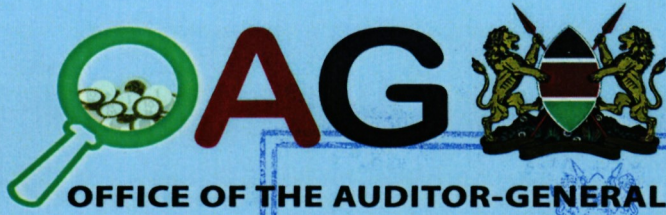


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 23 FEB 2022

DAY.

WED

TABLED

BY:

REPORT

CLERK AT  
THE TABLE:

Hon. Jimmy ANGWENYI, MP

Perpetual Karani.

PARLIAMENT  
OF KENYA  
LIBRARY

OF

THE AUDITOR-GENERAL

ON

REVENUE STATEMENTS OF THE STATE LAW  
OFFICE AND DEPARTMENT OF JUSTICE

FOR THE YEAR ENDED  
30 JUNE, 2021

11/11/11



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**STATE LAW OFFICE AND DEPARTMENT OF JUSTICE**

**REVENUE STATEMENT**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2021**

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

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## I. KEY ENTITY INFORMATION AND MANAGEMENT

### **The Mandate and Core Functions**

The mandate of the State Law Office and Department of Justice (SLO&DOJ) is derived from Article 156 of the Constitution, the Office of the Attorney General Act, 2012 and Executive Order No. 1 of 2018 on the Organisation of the Government. Its mandate includes advising Government Ministries, Departments, Constitutional Commissions, Independent Offices and State Corporations on legislative and other legal matters; advising the Government on all matters relating to the Constitution, international law, human rights, consumer protection, anti-corruption policy, protection of victims of crime, implementation of reparations and legal aid; negotiating, drafting, vetting and interpreting local and international documents, agreements and treaties for and on behalf of the Government and its agencies; co-ordinating reporting obligations to international human rights treaty bodies to which Kenya is a member or on any matter which member States are required to report; drafting legislative proposals for the Government and advising the Government and its agencies on legislative and other legal matters; reviewing and overseeing legal matters pertaining to the registration of companies, partnerships, business names, societies, adoptions, marriages, charities, and Coat of Arms; reviewing and overseeing legal matters pertaining to the administration of estates and trusts; in consultation with the Law Society of Kenya, advising the Government on the regulation of the legal profession; representing the national Government in all civil and constitutional matters; and representing the Government in matters before foreign courts and tribunals.

### **Vision, Mission and Core Values**

The lead regional institution in promotion and protection of the rule of law and good governance.

#### **Mission**

To facilitate realisation of good governance and respect for the rule of law through provision of public legal services and promotion of human rights.

#### **Core Values**

- i. **Integrity:** The State Law Office and Department of Justice (SLO&DOJ) is committed to acting in an honest and transparent manner,
- ii. **Professionalism:** The SLO&DOJ is committed to tap its rich and multi-skilled human resource base to achieve its Mandate and to respect its stakeholders,

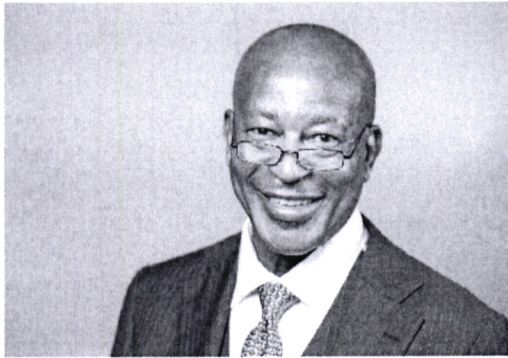
**STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
REVENUE STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

- iii. **Teamwork and Respect for Diversity:** Involvement of employees at all levels of our operations shall be the hallmark of the SLO&DOJ,
- iv. **Quality Service Delivery:** SLO&DOJ will ensure efficient and effective delivery of quality services at all times,
- v. **Equity and Fairness:** SLO&DOJ undertakes to recognize and promote the rights of, and be impartial to all stakeholders, and serve all without discrimination.

**(a) Key Management**

Key Organs / Departments	
	Attorney General
	Solicitor General
	Audit Committee
	Administration
	Secretary, Justice and Constitutional Affairs
	Civil Litigation
	Legislative Services
	Government Legal Services
	Public Legal Services
	Advocates Complaints Commission

STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
REVENUE STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021

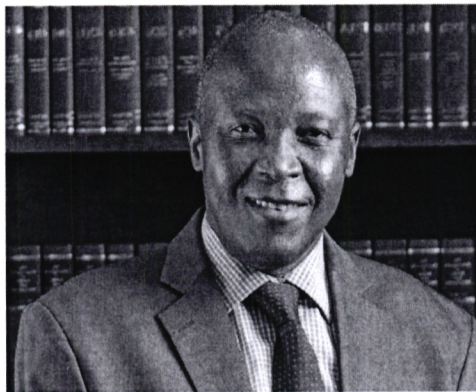


**Attorney General - Hon. Justice P. Kihara Kariuki, E.G.H.**

The Hon. Justice (Rtd) P. Kariuki Kihara is the Attorney General of the Republic of Kenya.

Previously, He served as President of the Court of Appeal of Kenya from 2013 to 2018. Moreover, he has served as Director of the Judiciary Training Institute, Judge of the High Court of Kenya, and Principal and CEO of the Kenya School of Law.

He attained his Bachelor of Laws (LLB) degree from the University of Nairobi and holds a Post Graduate Diploma in Law from the Kenya School of Law.




**Chief Administrative Secretary – Prof. Micheni Japhet Ntiba, Ph.D, DBA, CBS**

Prof. Micheni Japhet Ntiba is the Chief Administrative Secretary, State Law Office and Department of Justice. Prior to his appointment, he served as the Principal Secretary, State Department for Fisheries, Aquaculture and the Blue Economy, Ministry of Agriculture, Livestock and Fisheries for thirteen years, and the Principal Secretary, State Department of University Education and Research, Ministry of Education. Prof. Ntiba was the Director of the School of Biological Sciences at the University of Nairobi.

Between July 1997 and September 2002 he was seconded by the Government of Kenya to the Secretariat of the Lake Victoria Fisheries Organization in Jinja, Uganda as the First Executive Secretary.

He holds a BSc in Biological Sciences and a Master's degree in Hydrobiology from the University of Nairobi. He holds PhD in Fisheries Biology from the University of East Anglia in the United Kingdom. Prof Ntiba was awarded Doctor of Business (DBA) specializing in Fisheries Management (Honoris Causa) of Commonwealth University, Dubai. He is Fellow of the Commonwealth Academy of Leadership and Management (CALM) awarded by the Commonwealth University, United Kingdom.

**STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
REVENUE STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

	<p><b>Mr. Kennedy Ogeto, CBS – Solicitor General</b> Mr. Kennedy Ogeto CBS, is the current Solicitor General of the Republic of Kenya.</p> <p>As a dispute resolution expert, Mr. Ogeto’s experience straddles the entire gamut of dispute resolution methods – from courtroom litigation to the various forms of alternative dispute resolution.</p> <p>He holds a Bachelor of Laws (LL.B) degree from the University of Nairobi and a Masters in Law degree from the same University. Mr. Ogeto also holds a post-graduate diploma in law from the Kenya School of Law.</p>
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**(b) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Attorney General	Hon. Justice (Rtd) P. Kihara Kariuki, EGH
2.	Chief Administrative Secretary	Prof. Japheth Ntiba, Ph.D, DBA, CBS
3.	Solicitor General	Mr. Kennedy Ogeto, CBS
4.	Secretary, Justice and Constitutional Affairs	Ms. Maryann Njau-Kimani, OGW
5.	Deputy Solicitor General	Ms. Christine Agimba
6.	Deputy Solicitor General	Ms. Margaret Nzioka
7.	Deputy Solicitor General	Ms. Njeri Mwangi Wachira, MBS
8.	Registrar General	Ms. Mary Njuya, OGW
9.	Registrar Marriages	Ms. Mary Mutaaru
10.	Secretary, Advocates Complaints Commission	Mr. George Nyakundi
11.	Ag. Administrator General (Public Trustee)	Ms. Concepta Wasilwa
12.	Deputy Accountant General	CPA Elijah Kabiru Gathuthi
113.	Registrar Societies	Ms. Maria Goretti Nyariki
14.	Chief State Counsel	Mr. Charles Mutinda
15.	Chief State Counsel	Ms. Jeannette Mwangi

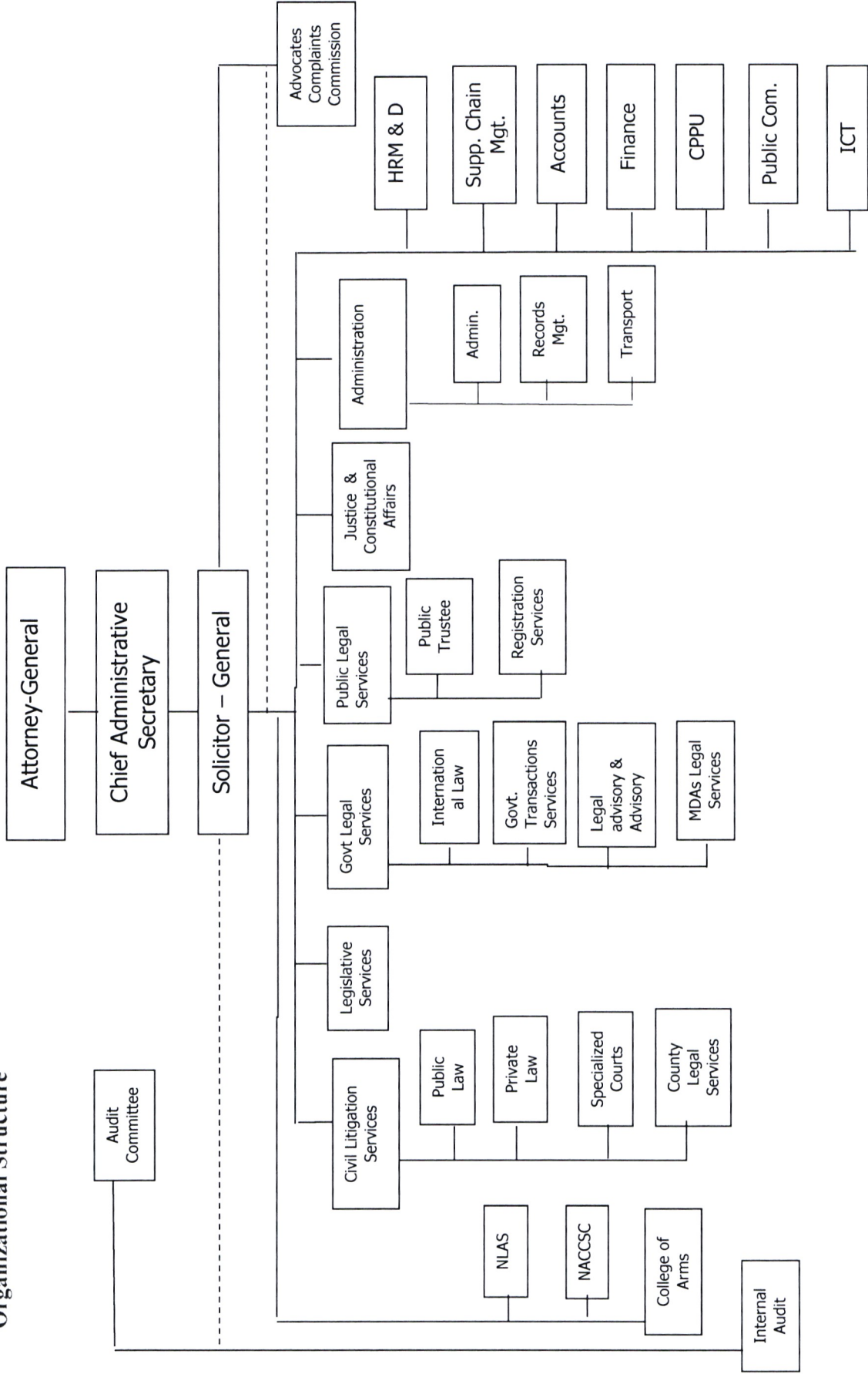
**STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
REVENUE STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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<b>No.</b>	<b>Designation</b>	<b>Name</b>
16.	Deputy Chief State Counsel	Mr. Seth Nyamweya Masese
17.	Secretary Administration	Ms. Florence Amoit
18.	Registrar – Coat of Arms	Ms. Sarah Mweru Ranji
19.	Senior Chief Finance Officer	CFA Walter Oselu
20.	Director, Human Resource Management and Development	Dr. Ernst D. Alela (PhD, CHRP-K)
21.	Director, Planning	Mr. Anthony Mugane
22.	Assistant Director, Supply Chain Management	Mr. Sebastian Mokuu
23.	Assistant Director ICT	Mr. Jim Masolo
24	Chief State Counsel /Ag. Chief Executive Officer – Victim Protection Board	Ms. Mary Wairagu
25	Ag. Director NACCSC	Mr. David G. Gathii
26.	National Legal Aid Services	Ms. Flora Bidali

STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
 REVENUE STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2021

Organizational Structure



**(c) Fiduciary Oversight Arrangements**

• **Audit Committee**

The State Law Office and Department of Justice has an Audit Committee, which reviews the Financial Statements.

• **Parliamentary committee**

The Budget Committee of the National Assembly examines Financial Statements submitted to the National Assembly under Part III of the Public Finance Management Act (Revised 2016).

• **Internal Audit**

The State Law Office and Department of Justice has an Internal Audit Department, which is fully functional. It is involved in reviewing of the day-to-day systems and operations. It also checks to establish the internal control weakness and recommend corrective action.

**Other Committees**

- Technical Working Group Review of the Strategic Plan
- The Inter-Agency Working Group to Review the Draft Sexual Offences Policy and Sexual Offences Act
- Ministerial Performance Management Committee
- The Retirees Committee Welfare
- Ministerial Human Resource Management Advisory Committee
- Wellness Committee
- Budget Implementation Committee
- ISO Committee
- The Records Management Committee
- Knowledge Management
- Asset Disposal Committee
- Youth, Gender & Disability Mainstreaming Committee
- Grievance handling procedure
- Projects Implementation Committee
- Strategic Plan Technical Working Group
- Decentralization Working Committee

**(d) Principal activities**

The Solicitor General collects revenue from the following activities;

- i.) Public Trustee Fees
- ii.) Registration of Coat of Arms
- iii.) Registration of Marriages
- iv.) Registration of Societies
- v.) Registration of Books & Newspapers

**STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
REVENUE STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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Revenue collected is remitted to the National Treasury and used for appropriation of budgetary allocations.

**(e) Entity Headquarters**

P.O. Box 40112 – 00100  
Sheria House  
Harambee Avenue  
Nairobi, KENYA

**(f) Entity Contacts**

Telephone: (+254) 020 2227461  
E-mail: [info.statelawoffice@kenya.go.ke](mailto:info.statelawoffice@kenya.go.ke)  
Website: [www.attorney-general.go.ke](http://www.attorney-general.go.ke)

**(g) Entity Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI, KENYA**  
Account No.: 1000430311
2. **Kenya Commercial Bank**  
Moi Avenue Branch  
Account No.: 1123414246

**(h) Independent Auditors**

The Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
**NAIROBI, KENYA**

**(i) Principal Legal Adviser**

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

## II. STATEMENT OF RECEIVER OF REVENUE RESPONSIBILITIES

Section 82 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue shall prepare an account of the revenue received and collected by that receiver during that financial year.

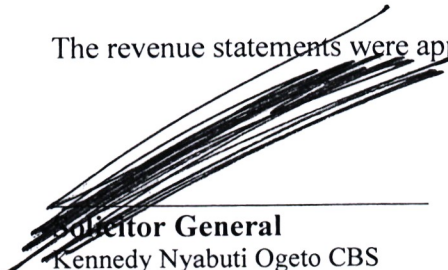
The Solicitor General is responsible for the preparation and presentation of the State Law Office and Department of Justice accounts, which gives a true and fair view of the state of affairs of the State Law Office and Department of Justice for and as at the end of the financial year ended on June 30, 2021. 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 State Law Office and Department of Justice; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Solicitor General accepts responsibility for the State Law Office and Department of Justice receiver of revenue accounts, 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) and relevant legal framework of the Government of Kenya. The Solicitor General is of the opinion that the receiver of revenue account gives a true and fair view of the state of entity's receiver of revenue transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Solicitor General further confirms the completeness of the accounting records maintained for the State Law Office and Department of Justice, which have been relied upon in the preparation of the receiver of revenue account as well as the adequacy of the systems of internal financial control.

The Solicitor General confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants, 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 Solicitor General confirms that the State Law Office and Department of Justice accounts have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

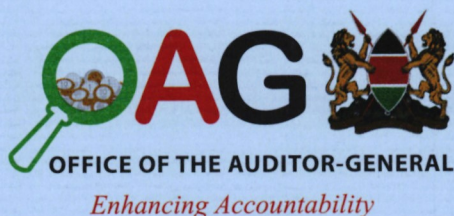
### Approval of the Revenue Statements

The revenue statements were approved and signed by the Solicitor General on 14<sup>th</sup> January, 2022.

  
Solicitor General  
Kennedy Nyabuti Ogeto CBS

  
Senior Deputy Accountant General  
Elijah Kabiru Gathuthi  
ICPAK No. 7153

# REPUBLIC OF KENYA



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

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

## REPORT OF THE AUDITOR-GENERAL ON REVENUE STATEMENTS OF THE STATE LAW OFFICE AND DEPARTMENT OF JUSTICE FOR THE YEAR ENDED 30 JUNE, 2021

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### 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 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 control, 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 REVENUE STATEMENTS

#### Opinion

I have audited the accompanying Revenue Statements of State Law Office and Department of Justice set out on pages 1 to 8, which comprise of the statement of

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*Report of the Auditor-General on Revenue Statements of the State Law Office and Department of Justice for the year ended 30 June, 2021*

financial assets and liabilities and statement of arrears of revenue as at 30 June, 2021, statement of receipts and disbursements 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 revenue statements present fairly, the financial position and arrears of the revenue of the State Law Office and Department of Justice as at 30 June, 2021, and of its revenue performance 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 Receiver of revenue - State Law Office and Department of Justice 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.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the revenue statements. There are 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 matter 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**

#### **Balance due for Disbursement**

As disclosed in Note 2 to the revenue statements, the statement of receipts and disbursements for the year ended 30 June, 2021 reflects a balance due for disbursement of Kshs.168,847,855 which includes an amount of Kshs.168,776,500 collected through Huduma Centres and relating to prior years but not transferred to the Receiver of Revenue for subsequent remittance to the Exchequer. This is contrary

to Regulation 64(1)(a) of the Public Finance Management (National Government) Regulations, 2015, that requires an Accounting Officers and Receivers of revenue to personally be responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for all National Government revenue and other public moneys relating to their Ministries, Departments or Agencies.

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

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, revenue transactions and information reflected in the revenue 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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **Weakness in Revenue Collection Management**

Review of the revenue accounting system at the registration of societies revealed that duties of revenue collection, preparation, checking reconciliations and reporting of revenue received were being handled by one person instead of segregating among other officers.

Further, the revenue collected during the year was receipted and not recorded in the revenue books of account. Management did not maintain a collection control sheet (CCS) Form (G.P.163) detailing the collector's name, period, series of receipts, number of receipts, amount, date and signature.

In the circumstances, the existence of effective internal controls to safeguard against revenue loss and key processes of internal controls capable to provide an audit trail cannot be established.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and overall governance

were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

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

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 revenue statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Receiver of revenue'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 revenue

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 Receiver of revenue to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the revenue statements, including the disclosures, and whether the revenue statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the revenue information and business activities of the Receiver of revenue to express an opinion on the revenue statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

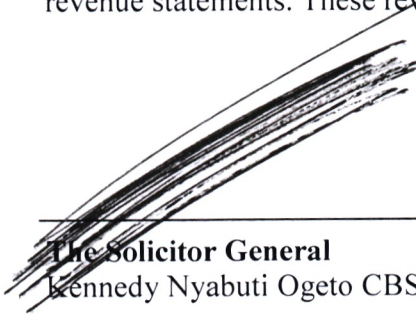
**11 February, 2022**


STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
 REVENUE STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2021

IV. STATEMENT OF RECEIPTS AND DISBURSMENTS FOR THE YEAR ENDED 30TH  
 JUNE 2021

	Note	2020/2021	2019/2020
		Kshs	Kshs
<b>NON TAX RECEIPTS</b>			
Fees on use of Goods/Services	1	222,708,721	166,063,212
<b>TOTAL NON TAX RECEIPTS</b>		222,708,721	166,063,212
<b>TOTAL RECEIPTS COLLECTED</b>		222,708,721	166,063,212
DISBURSEMENT TO EXCHEQUER A/C	1	(224,882,354)	(157,202,329)
<b>BALANCE DUE FOR DISBURSEMENT</b>	2	168,847,855	188,409,693

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 14<sup>th</sup> January, 2022 and signed by:

  
 \_\_\_\_\_  
 The Solicitor General  
 Kennedy Nyabuti Ogeto CBS

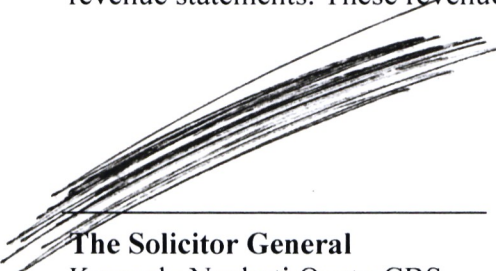
  
 \_\_\_\_\_  
 Senior Deputy Accountant General  
 Elijah Kabiru Gathuthi  
 ICPAK No. 7153

STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
REVENUE STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021

V. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021	2019-2020
		KShs	KShs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	<b>3a</b>	71,365	18,534,136
Receivables – Huduma Kenya		168,776,500	168,776,500
<b>TOTAL FINANCIAL ASSETS</b>		<b>168,847,865</b>	<b>187,310,636</b>
<b>FINANCIAL LIABILITIES</b>			
Payables-Due to Exchequer	<b>4</b>	71,365	18,534,136
Transferrable to National Treasury – (Huduma Kenya)		168,776,500	168,776,500
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>168,847,865</b>	<b>187,310,636</b>

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 14<sup>th</sup> January, 2022 and signed by:



\_\_\_\_\_  
The Solicitor General  
Kennedy Nyabuti Ogeto CBS

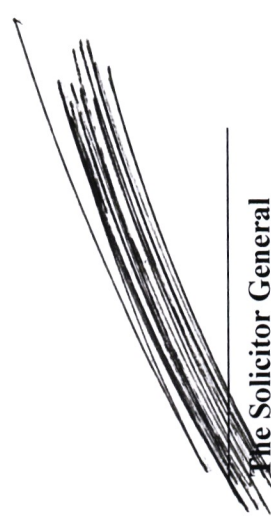


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Senior Deputy Accountant General  
Elijah Kabiru Gathuthi  
ICPAK No. 7153

STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
 REVENUE STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2021

VI. STATEMENT OF ARREARS OF REVENUE AS AT 30 JUNE 2021

Classification of Receipts	Balance as at 1 <sup>st</sup> July, 2020	Arrears received during the year	Additions in arrears for the current year to June 30 2021	Total arrears as at 30 June 2021	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Fees on Use of Goods and services	NIL	NIL	NIL	NIL	-	-
Total Arrears	NIL	NIL	NIL	NIL	-	-



**The Solicitor General**  
 Kennedy Nyabuti Ogeto CBS



**Senior Deputy Accountant General**  
 Elijah Kabiru Gathuthi  
 ICPAK No. 7153

## **VII. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of Compliance and Basis of Preparation**

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the Government of Kenya. The revenue statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The revenue statements are presented in Kenya Shillings, which is the functional and reporting currency of the State Law Office and Department of Justice. The accounting policies adopted have been consistently applied to all the years presented.

The revenue statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the entity.

### **2. Recognition of Revenue**

The State Law Office and Department of Justice recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the entity.

### **3. Budget**

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

### **4. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and 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.

### **5. Revenue in Arrears**

This relates to revenue earned and is yet to be received or collected by the Solicitor General.

STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
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**6. Disbursements to the Exchequer**

The Receiver of Revenue has a monthly arrangement for sweeping of funds from our Kenya Commercial Bank account to the Exchequer Account. Total disbursements to the exchequer are as a result of the sweeping arrangement during the year.

**7. Comparative Figures**

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

**8. Subsequent Events**

There have been no events subsequent to the financial year-end with a significant impact on the revenue statements for the year ended June 30, 2021

STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
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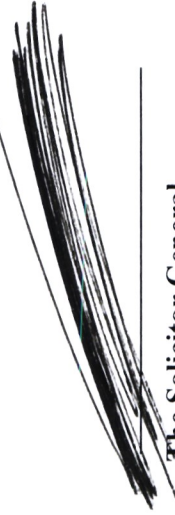
VIII. NOTES TO REVENUE STATEMENTS

NOTE:1 FEE ON USE OF GOODS AND PERMISSION TO USE OF GOODS OR PERFORM SERVICES AND ACTIVITIES.

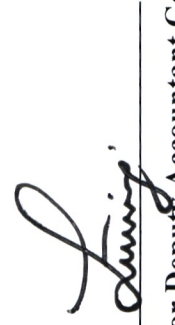
ITEM CODE	ITEM DESCRIPTION	Original Estimates Kshs.	Revised Estimates Kshs.	FY2020/2021 Actual Kshs.	FY2020/2021 Performance Difference Kshs.	FY2020/2021 % realized	FY2019/2020 Actual Kshs.
1420211	Registration of Coat of Arms	-	-	180,000	-	-	46,000
1420213	Registration of Marriages	98,977,484	-	140,890,066	41,912,582.35	142	94,548,812
1420215	Registration of Societies	11,446,135	-	6,598,050	(4,848,085)	58	5,073,900
1420218	Registration of Books & Newspapers	193,629	-	52,300	(141,329)	27	129,000
1420231	Public Trustee Fees	105,038,464	-	74,988,305	(30,050,159)	72	66,265,500
	<b>TOTAL FEES</b>	<b>215,655,712</b>	<b>-</b>	<b>222,708,721</b>	<b>7,053,009.35</b>	<b>103</b>	<b>166,063,212</b>
	Balance brought forward			2,244,988			9,673,253
	<b>TOTAL</b>			<b>224,953,709</b>			<b>175,736,465</b>
	Transfers to the Exchequer Account			224,882,354			157,202,329
	Balance carried forward			71,355			18,534,136

**Commentary on Actual Revenue against the Revised Estimates**

Most of the Economic activities were slowed down by Covid-19 Pandemic which resulted to low revenue collection during the third and fourth quarters of FY2020/2021.



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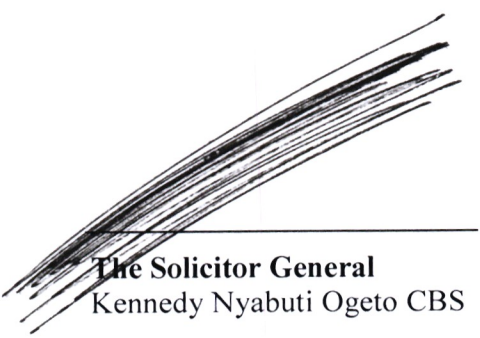
STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
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NOTES TO THE FINANCIAL STATEMENTS (Continued)


NOTE 2: BALANCES DUE FOR DISBURSMENT

Balance brought Forward subsequently transferred	FY 2020/2021 Kshs.	FY 2019/2020 Kshs.
Huduma Centre balance b/f from previous year	168,776,500	168,776,500
Public Trustee balance b/f from previous periods	-	1,099,057
Kenya Commercial Bank balance c/f yet to be transferred	71,355	18,534,136
<b>TOTAL</b>	<b>168,847,855</b>	<b>188,409,693</b>



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STATE LAW OFFICE AND DEPARTMENT OF JUSTICE  
REVENUE STATEMENTS  
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 3(a) : Bank Balances

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2020-2021	2019-2020
			Kshs	Kshs
Kenya Commercial Bank, 1123414246, Kenya Shillings	-	-	71,365	18,534,136
<b>Total</b>			<b>71,365</b>	<b>18,534,136</b>

3 (b) Balance carried forward as at 30<sup>th</sup> June 2021 and subsequently transferred

Ref	Amount (Kshs)	Date subsequently transferred
Kenya Commercial Bank FT21243X85H5	71,365	31 <sup>st</sup> August, 2021
<b>Total</b>	<b>71,365</b>	

NOTE 4: PAYABLES- DUE TO EXCHEQUER

Payables	2020-2021	2019-2020
	Kshs	Kshs
Balance b/f at the beginning of the year	<b>188,409,693</b>	<b>179,548,811</b>
Amounts disbursed to Exchequer during the year	19,633,193	9,673,254
Balance c/d at the end of the year	168,776,500	169,875,557
<b>Total</b>	<b>168,847,855</b>	<b>188,409,693</b>

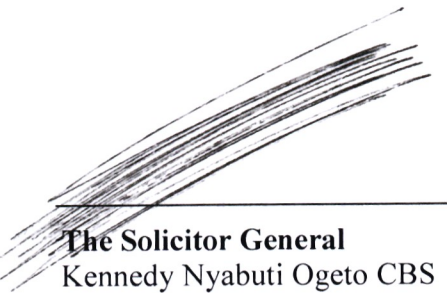
This relates to amounts yet to be disbursed to the exchequer at the end of the financial year.

APPENDICES

APPENDIX 1: PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
531.	Revenue Regional Offices	The office has developed templates for use in regional offices while collecting, recording and transmitting revenue. The Ministry requests for summary of revenue returns of all the revenue collected from Regional offices and availed for audit verification.	Registrar Marriages	Resolved	30.6.2022
534.	Deposits – Imperial Bank	The Accounting Officer has written to the Imperial Bank in attempt to recover the total sum of Kes.72,000,000.00 deposits. The follow-up has continuously been done so as to recover the full amount within the shortest time possible.	Administrators General	Not Resolved	30.6.2022

  
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**APPENDIX 2: REPORT GENERATED FROM IFMIS**

- i. GOK IFMIS Comparison Trial Balance
- ii. GOK Miscellaneous Receipts Register
- iii. FO30 (Bank reconciliations) for all bank accounts