800.00	F/Y 2022/2023		26,800.00	Lack of Exchequer
92	TURKENYA TOURS AND SAFARIS LTD	SUPPLY OF AIR TICKET	946,350.00	F/Y 2022/2023		946,350.00	Lack of Exchequer
93	TURKENYA TOURS AND SAFARIS LTD	SUPPLY OF AIR TICKET	749,410.00	F/Y 2022/2023		749,410.00	Lack of Exchequer
94	TURKENYA TOURS AND SAFARIS LTD	SUPPLY OF AIR TICKET	163,710.00	F/Y 2022/2023		163,710.00	Lack of Exchequer
95	AFROMERCH	SUPPLY OF AIR TICKET		F/Y		1,345,100.00	Lack of Exchequer

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	TRAVEL KENYA LTD		1,345,100.00	2022/2023			
96	THE ELITE TIMES VENTURES LTD	SUPPLY OF AIR TICKET	495,650.00	F/Y 2022/2023		495,650.00	Lack of Exchequer
97	THE ELITE TIMES VENTURES LTD	SUPPLY OF AIR TICKET	250,870.00	F/Y 2022/2023		250,870.00	Lack of Exchequer
98	DELLCOM OFFICE EQUIPMENT	LEASE OF MACHINE	24,196.00	F/Y 2022/2023		24,196.00	Lack of Exchequer
99	KENYA SCHOOL OF GOVERNMENT - EMBU	PAYMENT FOR CONFERENCE FEE	1,247,000.00	F/Y 2022/2023		1,247,000.00	Lack of Exchequer
100	STANTECH MOTORS LTD	REPAIR OF MOTOR VEHICLE	303,000.00	F/Y 2022/2023		303,000.00	Lack of Exchequer
101	SAMO AGENCIES LIMITED	REPAIR OF MOTOR VEHICLE	494,500.00	F/Y 2022/2023		494,500.00	Lack of Exchequer
102	SAMO AGENCIES LIMITED	REPAIR OF MOTOR VEHICLE	390,100.00	F/Y 2022/2023		390,100.00	Lack of Exchequer
103	SAMO AGENCIES LIMITED	REPAIR OF MOTOR VEHICLE	320,000.00	F/Y 2022/2023		320,000.00	Lack of Exchequer
104	SAMO AGENCIES LIMITED	REPAIR OF MOTOR VEHICLE	438,700.00	F/Y 2022/2023		438,700.00	Lack of Exchequer
105	SAMO AGENCIES LIMITED	REPAIR OF MOTOR VEHICLE	398,600.00	F/Y 2022/2023		398,600.00	Lack of Exchequer
106	SAMO AGENCIES LIMITED	REPAIR OF MOTOR VEHICLE	310,500.00	F/Y 2022/2023		310,500.00	Lack of Exchequer
107	KABRO ENTERPRISES	REPAIR OF MOTOR VEHICLE	278,000.00	F/Y 2022/2023		278,000.00	Lack of Exchequer
108	WILBRO TRADING COMPANY	REPAIR OF MOTOR VEHICLE	287,000.00	F/Y 2022/2023		287,000.00	Lack of Exchequer
109	PRISON STAFF TRAINING COLLEGE	CONFERENCE FACILITIES	560,000.00	F/Y 2022/2023		560,000.00	Lack of Exchequer

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110	PRISON STAFF TRAINING COLLEGE	CONFERENCE FACILITIES	136,000.00	F/Y 2022/2023		136,000.00	Lack of Exchequer
111	PRISON STAFF TRAINING COLLEGE	CONFERENCE FACILITIES	75,000.00	F/Y 2022/2023		75,000.00	Lack of Exchequer
112	PRISON STAFF TRAINING COLLEGE	CONFERENCE FACILITIES	170,000.00	F/Y 2022/2023		170,000.00	Lack of Exchequer
113	PRISON STAFF TRAINING COLLEGE	CONFERENCE FACILITIES	1,100,000.00	F/Y 2022/2023		1,100,000.00	Lack of Exchequer
114	PRISON STAFF TRAINING COLLEGE	CONFERENCE FACILITIES	210,000.00	F/Y 2022/2023		210,000.00	Lack of Exchequer
115	PRISON STAFF TRAINING COLLEGE	CATERING FACILITATION EXPENSES	249,740.00	F/Y 2022/2023		249,740.00	Lack of Exchequer
116	KENYA ASSOCIATION OF RECORDS MANAGERS	PAYMENT FOR TRAINING OF STAFF	269,120.00	F/Y 2022/2023		269,120.00	Lack of Exchequer
117	LAVINGTON SECURITY LIMITED	PROVISION OF GUARDING SERVICES	630,034.50	F/Y 2022/2023		630,034.50	Lack of Exchequer
118	GOVERNMENT ADVERTISING AGENCY	ADVERT FOR TENDER	401,163.60	F/Y 2022/2023		401,163.60	Lack of Exchequer
119	GOVERNMENT ADVERTISING AGENCY	ADVERTISEMENT FOR TENDER	205,045.00	F/Y 2022/2023		205,045.00	Lack of Exchequer
120	GOVERNMENT ADVERTISING AGENCY	ADVERTISEMENT FOR TENDER	292,106.25	F/Y 2022/2023		292,106.25	Lack of Exchequer
121	MFI DOCUMENT SOLUTIONS LTD	RENEWAL SERVICE CONTRACT	98,600.00	F/Y 2022/2023		98,600.00	Lack of Exchequer

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122	R.H DEVANI	SUPPLY OF FUEL NRB MEDIUM	661,821.00	F/Y 2022/2023	661,821.00	Lack of Exchequer
123	NRB WATER COMPANY	SUPPLY OF WATER	2,191,400.00	F/Y 2022/2023	2,191,400.00	Lack of Exchequer
124	KENYA POWER	SUPPLY OF ELECTRICITY	378,000.00	F/Y 2022/2023	378,000.00	Lack of Exchequer
125	NAKURU PROBATION HOSTEL	HIRE OF CONFERENCE FACILITY	124,500.00	F/Y 2022/2023	124,500.00	Lack of Exchequer
126	NAKURU PROBATION HOSTEL	HIRE OF CONFERENCE FACILITY	111,008.00	F/Y 2022/2023	111,008.00	Lack of Exchequer
127	KENYA POWER AND LIGHTING	SUPPLY OF ELECTRICITY	44,500.00	F/Y 2022/2023	44,500.00	Lack of Exchequer
128	KENYA POWER AND LIGHTING	SUPPLY OF ELECTRICITY	1,567,925.00	F/Y 2022/2023	1,567,925.00	Lack of Exchequer
129	NAIROBI CITY WATER AND SEWERAGE	SUPPLY OF WATER	2,191,350.00	F/Y 2022/2023	2,191,350.00	Lack of Exchequer
130	JERITEQUE INVESTMENTS	SUPPLY SODIUM CHLORIDE	41,835.00	F/Y 2022/2023	41,835.00	Lack of Exchequer
	RECURRENT TOTAL		175,676,872.35		175,676,872.35	
173	NEW EDGE SOLUTIONS LIMITED	SUPPLY OF VHF BASE RADIO	7,500,000.00	F/Y 2022/2023	7,500,000.00	Lack of Exchequer
174	KATERAY ENTERPRISES	SUPPLY OF L-SHAPED WORK STATION	2,587,520.00	F/Y 2022/2023	2,587,520.00	Lack of Exchequer
175	TANTALUM FL LIMITED	SUPPLY DIGITAL IP PABX CLASS B	19,801,406.00	F/Y 2022/2023	19,801,406.00	Lack of Exchequer
176	MCJONAS CONVENIENCE KINGS ENTERPRISES	SUPPLY OF DIGITAL IP PABX CLASS C	12,489,408.00	F/Y 2022/2023	12,489,408.00	Lack of Exchequer
177	BENEIZ GENERAL	SUPPLY OF VHF POKET RADIO	11,000,000.00	F/Y 2022/2023	11,000,000.00	Lack of Exchequer

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Annex 2 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2021/2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) 2022/23
Non Financial Assets					
Construction of Buildings	1,846,661,526.20	113,237,022.10	-	-	1,959,898,548.30
Construction and Civil Works	81,879,876.45	149,582,550.80	-	-	231,462,427.25
Purchase of Vehicles and Other Transport Equipment	99,021,494.00	16,270,000.00	-	-	115,291,494.00
Purchase of Household Furniture and Institutional Equipment	-	49,726,975.00	-	-	49,726,975.00
Purchase of Office Furniture and General Equipment	127,899,132.00	399,400.00	-	-	128,298,532.00
Purchase of ICT Equipment, Software and Other ICT Assets	146,022,749.00		-	-	146,022,749.00
Purchase of Specialised Plant, Equipment and Machinery	103,229.50	43,766,244.00	-	-	43,869,473.50
Rehabilitation and Renovation of Plant, Machinery and Equip.	756,489,536.00		-	-	756,489,536.00
Purchase of Certified Seeds, Breeding Stock and Live Animals	56,258,995.00	230,000.00	-	-	56,488,995.00
TOTAL	3,114,336,538.15	373,212,191.90	-	-	3,487,548,730.05

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203	MINISTRY OF DEFENCE	CONSTRUCTION OF WANINI KIRERI MAGEREZA LEVEL IV HOSPITAL	667,777,881.84			667,777,881.84	Lack of Budget allocation
204	DEVELOPMENT HISTORICAL PENDING BILL	VARIOUS	131,868,236.00	PRIOR YEARS		131,868,236.00	Lack of Budget allocation
205	RECCURENT HISTORICAL PENDING BILL	VARIOUS	5,665,854,607.10	PRIOR YEARS		5,665,854,607.10	Lack of Budget allocation
	GRAND TOTAL		6,832,031,742.45			6,832,031,742.45	

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191	BESTMARK CO. LTD	CONSTRUCTION WORK	5,542,806.40	F/Y 2021/2022	5,542,806.40	Lack of Exchequer
192	MEGAPRO ENGINEERING	CONSTRUCTION WORK	13,728,084.90	F/Y 2021/2022	13,728,084.90	Lack of Exchequer
193	M/S SEA ROCK ENGINEERING LTD	CONSTRUCTION WORK	4,302,230.40	F/Y 2021/2022	4,302,230.40	Lack of Exchequer
194	M/S CORICOM LIMITED	CONSTRUCTION WORK	2,107,985.40	F/Y 2021/2022	2,107,985.40	Lack of Exchequer
195	M/S TAKI LIMITED	CONSTRUCTION WORK	7,994,831.85	F/Y 2021/2022	7,994,831.85	Lack of Exchequer
196	M/S TEBO INVESTMENT CO. LTD	CONSTRUCTION WORK	595,172.00	F/Y 2021/2022	595,172.00	Lack of Exchequer
197	M/S TEBO INVESTMENT CO. LTD	CONSTRUCTION WORK	1,443,357.20	F/Y 2021/2022	1,443,357.20	Lack of Exchequer
198	M/S JEKAM ENTERPRISES LTD	CONSTRUCTION WORK	1,514,297.40	F/Y 2021/2022	1,514,297.40	Lack of Exchequer
199	FALIR SUPPLIES AND CONST. COMPANY LTD	CONSTRUCTION WORK	517,158.55	F/Y 2021/2022	517,158.55	Lack of Exchequer
200	M/S BELFAST ENGINEERING WORKS LIMITED	CONSTRUCTION WORK	900,000.00	F/Y 2021/2022	900,000.00	Lack of Exchequer
201	M/S LIMA AGENCIES LIMITED	PURCHASE OF ORGANIC SOLUTIONS	1,665,000.00	F/Y 2021/2022	1,665,000.00	Lack of Exchequer
202	TECH PATCH LIMITED	PURCHASE OF LAPTOP COMPUTERS	2,843,000.00	F/Y 2021/2022	2,843,000.00	Lack of Exchequer
	DEVELOPMENT TOTAL		190,854,146.16		190,854,146.16	
	CURRENT YEAR SUB TOTAL		366,531,017.51		366,531,017.15	

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	SUPPLIES						
178	TOBENA GENERAL AGENCIES	CONSTRUCTION WORK	2,282,281.00	F/Y 2021/2022		2,282,281.00	Lack of Exchequer
179	GUREY AFRICA LTD	CONSTRUCTION WORK	6,100,000.00	F/Y 2021/2022		6,100,000.00	Lack of Exchequer
180	MOWENS AGENCIES LIMITED	CONSTRUCTION WORK	4,293,508.00	F/Y 2021/2022		4,293,508.00	Lack of Exchequer
181	ROWLETT GENERAL MERCHANTS LTD	SUPPLY OF STATIONERY	350,000.00	F/Y 2021/2022		350,000.00	Lack of Exchequer
182	INTERMASS TECHNOLOGIES (E.A) LTD	SUPPLY OF DIGITAL IP PABX CLASS A	22,560,995.00	F/Y 2021/2022		22,560,995.00	Lack of Exchequer
183	JAYPA ENTERPRISES	SUPPLY AND DELIVERY OF PRINTERS	18,294,840.00	F/Y 2021/2022		18,294,840.00	Lack of Exchequer
184	BENEIZ GENERAL SUPPLIES	DELIVERY OF VHF POKET RADIO	5,500,000.00	F/Y 2021/2022		5,500,000.00	Lack of Exchequer
185	KOSWIL AFRICA LIMITED	CONSTRUCTION WORK	4,993,464.00	F/Y 2021/2022		4,993,464.00	Lack of Exchequer
186	AIRIM GENERAL CONTRACTORS	DELIVERY OF VHF RADIO	3,675,000.00	F/Y 2021/2022		3,675,000.00	Lack of Exchequer
187	CORICOM LTD	CONSTRUCTION WORK	4,817,540.00	F/Y 2021/2022		4,817,540.00	Lack of Exchequer
188	MINT SWIFT LIMITED	SUPPLY DESK TOP COMPUTERS	13,695,000.00	F/Y 2021/2022		13,695,000.00	Lack of Exchequer
189	MAASH GENERAL SUPPLIERS & CONSTRUCTION	CONSTRUCTION WORK	5,258,623.00	F/Y 2021/2022		5,258,623.00	Lack of Exchequer
190	JEKAM ENTERPRISES LIMITED	CONSTRUCTION WORK	2,500,637.60	F/Y 2021/2022		2,500,637.60	Lack of Exchequer

(NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Ministry, Department or Agency. Additions during the year should tie to note 18 on acquisition of assets during the year. Ensure this section is complete and covers all the entity's assets. Ensure the complete fixed asset register is separately prepared as per circular number 5/2020 and follow up reminder of circular No.23/2020 of The National Treasury)

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Annex 3 – List of Projects implemented by the State Department for Correctional Services FY 2022/2023

Ref	Project Name	Principal activity of the project	Accounting Officer	Project consolidated in these financial statements(yes /no)	BUDGET
1.	Security in Penal Institutions	Security	Salome M. Beacco	Yes	80,452,411
2.	Construction of penal facilities	Security	Salome M. Beacco	Yes	12,998,748
3.	Prison staff housing	Housing	Salome M. Beacco	Yes	7,558,743
4.	Probation office accommodation	Housing	Salome M. Beacco	Yes	56,668,947
5.	Construction of penal facilities II	Security	Salome M. Beacco	Yes	5,316,226
6.	Security in penal facilities - II	Security	Salome M. Beacco	Yes	8,000,000
7.	Construction of penal facilities	Security	Salome M. Beacco	Yes	4,318,680
8.	Complete construction of staff houses	Housing	Salome M. Beacco	Yes	23,272,506
9.	Acquisition of ICT applications & infrastructure	Information Technology	Salome M. Beacco	Yes	121,277,799
10.	Probation Hostels	Housing	Salome M. Beacco	Yes	36,670,051
11.	Construction of Probation Office blocks	Administration	Salome M. Beacco	Yes	35,336,429
12.	Security in penal institutions	Security	Salome M. Beacco	Yes	15,500,000
13.	Completion of stalled projects	Security	Salome M. Beacco	Yes	15,301,330
14.	Perimeter wall, watch tower & gate lodge	Security	Salome M. Beacco	Yes	6,500,000
15.	Prisoners wards	Security	Salome M. Beacco	Yes	2,000,000
16.	Administration blocks	Administration	Salome M. Beacco	Yes	2,000,000
TOTAL					435,171,870

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Annex 4 – Contingent Liabilities Register

No	Case Number	Parties	Date of Judgment	Award/Amount (Kshs.)
1.	E1104/2020 (Arbitration)	Italbuild Imports Limited -Vs- The State Department for Correctional Services	08.07.2019	27,886,567.91
2.	Maseno SMRCC No. 288 of 2006	Wilson Mukuna Omulanga vs. The Hon. Attorney General	19.11.2012	665,317.00
3.	Maseno SRMCC No. 275 of 2006	Herbert Okwemba vs. The Hon. Attorney General	15.09.2011	353,400.00
4.	Maseno SRMCC No.303 of 2006	Reuben Aineah Omulama vs. The Hon. Attorney General	02.12.2010	488,600.00
5.	Nairobi CMCC No.7775 of 2014	Regina Nduku Mutua vs. The Hon. Attorney General	19.12.2017	2,488,578.10
6.	Maseno SRMCC No.294 of 2006	Francis Asiega vs. The Hon. Attorney General.	07.10.2010	337,400.00
7.	Nairobi CMCC No. 7775 of 2014	Regina Nduku Mutua Vs.the Hon. Attorney General	03.05.2019	2,488,578.10
8.	Maseno SRMCC No.303 of 2006	Reuben Aineah Omulama vs. The Hon. Attorney General	12.05.2011	488,600.00
9.	Maseno SRMCC No.294 of 2006	Francis Asiega Vs. the Hon. Attorney General	12.05.2011	337,400.00
10.	CPT 233B of 2011	Job Nganga Thiongo V. OIC Kamiti Prison & 3 Othrs	18.01.2013	195,796.00
11.	Mombasa CMCC 2306 of 2012	Fredrick Nicholas Onyango T/A Hawii Hape Construction Enterprise V. AG	06.04.2018	776,050.10
12.	Nairobi ELRC 2311 of 2015	Peter Maina Mwaniki V. PS & 8 Others	30.09.2019	902,440.00

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13.	Nairobi CMCC No.5 of 2015	Jacob Mukane Mahemba Versus the Hon.Attorney General and two others.	11.07.2019	10,628,644.86
14.	Maseno SRMCC No. 268 of 2006	Nashon Kibuta vs.the Hon. Attorney General	12.04.2017	416,600.00
15.	Maseno SRMCC No.280 of 2008	Timothy Elabuna Ngala Vs.the Hon. Attorney General	24.05.2011	639,800.00
16.	Maseno SRMCC No.299 of 2008	Amos Atiko Moyale vs. The Hon. Attorney General	12.04.2011	263,440.00
17.	Maseno SRMCC No.283 of 2006	Zakayo Kwendo vs. The Hon. Attorney General	12.04.2017	461,320.00
18.	Maseno SRMCC 304 of 2006	Nathan Mulumu Onyinyo v. The Hon. AG	29.09.2011	273,425.00
19.	Kisumu SRMCC No. 338 of 2008	Paul Nyakwaka Ogolla for the Estate of Maxwell Otieno Were v The AG	6.10.2011	804,800
20.	Kerugoya HC.Misc. JR 28 OF 2017	James Maina Muriuki v PS & The AG	13.07.2012	703,676
21.	Nairobi CMCC 6523 of 2013	Stephen Njoroge Muchina vs. The Attorney General	24.06.2019	1,619,405.65
22.	Nairobi HCPT No. 1 of 2021	Jane Wanjiru Migwi v The AG & 3 Others	13.06.2019	6,181,917.00
23.	Kisumu ELRC No. 330 of 2016	Musa Kiprono Cheruiyot v C.G & PSC	10.03.2020	827,453.60
24.	Nakuru CMCC 1070 of 2019	Ann Muthoni Maina v AG & Others	23.12.2020	812,590.00
25.	Nakuru CMMCC 994 of 2019	Joseph Kimani Njoroge V. AG & Others	23.12.2020	517,915.00

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26.	Nairobi CMCC 7187 of 2012	Kennedy Watako Malesi	21.9.2016	5,069,080.19
27.	Nairobi ELRC 14 of 2015	Peter Mwendwa Kaliki v AG	11.10.2016	342,342.00
28.	ELRC JR.NO.4 OF 2020	Dennis Kipkirui Maritim V. PS, CG & 3 Others	22.10.21	150,000.00
29.	Nakuru CMCC No. 994 of 2019	Joseph Kimani Njoroge a.k.a Joseph Kimani – Vs Min of Home Affairs & 5 others	17.09.2019	741,306.51
30.	Nakuru CMCC No. 1070 of 2019	Ann Muthoni Maina Vs Min of Home Affairs & 5 others	17.10.2019	1,134,141.10
31.	Nakuru CMCC No. 146 2019	Paul Kimani Vs Attorney General & others	2019	140,040.00
32.	Milimani ELRC NO. E078/2020	Samuel Murathi Gatuaa Vs Commissioner General of Prisons, Min of Interior & Co-od of National Gvt, PSC, AG	2020	1,000,000
33.	Nairobi small claims E170 of 2021	Devani Vs Kibera Sub-County Probation Office	21.02.22	536,852.08
	TOTAL			70,673,471.09

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Annex 5- Reports Generated from IFMIS

The following financial reports generated from IFMIS should be attached as appendices to these financial statements.

- i. GOK IFMIS Comparison Trial Balance
- ii. FO30 (Bank reconciliations) for all bank accounts
- iii. GOK IFMIS Receipts and Payments Statement
- iv. GOK IFMIS Statement of Financial Position
- v. GOK IFMIS Statement of Cash Flows
- vi. GOK IFMIS Notes to the Financial Statements
- vii. GOK IFMIS Statement of Budget Execution
- viii. GOK IFMIS Statement of Deposits
- ix. GOK IFMIS Budget Execution by Programme and Economic Classification
- x. GOK IFMIS Budget Execution by Heads and Programmes
- xi. GOK IFMIS Budget Execution by Programmes and Sub-programmes