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REPORT OF ACTIVITIES AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR

2023/2024

Tuangamize Ufisadi, Tujenge Kenya

THE NATIONAL ASSEMBLY
PAPERS LAID
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ETHICS AND ANTI-CORRUPTION COMMISSION

REPORT OF ACTIVITIES AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2023/2024

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LIST OF ABBREVIATIONS AND ACRONYMS

AAACA	African Association of Anti-Corruption Authorities
ACC	Anti-Corruption Court
ACEC	Anti-Corruption and Economic Crimes Court
ACECA, 2003	Anti-Corruption and Economic Crimes Act, 2003
ADR	Alternative Dispute Resolution
AFR LEN	African Anti-Corruption Law Enforcement
ASK	Agricultural Society of Kenya
ATI	Agricultural Training Institute
AWWDA	Athi Water Works Development Agency
CA	County Assembly
CCCU	County Climate Change Units
CDA	Coast Development Authority
COSP10	10th Conference of the State Parties
CPC	Criminal Procedure Code
CPCs	Corruption Prevention Committees
CRA	Commission on Revenue Allocation
CRAs	Corruption Risk Assessments
CWSB	Coast Water Services Board
CWWDA	Coast Water Works Development Agency
DCI	Directorate of Criminal Investigations
DIALs	Declaration of Income, Assets and Liabilities
DPP	Director of Public Prosecutions
EAAACA	Eastern Africa Association of Anti-Corruption Authorities
EACC	Ethics and Anti-Corruption Commission
ELC	Environment and Land Court
ELRC	Employment and Labour Relations Court
EU/UNODC	European Union/United Nations Office on Drugs and Crime
FBI	Federal Bureau of Investigation
FY	Financial Year
GDC	Geothermal Development Company
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GmbH) (German Development Corporation)
GOK	Government of Kenya
HC	High Court
HELB	Higher Educations Loans Board
IACD	International Anti-Corruption Day

IAOs	Integrity Assurance Officers
ICAC	Independent Commission Against Corruption
ICT	Information and Communication Technology
ICTA	Information & Communication Technology Authority
IEBC	Independent Electoral and Boundaries Commission
IEC	Information, Education and Communication
JKUAT	Jomo Kenyatta University of Agriculture and Technology
JOOUST	Jaramogi Oginga Odinga University of Science and Technology
JR	Judicial Review
KALRO	Kenya Agricultural and Livestock Research Organization
KBC	Kenya Broadcasting Corporation
KCSAP	Kenya Climate Smart Agriculture Project
KEMRI	Kenya Medical Research Institute
KenGen	Kenya Electricity Generating Company PLC
KeNHA	Kenya National Highways Authority
KeRRA	Kenya Rural Roads Authority
KES/Kshs	Kenya Shillings
KETRACO	Kenya Electricity Transmission Company Limited
KICC	Kenyatta International Convention Centre
KIP	Kenya Integrity Plan
KISE	Kenya Institute of Special Education
KLIF	Kenya Leadership Integrity Forum
KMA	Kenya Maritime Authority
KMC	Kenya Meat Commission
KMTC	Kenya Medical Training College
KNH	Kenyatta National Hospital
KPA	Kenya Ports Authority
KPLC	Kenya Power and Lighting Company
KRA	Kenya Revenue Authority
KRC	Kenya Railways Corporation
KRSRBS	Kenya Railways Staff Retirement Benefits Scheme
KUCCPS	Kenya Universities and Colleges Central Placement Service
KURA	Kenya Urban Roads Authority
KWS	Kenya Wildlife Service
KWTA	Kenya Water Towers Agency
LAPFUND	Local Authority Pension Fund
LAPSSET	Lamu Port South-Sudan Ethiopia Transport corridor
LIA, 2012	Leadership and Integrity Act, 2012
LVNWWDA	Lake Victoria North Water Works Development Agency
MCA	Member of County Assembly
MDAs	Ministries, Departments and Agencies
MICE	Meetings, Incentives, Conventions and Exhibitions
MLA	Mutual Legal Assistance
MMARAU	Maasai Mara University

NG-CDF	National Government-Constituency Development Fund
NHIF	National Health Insurance Fund
NIAca	National Integrity Academy
NITA	National Industrial Training Authority
NLC	National Land Commission
NMK	National Museums of Kenya
PACS	Probation and Aftercare Services
PC	Performance Contracting
PFM	Public Finance Management
PLEAD II	Programme for Legal Empowerment and Aid Delivery in Kenya, Phase II
POEA	Public Officer Ethics Act, 2003
PPADA, 2015	Public Procurement and Asset Disposal Act, 2015
PPRB	Public Procurement Review Board
REREC	Rural Electrification and Renewable Energy Corporation
TSC	Teachers Service Commission
UNCAC	United Nations Convention against Corruption
UNESCO	United Nations Educational, Scientific and Cultural Organization

FOUNDATIONAL STATEMENTS

VISION

An Integrity and values-driven Kenyan Society

MISSION

To promote integrity and combat corruption through law enforcement, prevention and education

ETHICS AND ANTI-CORRUPTION COMMSSION

CORE VALUES

- Fidelity to the Law
- Integrity
- Teamwork
- Innovation
- Professionalism
- Courage

MANDATE

To combat and prevent corruption, economic crime and unethical conduct in Kenya through law enforcement, prevention, public education and promotion of standards and practices of integrity, ethics and anti-corruption

MEMBERS OF THE ETHICS & ANTI-CORRUPTION COMMISSION



David Oginde, PhD, FCS
Chairperson



Dr. Monica Wanjiru Muiru, PhD, MBS
Vice-Chairperson



Colonel (Rtd) Alfred Mshimba, MBS
Commissioner



Dr. Cecilia Mutuku CHRP, CPS-K
Commissioner



CPA John Otieno Ogallo
Commissioner



Twalib Mbarak, MGH, CBS
Secretary/Chief Executive Officer

MESSAGE FROM THE CHAIRPERSON



David Oginde, PhD
Chairperson
ETHICS AND ANTI-CORRUPTION COMMISSION

The Commission, in collaboration with key stakeholders, reviewed the policy and legal framework through various amendments to Anti-Corruption laws.

The Ethics and Anti-Corruption Commission is established pursuant to Article 79 of the Constitution and the EACC Act No. 22 of 2011. The Constitution and EACC Act give powers and mandate to the Commission to combat and prevent corruption, economic crime and unethical conduct in Kenya through law enforcement, prevention, public education, promotion of standards and practices of integrity, ethics and anti-corruption.

The Commission launched its third Strategic Plan (2023-28) in the Financial Year 2023/24. The Plan is aligned to national development agenda priorities as contained in the Constitution, Vision 2030, the Fourth Medium Term Plan (2023-27), the Bottom-Up Economic Transformation Agenda (BETA), and the National Ethics and Anti-Corruption Policy (NEAP). The Government has funded Commission activities contained in the Plan, which enabled the Commission direct resources to investigate, prevent, and educate the public on corruption.

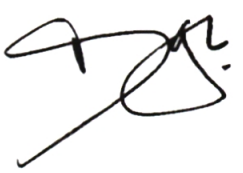
The Commission, in collaboration with key stakeholders, reviewed the policy and legal framework through various amendments to Anti-Corruption laws. These include amendments to the Anti-Corruption and Economic Crimes Act, 2003 (ACECA, 2003); Ethics and Anti-Corruption Commission Act (No. 22 of

I have confidence in the steps taken and the milestones the Commission realised during the year under review.

2011); Leadership and Integrity Act (No. 22 of 2012); Bribery Act (No. 47 of 2016); and Evidence Act, Cap 80. These amendments broaden the definition of economic crimes to include an offence involving the laundering of the proceeds of corruption, access to information for prevention and investigations from relevant agencies, provision for judicial intervention in the enforcement of commitment to specific leadership codes for State Officers and use of photographic evidence. The amendments are significant in bolstering the fight against corruption and unethical practices. However, there is a need to address the management of conflict of interest in the public sector. The enactment of the conflict of interest legislation is therefore necessary, and the Commission looks forward to the enactment of the said law.

The Commission leveraged strategic linkages and partnerships with national, regional and international organisations to provide technical support and capacity-building programmes. In particular, the Commission received technical support from the Federal Bureau of Investigation in combating corruption and transnational crimes. In addition, the Commission also partnered with the European Union/United Nations Office on Drugs and Crime (EU/UNODC) through the Programme for Legal Empowerment and Aid Delivery in Kenya, Phase II (PLEAD II), to build on the gains made in fighting corruption. The Commission also hosted officials from the Embassy of the People's Republic of China in Kenya to build strategic linkages in the fight against corruption.

I have confidence in the steps taken and the milestones the Commission realised during the year under review. I call upon all partners, stakeholders and Kenyans to unite with the Commission in the fight against corruption and unethical conduct in the country.



David Oginde, PhD
Chairperson
ETHICS AND ANTI-CORRUPTION COMMISSION

MESSAGE FROM THE SECRETARY/ CHIEF EXECUTIVE OFFICER



Twalib Mbarak, MGH, CBS
Secretary/Chief Executive Officer
ETHICS AND ANTI-CORRUPTION COMMISSION

The Annual Report details activities implemented during the financial year and Financial Statements of the Commission.

The Ethics and Anti-Corruption Commission presents its Annual Report for the Financial Year 2023/24, pursuant to Section 27 of the Ethics and Anti-Corruption Commission Act, 2011 and Section 45 of the Leadership and Integrity Act, 2012. The Annual Report details activities implemented during the financial year and Financial Statements of the Commission.

During the period under review, the Commission, pursuant to its law enforcement mandate, finalized and forwarded 126 investigation files on corruption and economic crimes to the Director of Public Prosecutions for review. A further 56 investigation files on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012 were finalized with various recommendations. In addition, the Commission recorded 12 convictions on cases of corruption and unethical conduct, translating to a conviction rate of 26.7 percent; traced KES 16 billion in illegally acquired and unexplained assets, recovered KES 2.9 billion in corruptly acquired assets; and averted loss of KES 2.9 billion of public funds through proactive investigations.

In the execution of its prevention mandate, the Commission undertook system reviews and finalized examination reports at the National Health Insurance Fund, National

HIGHLIGHTS

126

Investigation files on corruption and economic crimes to the Director of Public Prosecutions for review.

56

Investigation files on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012 were finalised with various recommendations.

Kshs.16B

Traced KES 16 billion in illegally acquired and unexplained assets.

Kshs. 2.9B

recovered KES 2.9 billion in corruptly acquired assets.

Kshs. 2.94B

Averted loss of KES 2.9 billion of public funds through proactive investigations.

Museums of Kenya, and Probation and After-Care Services (PACS). Similarly, the Commission conducted Corruption Risk Assessments in Murang'a County Executive and County Assembly; Office of the Auditor General; and the Kenyatta International Convention Centre. Further, the Commission conducted 35 Corruption Prevention Committee (CPC) trainings in Ministries, Departments, Agencies and County Governments, and sensitized Community and Professional Networks, reaching 12,666 participants. In order to mainstream value-based education in institutions of learning, the Commission undertook: school outreach programmes in 371 institutions of learning, reaching 141,582 learners; university outreach programmes in various universities and vocational centres, reaching 1,452 students; Integrity Club Patrons' training and conference; and sponsorship of Kenya National Drama and Film Festival where 700 composers were sensitized and seven trophies awarded.

The Commission offered specialized training in: Corporate Governance, Audit and Risk, where 13 Council Members and senior members of staff of Turkana University were trained; Leadership and Integrity for Executives, where 43 Kenya Airports Authority Supervisors were trained; and Integrity Assurance, where 204 Integrity Assurance Officers (IAOs) drawn from the various institutions were trained.

To ensure compliance with ethical standards and practices as provided under Chapter Six of the Constitution, the Commission: reviewed and approved Leadership and Integrity Codes for Nairobi City County Executive; facilitated the signing and commitment of Leadership and Integrity Codes by 129 State Officers; provided technical support to seven public entities in developing and implementing Codes of Conduct and Ethics for their officers; and monitored 22 public entities to assess levels of compliance in implementation of Chapter Six of the Constitution and integrity laws.

During the period under review, the Commission encountered several challenges that hampered effective implementation of its mandate, key among them weak legal and policy framework for implementing Chapter

In spite of the challenges, the Commission remains steadfast in undertaking its mandate and in ensuring that timely action is taken on those found in violation of anti-corruption laws or in breach of ethical codes.

Six of the Constitution and management of DIALs, rapid technological advancements, lack of cooperation in obtaining evidence, intimidation of witnesses; non-compliance with system review recommendations; and inadequate resources.

In spite of the challenges, the Commission remains steadfast in undertaking its mandate and in ensuring that timely action is taken on those found in violation of anti-corruption laws or in breach of ethical codes. I call upon every Kenyan to join us in combating corruption and promotion of ethical standards and practices.



Twalib Mbarak, MGH, CBS
Secretary/Chief Executive Officer
ETHICS AND ANTI-CORRUPTION COMMISSION

CHAPTER 1

BACKGROUND

1.1 Introduction

The Ethics and Anti-Corruption Commission (EACC) is a statutory body established under the Ethics and Anti-Corruption Commission Act (EACCA), No. 22 of 2011 pursuant to Article 79 of the Constitution. This Annual Report is prepared pursuant to the provisions of Article 254 (1) of the Constitution, Section 27 of EACCA, 2011 and Section 45(1) of the Leadership and Integrity Act (LIA), No. 19 of 2012. The Financial Year 2023/24 Annual Report provides details of anti-corruption activities undertaken and achievements realised; information relating to the enforcement of ethics and compliance with the provisions of LIA; relevant statistical information; challenges encountered; and audited financial statements of the Commission.

1.2 Mandate and Functions of the Commission

The Commission is mandated to combat and prevent corruption, economic crimes and unethical conduct through law enforcement, prevention, public education and promotion of ethical standards and practices of integrity, ethics and anti-corruption. The mandate is derived from Articles 79 and 252 of the Constitution; the EACC Act, No. 22 of 2011; LIA, No. 19 of 2012; the Public Officer Ethics Act (POEA), No 4 of 2003; the Anti-Corruption and Economic Crimes Act (ACECA), No. 3 of 2003; and the Anti-Bribery Act, No. 47 of 2016, among other relevant laws. The functions of the Commission as derived from its mandate are to:

(a) Develop codes of ethics and promote standards and best practices in integrity and anti-corruption for State and Public Officers;
(b) Investigate and recommend to the Director of Public Prosecutions the prosecution of any acts of corruption, bribery, economic crimes or violation of codes of ethics;
(c) Oversee the enforcement of codes of ethics and recommend appropriate action to be taken against State Officers or Public Officers alleged to have engaged in unethical conduct;
(d) Advise, on its own initiative, any person on any matter within its functions;

(e) Raise public awareness on ethical issues and educate the public on the dangers of corruption and enlist and foster public support in combating corruption;

(f) Monitor practices and procedures of public bodies to detect corrupt practices and to secure the revision of methods of work or procedures that may be conducive to corrupt practices; and

(g) Institute and conduct proceedings in court for purposes of the recovery or protection of public property, freezing or confiscation of proceeds of corruption or related to corruption, payment of compensation, and or other punitive and disciplinary measures.

The subsequent chapters of the Report are organised as follows: Chapter Two outlines Law Enforcement activities; Chapter Three focuses on Prevention of Corruption and Unethical Practices; Chapter Four expounds on Partnerships and Networks while Chapter Five presents audited Financial Statements of the Commission.

CHAPTER 2

LAW ENFORCEMENT

2.1 Introduction

This chapter highlights achievements of the Commission under its enforcement mandate. The achievements are presented under various sections, namely: reports received and processed; status of investigations; proactive investigations; reports to the Director of Public Prosecutions; criminal cases pending before court; criminal cases finalised in court; illegally acquired and unexplained assets traced; civil proceedings; recovered assets; issuance of advisories, cautions and notices; integrity verification; and review of policy and legal framework.

2.2 Reports Received and Processed

The Commission received and processed 5,171 reports, out of which 2,207 reports were within the Commission's mandate. Figure 2.1 shows the trend of reports received and processed over the last five years.

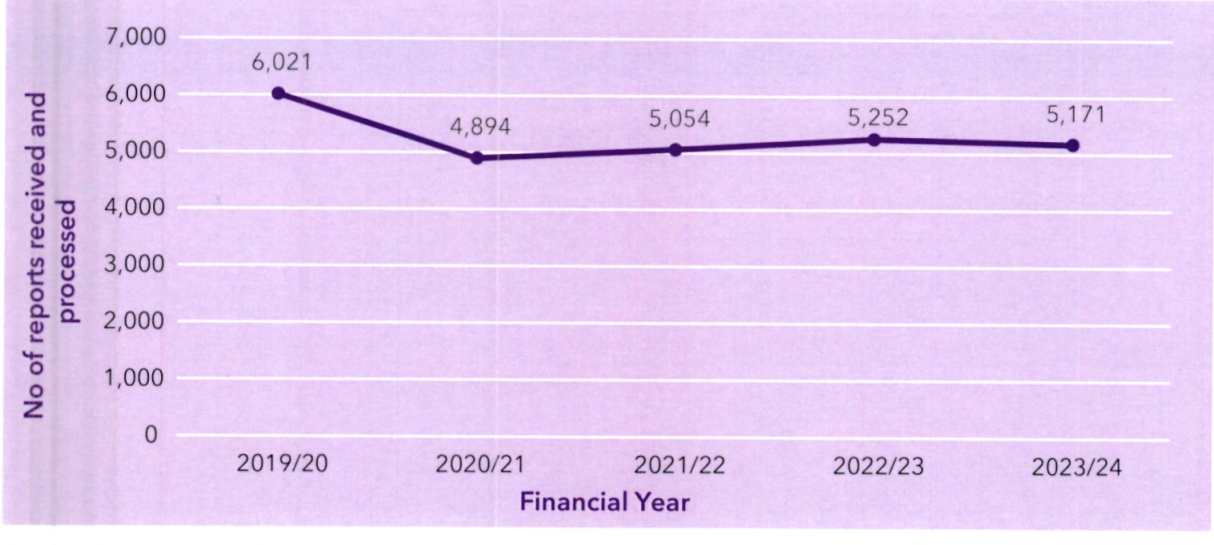


Figure 2.1: Trend of Number of Reports Received and Processed

The 5,171 reports were processed as illustrated in Table 2.1.

Table 2.1: Action on Reports Received

Action Taken	No. of Reports
Reports recommended for investigation	2,207
Complainants advised on where to report	1,643
Reports referred to other agencies	512
Complainants requested to provide additional information	167
Recommended for No Further Action (NFA)	642
Total No. of Reports	**5,171**

2.2.1 Reports Relevant to Commission Mandate

Out of 5,171 reports received, 2,207 were relevant to the Commission's mandate and were recommended for investigation. This represented 42.7 percent of reports received, an increase from 37 percent in the previous period. Figure 2.2 illustrates the trend of reports relevant to the Commission's mandate over the last five years.



Figure 2.2: Trend of Reports Relevant to the Commission's Mandate

The 2,207 reports recommended for investigation were classified as follows: 42 percent were related to bribery; 13 percent to embezzlement/misapprociation of public funds of public funds; 12 percent to unethical conduct; 11 percent to fraudulent acquisistion and disposal of public property; and 22 percent to other offences as illustrated in Figure 2.3.

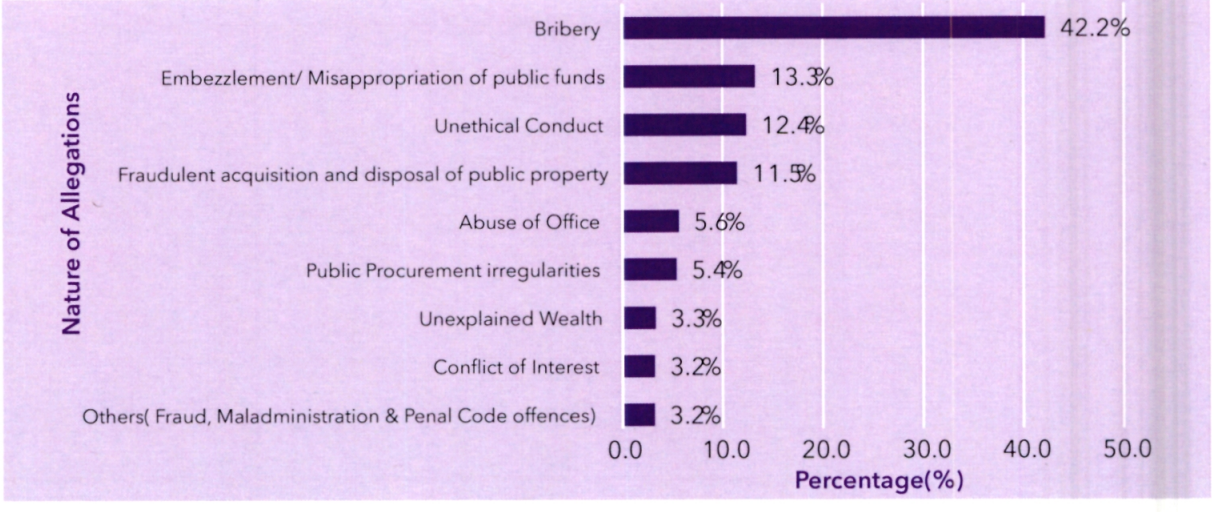


Figure 2.3: Classification of Reports Received

2.3 Status of Investigations

This section highlights cases under investigation, investigatory applications in court and completed criminal investigations during the reporting period.

2.3.1 Criminal Cases under Investigation

During the reporting period, 534 cases were under investigation for corruption, economic crimes, bribery and unethical conduct. Some of the cases investigated are highlighted in Table 2.2.

Table 2.2: Highlights of Criminal Cases under Investigation

	Inquiry Number	Allegation	Institution	Amount (KES)
1.	EACC/FI/INQ/20/2023	Inquiry into allegations of irregular award of tenders for Ruiru II Water Project, Karimenu Water Project and Kitui Matuu Water Project.	Tana Athi Water Works Development Agency and Athi Water Works Development Agency	26,720,000,000
2.	EACC/FI/INQ/10/2024	Inquiry into allegations of irregular engagement in the FY 2005/2006 and termination of a joint venture between Kenya Broadcasting Corporation and Channel 2 Group Corporation in 2009 for provision of programming content that had led to an arbitral claim of USD 150 million in the year 2012.	Kenya Broadcasting Corporation	19,200,000,000
3.	EACC/FI/INQ/23/2023	Inquiry into allegations of irregular disposal of Land L.R No. 209/6829, measuring 139 acres in Makongeni, Nairobi by the CEO, KRSRBS in FYs 2021/2022 and 2022/2023.	Kenya Railways Staff Retirement Benefits Scheme (KRSRBS)	8,000,000,000
4.	EACC/FI/INQ/30/2023	Inquiry into allegations of fraudlent acquistion of NHIF funds by: Afya Bora Hospital Annex, Joy Nursing and Maternity, St. Peters Orthopedics and Surgical Speciality, Jekim Hospital Nkubu and Jekim Medical Center during the period between 2019 and 2023.	National Health Insurance Fund (NHIF)	3,200,000,000
5.	EACC/PI/INQ/7/2023	Inquiry into allegations of irregular award of a contract for provision of drilling services to M/S Lantech (Africa) Limited in FY 2013/2014.	Geothermal Development Company (GDC)	3,000,000,000
6.	EACC/KSM/FI/ INQ/07/2024	Inquiry into allegations of procurement irregularities in Tender No. BUC/ PQ/36/2009-2011 for the construction of a hostel block awarded to Sasah Construction Company Limited between FYs 2012/2013 and 2021/2022.	Jaramogi Oginga Odinga University of Science and Technology (JOOUST)	2,500,000,000

	Inquiry Number	Allegation	Institution	Amount (KES)
7.	EACC/FI/INQ/47/2023	Inquiry into allegations of conflict of interest against the Director of Corporate Services at KeRRA, regarding payments made for tenders awarded to proxy companies, namely Road Care Contractors Ltd and NCQ Millers Ltd between 2016 and 2022.	KeRRA	2,300,000,000
8.	EACC/FI/INQ/48/2023	Inquiry into allegations of conflict of interest against county officials who failed to declare their interest in tenders awarded to various companies associated with the officials during the period between FY 2013/2014 and 2022/2023.	County Government of Kajiado	2,253,399,798
9.	EACC/BGM/INQ/ PI/03/2022	Inquiry into allegations of procurement irregularities in award of Tender No. LVNWWDA/W-S/MOI-MTD/2022-23 for construction works for water supply and sewerage for Moi's Bridge and Matunda towns.	Lake Victoria North Water Works Development Agency	1,921,422,451
10.	EACC/ELD/FI/ INQ/03/2024	Inquiry into allegations of procurement irregularities in the award of Tender No. PDN MU/ONT/12/2023-2024 for the construction of Public Health, Dentistry and Nursing (PDN) Unit and Library Phase II at Moi University Annex Campus to Dinesh Construction Limited during the FY 2023/2024.	Moi University	1,900,000,000
11.	EACC/MSA/FI/ INQ/08/2023	Inquiry into allegations of misappropriation of public funds for the compensation of fishermen affected by the LAPSSET project.	Kenya Ports Authority	1,700,000,000
12.	EACC/NKR/ FI/01/2023	Inquiry into allegations of fraudulent acquisition of public property LR. No. 528 measuring 459.7 Ha by a private individual.	Egerton University	1,600,000,000
13.	EACC/PI/INQ/4/2023	Inquiry into allegations of procurement irregularities in the award of a tender to Hexing Electrical Company Limited for the supply of single-phase and three-phase meters in FY 2022/2023.	Kenya Power and Lighting Company (KPLC)	1,500,000,000
14.	EACC/NYR/FI/ INQ/12/2023	Inquiry into allegations of procurement irregularities in the award of Tender Nos. LCG/C06/INFRA/02/948150, LCG/C06/INFRA/07/001, LCG/C06/INFRA/07/948167, LCG/C06/INFRA/01, LCG/C06/INFRA/01/937113, LCG/B34/INFRA/07, LCG/B33/INFRA/01, LCG/B33/INFRA/04, and LCG/B33/INFRA. for road works and consultancy services against officials of Laikipia County Government awarded to various companies in the period between 2021 and 2023.	County Government of Laikipia	1,370,200,000

	Inquiry Number	Allegation	Institution	Amount (KES)
15.	EACC/PI/INQ/16/2024	Inquiry into allegations of conflict of interest against four officials of the county government in relation to tenders awarded to proxy companies between the year 2013 and January 2024.	County Government of West Pokot	1,043,520,400
16.	EACC/NKR/FI/INQ/07/2022	Inquiry into allegations of conflict of interest against county officials for payments made to proxy companies in the FY 2019/2020 to 2021/2022.	County Government of Bomet	1,000,000,000
17.	EACC/MSA/FI/INQ/02/2024	Inquiry into allegations of procurement irregularities in Tender No. CGK/892775/2021/2022 for provision of medical insurance awarded to AAR Insurance Company in the FY 2021/2022.	County Government of Kwale	849,900,000
18.	EACC/FI/INQ/34/2022	Inquiry into allegations of conflict of interest, abuse of office and procurement irregularities by a Senior Accountant at Kenya Rural Roads Authority (KeRRA) and Member of Parliament for Ikolomani Constituency in award of various tenders in public institutions between FYs 2018/19 and 2022/23.	Kenya Rural Roads Authority (KeRRA), Kenya Wildlife Service (KWS), Kenya Urban Roads Authority (KURA), Kenya National Highways Authority (KeNHA) and County Governments of Siaya and Homabay	817,335,960
19.	EACC/PI/INQ/25/2024	Inquiry into allegations of embezzlement in compensation for land LR. No. Ruiru KIU Block 2 (Githunguri) 2297 for Ruiru Sewerage Works in FY 2015/16.	National Land Commission	756,000,000
20.	EACC/NKR/FI/INQ/04/2024	Inquiry into allegations of procurement irregularities in the award of Tender No. Mmara-U/OT/01/2023-24 for the construction of the proposed University Library Phase I awarded to Vee Vee Enterprises Limited in FY 2023/2024.	Maasai Mara University	732,000,000
21.	EACC/FI/INQ/39/2023	Inquiry into allegations of procurement irregularities in the award of Tender No. KeNHA/R5/172/2022 for a performance-based contract for the Southern By-Pass (UCA-2 Nairobi) Road awarded to Ebenezer Commercial Works Limited in FY 2021/2022.	Kenya National Highways Authority (KeNHA)	716,673,566
22.	EACC/MSA/FI/INQ/11/2023	Inquiry into allegations of irregular procurement of legal services from Miller & Company Advocates in FY 2022/2023.	Kenya Ports Authority	650,000,000
23.	EACC/FI/INQ/17/2024	Inquiry into allegations of conflict of interest against former Governor of Marsabit County in the award of tenders to: Imperial Link Enterprises, Alhabib Enterprises, Forttude Int. Ltd and Rafya Const. Ltd between FYs 2013/2014 and 2017/2018.	County Government of Marsabit	635,000,000

	Inquiry Number	Allegation	Institution	Amount (KES)
24.	EACC/FI/INQ/18/2024	Inquiry into allegations of procurement irregularities in award of Tender No. MOH/ONT/CHERP/003/2021/2022 for the supply, delivery, installation testing and commissioning of a medical oxygen generating plant awarded to Biomax Africa Limited in FY 2021/2022.	Kenyatta National Hospital	634,500,000
25.	EACC/GSA/FI/ INQ/03/2023	Inquiry into allegations of procurement irregularities, fraud, tax evasion, conflict of interest and abuse of office by MCA for Dandu Ward and a county employee between September 2014 and December 2022.	County Government of Mandera	514,750,002
26.	EACC/PI/INQ/14/2024	Inquiry into allegations of conflict of interest against a county official in the award of a tender to Latu Wayu Enterprises and Partone Investment Ltd.	County Government of Marsabit	481,000,000
27.	EACC/BGM/FI/ INQ/03/2023	Inquiry into allegations of procurement irregularities in award of Tender No. CA/BGM/PUR/79/2016/2017 for construction of a new administration block to Lunao Investments Limited in FY 2016/2017.	County Assembly of Bungoma	447,000,000
28.	EACC/KSM/FI/ INQ/05/2022	Inquiry into allegations of procurement irregularities and embezzlement of public funds in Tender No. CGS/SCM/ EDU/OT/21-22/23 for Roof Works Sub-Contract and Main Works for a proposed stadium between FYs 2018/2019 and 2021/2022.	County Government of Siaya	400,000,000
29.	EACC/KSI/FI/ INQ/8/2018	Inquiry into allegations of procurement irregularities and misappropriation of public funds by county officials in the construction of the County Assembly office block in FY 2017/2018.	County Assembly of Nyamira	367,000,000
30.	EACC/ELD/FI/ INQ/17/2023	Inquiry into allegations of embezzlement of imprest by a county official in FYs 2017/18 and 2018/19.	County Government of West Pokot	318,475,800
31.	EACC/FI/INQ/32/2023	Inquiry into allegations of conflict of interest against county officials in the award of tenders to: Plotrek Limited, Chorley Contractors Ltd, Pelow Contractors Ltd, Haltons Investments, Riwo Sokotia Investments, Chayka Contractors Limited and Lalwa Suam Solutions, which are companies associated with the officials between FYs 2014/2015 and 2022/2023.	West Pokot County Government	310,265,187
32.	EACC/PI/INQ/5/2024	Inquiry into allegations of procurement irregularities in the award of Tender No. KNH/T/67/2018-2019 for the supply, delivery, installation, testing, commissioning, and support of an Enterprise Resource Planning (ERP) System to M/S Alltab Africa Ltd in FY 2018/2019.	Kenyatta National Hospital	298,923,548

	Inquiry Number	Allegation	Institution	Amount (KES)
33.	EACC/PI/INQ/6/2024	Inquiry into allegations of procurement irregularities in the award of Tender No. CBKL/02/03/2022 for Upgrade & Maintenance of the Core Banking System (CBS) to M/S MFI Technology Solutions Limited in FY 2021/2022.	Consolidated Bank of Kenya Limited	294,000,000
34.	EACC/PI/INQ/6/2023	Inquiry into allegations of procurement irregularities in a tender for the development of ASK Show Grounds in the FY 2012/2013 against former Chairperson, ASK and a private legal firm.	Agricultural Society of Kenya (ASK)	250,000,000
35.	EACC/ELD/FI/ INQ/28/2022	Inquiry into allegations of embezzlement of public funds in the Tender Nos. CGU/T/21/2016-2017, CGU/T/25/2016-2017, CGU/T/28/2016-2017, CGU/T/32/2016-2017, CGU/T/40/2016-2017, CGU/T/42/2016-2017 for construction of Uasin Gishu cooling plants awarded to various companies in the FY 2016/17.	County Government of Uasin Gishu	250,000,000
36.	EACC/BGM/INQ/ FI/07/2024	Inquiry into allegations of procurement irregularities in award of Tender No. BGM/CNTY/HLT/OT/307/2018-2019 for construction of Maternal Child Ward Block at Bungoma Referral Hospital to Interlect Contractors Limited between FYs 2018/2019 and 2020/2021.	County Government of Bungoma	239,665,436
37.	EACC/MLD/FI/ INQ/4/2022	Inquiry into allegations of fraudulent payments for services not rendered vide Tender No. KeNHA/R10/2427/2021 for Emergency Repairs of Bura Turn-Off-Hola Turn-Off (B89) Road in Hola in FY 2021/22.	Kenya National Highways Authority	239,000,000
38.	EACC/MSA/FI/ INQ/01/2024	Inquiry into allegations of procurement irregularities in the award of Tenders Nos. KPA/044/2019-20/GMID and KPA/203/2020-21/GM to Logitech Intenational Limited for provision of portable water at Lamu Port in FYs 2019/20 and 2020/21.	Kenya Ports Authority (KPA)	237,300,000
39.	EACC/PI/INQ/16/2023	Inquiry into allegations of embezzlement and money laundering of public funds against Lwanzi Ventures Limited, Zac Jabali, James Stainpatricks, Triwam Investments and Tapururu Limited in FYs 2020/2021 and 2021/2022.	County Government of Kiambu	227,959,430
40.	EACC/PI/INQ/13/2024	Inquiry into allegations of conflict of interest against a county official in the award of various tenders to Ardha Jillah Enterprises Ltd, Nagayo Traders and Leila in FY 2023/24.	County Government of Marsabit.	222,500,000
41.	EACC/FI/INQ/29/2022	Inquiry into allegations of conflict of interest against a county official through various tenders awarded to his company, Hartland Enterprises Limited, between September 2014 and February 2022.	County Government of Homa Bay	205,618,338

	Inquiry Number	Allegation	Institution	Amount (KES)
42.	EACC/FI/INQ/45/2023	Inquiry into allegations of misappropriation of public funds by county officials in the construction of the Turkana County Government Headquarters between FYs 2014/15 and 2022/23.	County Government of Turkana	200,000,000
43.	EACC/FI/INQ/2/2024	Inquiry into allegations of irregular investment of short-term surplus funds by the management of the Higher Education Loans Board in Jamii Bora Bank without the approval of The National Treasury in FY 2016/2017.	Higher Educations Loans Board	200,000,000
44.	EACC/KSM/FI/INQ/08/2024	Inquiry into allegations of embezzlement of public funds and conflict of interest against an MCA and their spouse, who is an employee of the County Government, between FYs 2020/21 and 2023/24.	County Government of Vihiga	200,000,000
45.	EACC/FI/INQ/31/2023	Inquiry into allegations of conflict of interest against senior officials of Kenya Airports Authority in the award of various tenders for cleaning services awarded to: Fair Logistics, Casto Limited, Nyabenge General Supplies, Segen Works, Skytab Traders, Benran Company Limited, Glink Sky Limited, Rachern Company Limited, Joymacx Enterprises, Hillweb Enterprises and Roggermos Supplies limited, which are associated with the officials in the period between FYs 2016/17 and 2022/23.	Kenya Airports Authority	194,240,455
46.	EACC/PI/INQ/39/2023	Inquiry into allegations of procurement irregularities in the award of Tender No. TCA/9/2015-2016 for the construction of County Assembly offices to Nakutan Construction Company Limited in the FY 2015/2016.	County Assembly of Turkana	179,736,282
47.	EACC/PI/INQ/33/2023	Inquiry into allegations of conflict of interest against a KeRRA official in Migori through seven companies associated with him between FYs 2020/2021 and 2023/2024.	Kenya Rural Roads Authority (KeRRA)	176,858,072
48.	EACC/PI/INQ/9/2024	Inquiry into allegations of procurement irregularities in the award of Tender No. CGK/04/WIEN/2020-2021 for Decommissioning of Ngong Dumpsite Phase II awarded to Faircon General Equipment Company Limited in the FY 2020/2021.	County Government of Kajiado	169,906,940
49.	EACC/GSA/FI/INQ/12/2023	Inquiry into allegations of conflict of interest and embezzlement of public funds by Governor Ahmed Abdullahi and his associates in the supply of food rations to communities in the FY 2022/2023.	County Government of Wajir	150,000,000
50.	EACC/KSM/F1/INQ/41/2016	Inquiry into allegations of procurement irregularities for the award of tender for county spatial planning in FY 2015/16.	County Government of Kisumu	150,000,000

	Inquiry Number	Allegation	Institution	Amount (KES)
51.	EACC/FI/INQ/50/2023	Inquiry into allegations of embezzlement of funds in the establishment of the National Bamboo Growing Demonstration Centre at Kaptagat Forest in the FY 2017/2018	Kenya Water Tower Agency	147,700,000
52.	EACC/FI/INQ/15/2024	Inquiry into allegations of procurement irregularities in the proposed drilling and equipping of solar powered boreholes in several wards within the County.	County Government of Migori	140,000,000
53.	EACC/GSA/PI/ INQ/09/2023	Inquiry into allegations of procurement irregularities in the award of Tender No CGG/T/CA/01/2022-2023 for proposed extension of County Headquarters to Aram Investment Limited in the FY 2022/2023.	County Government of Garissa	128,570,000
54.	EACC/NYR/FI/ INQ/6/2023	Inquiry into allegations of conflict of interest against county officials in relation to award of tenders to proxy companies between the years 2014 and 2023.	County Governments of Laikipia and Nyeri	126,800,000
55.	EACC/NKR/FI/ INQ/02/2022	Inquiry into allegations of embezzlement of public funds by KeRRA officials through companies associated with them between January and August 2021.	Kenya Rural Roads Authority (KeRRA)	118,677,661
56.	EACC/MLD/FI/ INQ/17/2023	Inquiry into allegations of embezzlement of public funds in the award of Tender No. KCG/FIN/REP/1217959-22022-2023 for installation of an Integrated Revenue Collection Management System awarded to Aden Contractors limited in the FY 2022/2023.	County Government of Kilifi	104,000,000
57.	EACC/BGM/FI/ INQ/22(A-)/2020	Inquiry into allegations of embezzlement of public funds through imprest paid to the Office of the First Lady Priscilla Ambetsa Oparanya, during international and local travel.	County Government of Kakamega	100,000,000
58.	EACC/MLD/FI/ INQ/2/2024	Inquiry into allegations of misappropriation of public funds against the Clerk of the Assembly in the award of Tender No TRCA/OT/04/2019 for construction of the Speaker's Residence in the FYs 2019/2020 and 2020/2021.	County Assembly of Tana River	100,000,000
59.	EACC/FI/INQ/16/2024	Inquiry into allegations of conflict of interest against the Governor in the award of tenders to Blue Nile E.A Ltd, Midrock Water Drilling Co. Ltd and Qoorti Gen. Contractors between FYs 2017/2018 and 2023/2024.	County Government of Marsabit	99,000,000
60.	EACC/GSA/FI/ INQ/17/2023	Inquiry into allegations of procurement irregularities in single sourcing of ambulance services from Emergency Plus Medical Services in the FY 2022/2023.	County Government of Garissa	94,400,000
61.	EACC/FI/INQ/46/2023	Inquiry into allegations of irregular payments to 13 companies for non-delivery of goods or services during FYs 2021/2022 and 2022/2023.	Nairobi City County Government	93,400,000

	Inquiry Number	Allegation	Institution	Amount (KES)
62.	EACC/ELD/EL/ INQ/18/2020	Inquiry into allegations of abuse of office by the Vice Chancellor through payment of legal fees to M/S Gumbo & Associates between September 2015 and April 2020.	University of Eldoret	86,397,002
63.	EACC/MCKS/FI/ INQ/22/2019	Inquiry into allegations of procurement irregularities in Tender No. CGOKTI/254/2017-2018 for supply and installation of a stationary stone crusher plant awarded to EDN George Diesel Company Ltd in the FY 2017/2018.	County Government of Kitui	85,000,000
64.	EACC/PI/INQ/8/2023	Inquiry into allegations of irregular award of a tender for the acquisition of two go-downs to Purple Dot Limited during FY 2020/2021.	Anti-Counterfeit Agency	74,000,000
65.	EACC/FI/INQ/39/2022	Inquiry into allegations of abuse of office against a county employee for receiving benefits from various suppliers contracted by the county between 2016 and 2022.	Nairobi City County Government	40,847,000
66.	EACC/EL/INQ/6/2024	Inquiry into allegations of falsification of academic certificates by an official to obtain employment.	Independent Electoral Boundaries Commission	37,741,472.59
67.	EACC/EL/ INQ/025/2023	Inquiry into allegations of falsification of academic certificates by an Administrative Officer to obtain promotion.	National Syndemic Diseases Control Council	16,495,296.72
68.	EACC/EL/ INQ/15/2023 E015/2024	Inquiry into allegations of falsification of academic certificates by a Senior Analyst to obtain employment.	Commission of Revenue Allocation	15,224,522
69.	EACC/ EL/ INQ/57(i)/2023	Inquiry into allegations of falsification of academic certificates by a Monitoring Officer to obtain employment.	Nairobi City Water Sewerage Company Ltd	8,998,710.10
70.	EACC/EL/ INQ/57(ix)/2023	Inquiry into allegations of falsification of academic certificate by an ICT Assistant to secure employment	Nairobi City Water Sewerage Company Ltd	7,173,963.60
71.	EACC/EL/INQ/043 (b)/2021	Inquiry into allegations of falsification of academic certificates by a Senior Medical Social Worker to secure employment.	County Government of Wajir	6,794,893.25
72.	EACC/OPS/ INQ/126/2022	Inquiry into allegations of bribery against staff of National Industrial Training Authority (NITA) and National Employment Authority (NEA) for issuance of training transcripts and approvals of contracts to home care-givers.	NITA/NEA	5,000,000
73.	EACC/EL/ INQ/20/2021	Inquiry into allegations of double-employment against a Member of County Public Service Board who was also an employee of State Department of Livestock, Disease and Surveillance between 1st November, 2017 and 31st January, 2022.	State Department of Livestock, Disease Surveillance	5,000,000
74.	EACC/KSM/EL/ INQ/06/2023	Inquiry into allegations of falsification of academic certificates by ICT Director to secure employment.	County Government of Kisumu	4,656,211.45

	Inquiry Number	Allegation	Institution	Amount (KES)
75.	EACC/EL/INQ/49/2017	Inquiry into allegations of falsification of academic certificates by a Director Roads, Transport, Public Works and Utilities to secure employment.	County Government of Kiambu	3,194,822.90
76.	EACC/EL/INQ/23/2021	Inquiry into allegations of falsification of academic certificates by Community Development Assistant to secure employment.	Nairobi Water and Sewerage Company	3,120,671
77.	EACC/EL/INQ/016/2021	Inquiry into allegations of drawing irregular allowance by the Ag. General Manager between 11th November, 2019 and 20th October, 2020	Bomas of Kenya Limited	1,763,644
78.	EACC/ISL/EL/INQ/5/2022	Inquiry into allegations of falsification of academic certificates by the Deputy Principal, Mararal Vocational Training Centre to secure employment.	County Government of Samburu	1,397,275

2.3.2 Investigatory Applications

The Commission filed applications and obtained 1,546 warrants for inspecting or searching bank and mobile phone money transfer accounts, premises, vessels and vehicles in respect of persons or associates suspected of engaging in corruption, economic crimes or related offences.

2.3.3 Completed Investigations on Corruption, Economic Crimes and Ethical Breaches

The Commission completed 126 investigation files on corruption and economic crimes, which were forwarded to the Director of Public Prosecutions (DPP) for review and direction. Further, 56 investigations on violations of Chapter Six of the Constitution and the Leadership and Integrity Act, 2012 were completed. Some of the completed investigations are highlighted in Table 2.3.

Table 2.3: Highlights of Completed Investigations

	Inquiry No.	Nature of Allegation	Institution	Amount (KES)
1.	EACC/PI/INQ/13/2022	Inquiry into allegations of irregular payment of pending bill claims to various suppliers in the period between 2014 and 2018.	National Youth Service	6,000,000,000
2.	EACC/FI/INQ/6/2023	Inquiry into allegations of conflict of interest in the acquisition of Telkom Kenya shares by the Government of Kenya from Helios Investments Limited in FY 2022/2023.	Telkom Kenya	6,000,000,000
3.	EACC/MLD/FI/INQ/2/2022	Inquiry into allegations of engagement in a project without prior planning in the award of a tender for consultancy services to Baseline Consultancy in the FY 2011/2012.	Ronald Ngala Utalii College	3,000,000,000

	Inquiry No.	Nature of Allegation	Institution	Amount (KES)
4.	EACC/FI/ INQ/35/2021	Inquiry into allegations of procurement irregularities in the award of Tender No. MOSCA/CHAN/001/2017-2018 for installation of security lighting and communication infrastruction in various stadia in 2017 to M/S Auditel Kenya in preparation for African Nations Championship (CHAN) 2018.	Ministry of Sports, Culture and the Arts	1,500,000,000
5.	EACC/MCKS/FI/ INQ/24/2021	Inquiry into allegations of misappropriation of funds meant for COVID interventions in violation of the COVID-19 funding framework.	County Government of Kitui	500,000,000
6.	EACC/KSM/FI/ INQ/10/2022	Inquiry into allegations of misappropriation of public funds through fictitious imprests in FY 2022/23.	County Government of Siaya	400,000,000
7.	EACC/ISL/FI/ INQ/7/2016	Inquiry into the allegations of irregular procurement in the award of Tender No. TNCA/T/01/2015-2016/01 for the proposed construction of assembly chambers and offices in FY 2015/16.	County Assembly of Tharaka Nithi	369,642,688
8.	EACC/FI/ INQ/29/2023	Inquiry into allegations of irregular procurement of goods in award of Tender No. NCC/MWKRS/T/109/2022-2023 for supply and delivery of electrical materials for street lighting in the FY 2022/2023.	Nairobi City County Government	313,844,035
9.	EACC/FI/ INQ/33/2022	Inquiry into allegations of procurement irregularities in the award of Tender No. TAWWDA/048/2021-2022 for the construction of Kinanie Leather Industrial Park Water Supply to M/S Perma Structural Engineering Co. Ltd in FY 2021/22.	Tanathi Water Works Development Agency	292,770,465
10.	EACC/FI/ INQ/01/2023	Inquiry into allegations of irregular compensation to Kuza Farms and Allied Limited for land LR No. 209/11887 located at Industrial Area, Nairobi.	Nairobi City County Government	250,000,000
11.	EACC/PI/ INQ/33/2020	Inquiry into allegations of procurement irregularities in the award of Tender No. NWSHA/ONP/007/2019-2020 for proposed construction of Naku'etum Peace Dam in Turkana County to J & K Investments Kenya Limited in the FY 2019/20.	National Water Harvesting & Storage Authority	231,000,000
12.	EACC/NKR/FI/ INQ/08/2021	Inquiry into allegations of misappropriation of public funds belonging to Bomet County Mortgage Scheme by the Loan Management Committee in FYs 2018/2019 and 2019/2020.	County Government of Bomet	200,000,000
13.	EACC/PI/ INQ/12/2021	Allegations of procurement irregularities in the award of tenders by officials of NG-CDF between FYs 2016/2017 and 2020/21.	Embakasi North Constituency NG-CDF	158,000,000
14.	EACC/ELD/FI/ INQ/20/2021	Inquiry into allegations of conflict of interest and fraudulent acquisition of public funds by county officials through a proxy company in FYs 2019/2020 and 2020/2021.	County Government of Turkana	100,000,000

	Inquiry No.	Nature of Allegation	Institution	Amount (KES)
15.	EACC/GSA/INQ/FI/1/2021	Inquiry into allegations of irregular payments for water projects awarded to M/S Liyaan Construction between FYs 2013/14 and 2022/23.	County Government of Garissa	99,900,000
16.	EACC/FI/INQ/70/2015	Inquiry into allegations of irregular payments in the renovation of the Deputy President's Karen Residence in the FY 2013/2014.	The Presidency	92,000,000
17.	EACC/MSA/FI/INQ/4/2017	Inquiry into allegations of procurement irregularities in the purchase of stone-cutting machines from Endebes Development Company (EDC) in FYs 2012/2013 and 2013/2014.	Coast Development Authority	66,000,000
18.	EACC/GSA/FI/INQ/25/2016	Inquiry into allegations of procurement irregularities in leasing of ambulance services to Emergency Plus Medical Services (EPMS) Limited in the FY 2013/14.	County Government of Mandera	64,000,000
19.	EACC/ISL/FI/INQ/21/2019	Inquiry into allegations of procurement irregularities in the award of Tender No. MBT/COU/ENERGY/106/2018-19 to M/S Drescoll Company Limited for the supply and delivery of a fire engine truck in the FY 2018/2019.	County Government of Marsabit	62,000,000
20.	EACC/FI/INQ/18/2023	Inquiry into allegations of conflict of interest against a former Governor for receiving irregular benefits through proxy companies between FYs 2013/2014 and 2022/2023.	County Government of Kakamega	56,740,325
21.	EACC/MSA/FI/INQ/17/2017	Inquiry into allegations of procurement irregularities in the award of Tender No. CWSB/T/SPB/W/23/2018-2019 for extension of Bura Water Supply in FY 2017/2018.	Coast Water Services Board (CWSB)	52,020,061
22.	EACC/FI/INQ/45/2022	Inquiry into allegations of fraud by county officials in the management of Uasin Gishu Overseas Education Trust Scholarship Fund in the period between May 2021 and June 2023.	County Government of Uasin Gishu	50,000,000
23.	EACC/PI/INQ/2/2023	Inquiry into allegations of conflict of interest against an internal auditor at NG-CDF in the award of various tenders to proxy companies in the period between 2018 and 2022.	CDF Co-ordination Board	45,958,383
24.	EACC/FI/INQ/20/2021	Inquiry into allegations of embezzlement of public funds in Tender No. TCA/8/2-15/2016 for construction of the Speaker's residence in FY 2015/2016.	Turkana County Assembly	45,610,187
25.	EACC/NKR/FI/INQ/02/2020	Inquiry into allegations of procurement irregularities in the award of Tender No.CGK/T/H/018/2019/2020 for the supply and delivery of ambulance and utility vehicles in FY 2019/20.	County Government of Kericho	42,000,000
26.	EACC/MCKS/FI/INQ/4/2017	Inquiry into allegations of misappropriation of public funds for improving healthcare donated by development partners in FY 2014/2015.	County Government of Machakos	32,000,000

	Inquiry No.	Nature of Allegation	Institution	Amount (KES)
27.	EACC/FI/ INQ/38/2019	Inquiry into allegations of procurement irregularities in the award of Tender No. NITA/12/2017-2018 for the supply, delivery, installation, commissioning, training, servicing, maintenance and repair of sewing and training machines in FY 2017/2018.	National Industrial Training Authority (NITA)	28,411,620
28.	EACC/MSA/FI/ INQ/05/2021	An inquiry into allegations of procurement irregularities in the purchase of land LR No. Kisumu/ Nyalenda "B" /594 in the FY 2015/2016	Kenya Maritime Authority	19,500,000
29.	EACC/NKR/PI/ INQ/03/2022	Inquiry into allegations of procurement irregularities in Tender No. CGB/ AGRI/KCSAP/RFQ/001/2021/2022 for construction of Saramek Water Pan, funded by a development partner through Kenya Climate Smart Agriculture Projects in FY 2021/2022.	County Government of Bomet	17,000,000
30.	EACC/OPS/ INQ/95/2022	Inquiry into allegations of bribery against county officers who requested for a bribe to facilitate the approval of an application for a food handling certificate.	Nairobi City County Government	400,000
31.	EACC/EL/ INQ/29(i)/2022	Inquiry into allegations of forgery of academic certificates by an employee to secure employment at Rural Electrification and Renewable Energy Corporation (REREC).	REREC	N/A
32.	EACC/ISL/EL/ INQ/2/2020	Inquiry into allegations of forgery of academic certificates by a Ward Administrator to secure employment at the County.	County Government of Marsabit	N/A
33.	EACC/EL/ INQ/15/2023	Inquiry into allegations of forgery of academic certificates by the Personal Assistant to the Chairperson to secure employment at the Commission.	Commission of Revenue Allocation	N/A
34.	EACC/ELD/EL/ INQ/06/2020	Inquiry into allegations of forgery of academic certificates by a senior county official to secure employment at the County.	County Government of Turkana	N/A
35.	EACC/KIS/EL/ INQ/2/2020	Inquiry into allegations of irregular employment against a senior official who employed his niece as a Clerical Officer without following requisite procedures.	County Assembly of Kisii	N/A

2.4 Proactive Investigations

The Commission undertakes proactive measures to forestall possible loss of public resources. The status of proactive investigations conducted during the reporting period are detailed in this section.

2.4.1 Disruption of Corruption

During the reporting period, the Commission carried out 11 proactive investigations, which resulted in averting possible loss of public funds of approximately KES 2.9 Billion as indicated in Table 2.4.

Table 2.4: Highlights of Cases where Loss was Averted

	Description	Institution	Action Taken	Value of Loss Averted (KES)
1.	Inquiry into allegations of irregular compensation of persons affected by the Mombasa Special Economic Zones - Dongo Kundu Project in FY 2022/2023.	National Land Commission	Payments stopped	1,800,000,000
2.	Inquiry into allegations of irregular procurement of legal services in Mombasa ELC Petition 39 of 2022 - African Center for Corrective and Preventive Action -vs- The Attorney General & Others in FY 2022/2023, payable to Miller & Company Advocates.	Kenya Ports Authority	Payments stopped	650,000,000
3.	Inquiry into allegations of procurement irregularities and embezzlement of public funds in Tender No. BSA/CG/FICT/01/2022/2023 for the supply and delivery of planting and top-dressing fertilizers in FY 2022/2023.	County Government of Bungoma	Payment stopped	247,422,915
4.	Inquiry into allegations of irregular award of Tender No. KCG/FIN/REP/1217959-2022-2023 for supply and maintenance of a revenue collection and management system in FY 2022/2023.	County Government of Kilifi	Payment stopped	103,797,361
5.	Inquiry into allegations of procurement irregularities in Tender No. BSA/CG/FICT/01/2022/2023 for supply, delivery, installation, customization and commissioning of an integrated revenue collection and management and hospital information management systems for Busia Referral Hospital in FY 2022/2023.	County Government of Busia	Payments stopped	59,885,232
6.	Inquiry into allegations of irregular acquisition of 0.07 Ha, a road reserve in Lower Kabete, Spring Valley area by a private developer in the FY 2022/2023.	Nairobi City County Government	Construction of the perimeter wall was stopped	50,000,000
7.	Inquiry into allegations of irregular alienation of land LR No. Machakos/Municipality/Block 2/7 (measuring approx. 0.424) belonging to the State Department of Housing with a government house HG16 that is a residence of an ELC Judge to a private person in the FY 2022/2023.	County Government of Machakos	The transfer was stopped and recovery proceedings have been insituted	20,000,000
8.	Inquiry into allegations of misuse of public funds by inclusion of excess numbers of officials for foreign travel to China and United Arab Emirates in FY 2023/2024.	County Government of Busia	An advisory was issued to the County and the number of officers travelling was reduced accordingly	5,000,000
9.	Inquiry into allegations of conflict of interest in the supply of foodstuff to the school in FY 2023/2024.	Ngala Memorial Girls Secondary School	Caution issued to the school and tender process stopped	4,000,000

	Description	Institution	Action Taken	Value of Loss Averted (KES)
10.	Inquiry into allegations of conflict of interest in the supply of foodstuff to the school in FY 2023/2024.	Malindi High School	Caution issued to the school and tender process stopped	3,000,000
11.	Inquiry into allegations of irregular outsourcing of consultancy services in the survey and planning of Loosuk Town in FY 2023/2024.	County Government of Samburu	Advisory was issued to the County. The process was stopped	2,600,000

2.4.2 Integrity Testing

During the review period, the Commission carried out 145 random and targeted integrity tests within public institutions including; Kenya Revenue Authority (KRA), Port Health Services, JKIA, National Police Service (NPS), Ministry of Lands Registries, Kericho Referral Hospital, National Transport and Safety Authority (NTSA), Kenya National Highways Authority-Weighbridges, and Nairobi City County Government, among others. The results of the tests were 130 failed, 5 passed, and 10 inconclusive. For the officers who failed, the Commission recommended administrative action to the respective institutions and cases with criminal thresholds were investigated and files sent to the DPP.

2.4.3 Investigation into Allegations of Bribery

The Commission carries out bribery investigations pursuant to the Anti-Bribery Act, 2016. In the period under review, 18 cases were completed, eight of which were taken to court, two closed, and eight referred to the relevant institutions. In addition, 155 bribery cases were under investigation.

2.5 Reports to the Office of the Director of Public Prosecutions

Under Section 35 of the Anti-Corruption and Economic Crimes Act No. 3 of 2003, the Commission is required to report the results of its investigations to the Director of Public Prosecutions (DPP). In the period under review, 126 case files on corruption, economic crimes and unethical conduct were submitted to the Office of the Director of Public Prosecutions (ODPP). Out of these, the Commission recommended 104 case files for prosecution, eight for administrative action and 14 for closure due to decision delay. Table 2.5 details the number of reports to ODPP and corresponding recommendations.

Table 2.5: Reports to the Office of the Director of Public Prosecutions

	Action	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
1.	No. of files recommended for prosecution	39	24	12	29	104
2.	No. of files recommended for administrative or other action	2	0	2	4	8

	Action	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
3.	No. of files recommended for closure	2	3	3	6	14
4.	Total Number of files forwarded to the Director of Public Prosecutions	43	27	17	39	126

2.6 Criminal Cases Pending before Court

During the period under review, the Commission had 221 criminal cases on corruption, economic crimes and unethical conduct pending before court as highlighted in Table 2.6.

Table 2.6: Highlights of Criminal Cases Pending before Court

	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
1.	ACC 26/2019 Milimani Law Courts	Peter Aguko Abok & Others	Abuse of office contrary to Section 46 as read with Section 48 (1) of ACECA, 2003.	2,500,000,000
2.	ACC 3/2010 Milimani Law Courts	Shem Ochuodho & Others	Conspiracy to defraud contrary to Section 317 of the Penal Code.	2,000,000,000
3.	AC 3/2020 Mombasa Law Courts	Joel Kiprono Bii & 11 Others	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48(1)(a) of ACECA, 2003.	1,800,000,000
4.	ACC 2/2017 Milimani Law Courts	James Humphrey Oswago & Others	Wiful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	1,397,724,925
5.	MCAC E003/2023 Bungoma Law Courts	John Opala & Others	Conspiracy to defraud contrary to Section 317 of the Penal Code.	600,000,000
6.	E004/2022 Kitale Law Courts	Robinson Mudenyo & 5 Others	Unlawful acquisition of public property contrary to Section 45 (1)(a) as read with Section 48(1) of ACECA, 2003.	374,760,000
7.	ACC 33/2018 Milimani Law Courts	Mohammed Swazuri & 12 Others	Conspiracy to commit an economic crime contrary to Section 47A(3) as read with Section 48 of ACECA, 2003. Unlawful acquisition of public property contrary to Section 45 (1)(a) as read with Section 48 of ACECA, 2003.	221,375,000
8.	ACC 11/2020 Milimani Law Courts	Amos Kabue Mwangi & 11 Others	Fraudulently making payments from public revenue for goods supplied contrary to Section 45(2)(a)(ii) as read with section 48(1) of ACECA, 2003. Unlawful acquisition of public property contrary to Section 45(1)(a) as read with Section 48(1) of ACECA, 2003.	201,073,711
9.	ACC 2/2019 Meru Law Courts	Miriam Nkatha Riungu & Others	Abuse of office contrary to Section 46 as read with Section 48(1)(a) of ACECA, 2003.	180,421,781

	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
10.	ACC 3/ 2022 Kericho Law Courts	David Rono and Others	Deceiving principal contrary to Section 14(2) as read with Section 48(1) of ACECA, 2003.	100,000,000
11.	ACC 2/2020 Milimani Law Courts	Joshua Kalola Munyaka & Daniel Kilonzo Muthani	Deceiving principal contrary to Section 14(2) as read with Section 48(2) of ACECA, 2003.	96,000,000
12.	ACC 001/2024 Mombasa Law Courts	Robert Bosuben & 8 Others	Conflict of interest contrary to Section 42(3) as read with Section 48(1) of ACECA, 2003.	86,200,000
13.	ACC 3/2019 Milimani Law Courts	Moses Kasaine & Others	Abuse of office contrary to Section 46 as read with Section 48(1) of ACECA, 2003. Conflict of interest contrary to Section 42(3) as read with Section 48 of ACECA, 2003.	84,695,996
14.	ACC E002/2024 Nyahururu Law Courts	John Kariuki & 12 Others	Abuse of office contrary to Section 46 as read with Section 48(1) of ACECA, 2003.	55,000,000
15.	ACC 4/2019 Malindi Law Courts	Danson Mungatana & 26 Others	Conspiracy to commit an economic crime contrary to Section 47A(3) as read with Section 48 of ACECA, 2003.	51,569,775
16.	ACC 1/2019 Malindi Law Courts	Lennox Mwadzoya Mwasirya & 25 Others	Fraudulently making payments from public revenue for goods supplied contrary to Section 45(2)(a)(ii) as read with Section 48(1) of ACECA, 2003.	51,000,000
17.	ACC 1/2018 Nyahururu Law Courts	Daniel Waithaka Mwangi & 8 Others	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) of ACECA, 2003. Fraudulent acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 of ACECA, 2003.	50,000,000
18.	ACC 35/2018 Milimani Law Courts	James Gakuya & 11 Others	Conflict of interest contrary to Section 42(3) as read with Section 48 of ACECA, 2003. Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	39,858,049
19.	ACC E002/2021 Embu Law Courts	Muthomi Njuki & 20 Others	Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.	34,998,500
20.	CF E045/2024 Machakos Law Courts	Collins Sila, Maxwell Musyoki & Jacob Waema Munge	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	32,000,000
21.	ACC 22/2019 Milimani Law Courts	Ferdinand Ndung'u Waititu & 10 Others	Conflict of interest contrary to Section 42(3) as read with Section 48 of ACECA, 2003. Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.	25,624,500

	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
22.	E001/2023 Kabarnet Law Courts	Dorcas Kandie & Dominic Ouma	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	24,300,000
23.	ACC E005/2024 Mombasa Law Courts	Vincent Chirima Mbito & 4 Others	Fraudulent acquisition of public property contrary to Section 45(1)(a) as read with Sec. 48 of ACECA, 2003.	22,900,000
24.	E001/2022 Kakamega Law Courts	Wilberforce Ndula & Others	Conspiracy to commit an economic crime contrary to Section 47A(3) as read with Section 48 of ACECA, 2003. Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003. Conflict of interest contrary to Section 45 (1) (a) as read with Section 48 of ACECA, 2003.	21,000,000
25.	ACC 1/2021 Nakuru Law Courts	James Nganga & Others	Abuse of office contrary to Section 46 as read with Section 48(1) of ACECA, 2003.	16,000,000
26.	E015/2024 Milimani Law Courts	Jecinter Adoyo Hezron	Unlawful acquisition of public property contrary to Section 45(1) (a) as read with Section 48(1) of the ACECA, 2003. Deceiving principal contrary to Section 14(2) as read with Section 48 (1) of ACECA, 2003.	15,224,522
27.	ACC 01/2021 Mombasa Law Courts	Said Kajambo	Conflict of interest contrary to Section 42(3) as read with Section 48 of ACECA, 2003.	14,893,000
28.	ACC 5/2020 Eldoret Law Courts	Henry Maritim Koech & 5 Others	Conspiracy to commit an economic crime contrary to Section 47A(3) as read with Section 48 of ACECA, 2003.	12,156,162
29.	ACC 40/2007 Makadara Law Courts	Johnson Jackson Githaka & John Faustin Kinyua	Unlawful acquisition of public property contrary to Section 45(1) (a) as read with Section 48(1) of ACECA, 2003.	12,100,000
30.	ACC 2/2017 Machakos Law Courts	Alex Musyoka Kimatu	Unlawful acquisition of public property contrary to Section 45(1) (a) as read with Section 48(1) of ACECA, 2003.	11,000,000
31.	CF. 04/2022 Malindi Law Courts	1.Gwiyo Madubi 2.Salim Makorani 3.Mohamed Guracho	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	10,999,950
32.	ACC 36/2020 Milimani Law Courts	John Mburu Mwangi & 8 Others	Conspiracy to commit an offence of corruption contrary to Section 47A(3) as read with Section 48(1) of ACECA, 2003. Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	10,106,000
33.	ACC 7/2018 Mombasa Law Courts	Beatrice Tabu & Anne Charo	Unlawful failure to pay taxes payable to KRA contrary to Section 45(1) as read with Section 48 of ACECA, 2003	10,000,000

	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
34.	E001/2022 Kericho Law Courts	Willy Kipkoech Langat & Willy Kipkemboi Keter	Fraudulent acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 of ACECA, 2003.	9,500,000
35.	ACC 18/2020 Milimani Law Courts	Zacharia Okoth Obado &15 Others	Conspiracy to commit an economic crime contrary to Section 47A(3) as read with Section 48 of ACECA, 2003. Unlawful acquisition of public property contrary to Section 45(1) (a) as read with Section 48 of ACECA, 2003.	8,200,000
36.	ACC 1/ 2018 (A) Nakuru Law Courts	David Maswai alias Stanley Kiprono Kirui	Proving false information to Bomet County Government contrary to Section 46(1)(d) as read with Section 46(2) of Leadership and Integrity Act, 2012. Uttering a false document contrary to Section 353 as read with Section 349 of the Penal Code. Personation of a person named in a certificate contrary to Section 384 of the Penal Code as read with Section 349 of the Penal Code.	N/A
37.	E 207/2023 Garissa Law Courts	Abdihakim Dagane Hassan	Providing false information to a public entity contrary to Section 46(1)(d) and (2) of LIA, 2012	N/A
38.	ACC 2/2022 Eldoret Law Courts	Kepha Sagini Nyakundi	Forgery contrary to Section 349 of the Penal Code Uttering a false document contrary to Section 353 of the Penal Code. Providing false information to a public entity contrary to Section 46(1)(d) and (2) of LIA, 2012	N/A
39.	MCCR/E3456/2023 Kiambu Law Courts	Kenneth Kamumbu Mugo.	Fraudulent acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 of ACECA, 2003. Forgery contrary to Section 349 of the Penal Code Uttering a false document contrary to Section 353 of the penal code.	N/A
40.	ACC E002/24 Isiolo Law Courts	Republic -vs-. Halkano Hallo Dabasso	Fraudulent acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 of ACECA, 2003. Forgery contrary to Section 349 of the Penal Code.	N/A

2.7 Criminal Cases Finalised in Court

During the year under review, 45 criminal cases on corruption, economic crimes and unethical conduct were finalised in court resulting in 12 convictions, 9 withdrawals and 24 acquittals as result of long adjudication and decision delay as listed in Table 2.7.

Table 2.7: Criminal Cases Finalised in Court

	Court File No	Accused and Charges	Amount Involved (KES)	Judgement Details
Convictions				
1.	E061/2020 Milimani Law Courts	1. David Chege Dismus 2. Simon Mwangi Kang'acha Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	30,000	Accused No. 1 convicted and sentenced to KES 600,000 fine; in default to serve 3 years' imprisonment.
2.	ACC 3/2017 Milimani Law Courts	Paul Karogo Noru Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	100,000	Accused convicted in absentia and warrant of arrest issued; pending sentencing.
3.	E003/2022 Milimani Law Courts	1. Charles Macharia Wanjiru 2. Julius Onyango Oguma Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	1,000,000	Accused No. 1 convicted and sentenced to a fine of KES 400,000; in default to serve 1 year's imprisonment. Accused No. 2 convicted and sentenced to a fine of KES 1,900,000; in default to serve 5 years' imprisonment.
4.	E004/2022 Milimani Law Courts	Alexander Kinoti Matiiri Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	5,000	Accused convicted and sentenced to a fine of KES 100,000; in default to serve 2 years' imprisonment and barred from public office for 2 years.
5.	ACC 30/2019 Milimani Law Courts	Evans Asomba Nasebe Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	100,000	Accused convicted and sentenced to a fine of KES 600,000; in default to serve 3 years' imprisonment.
6.	ACC 518/2016 Milimani Law Courts	David Maitha Mutiwa. Impersonating a Public Officer Contrary to Section 105(b) of the Penal Code.	N/A	Accused convicted and sentenced to a fine of KES 50,000; in default to serve 1 year's imprisonment.
7.	E002/2023 Milimani Law Courts	Paul Kiptarus Sitienei Receiving a bribe contrary to Section 6(1) (a) as read with Section 18 of the Bribery Act, 2016.	30,000	Accused convicted and sentenced to a fine of KES 250,000; in default to serve 1 year's imprisonment.
8.	ACC 15/2019 Milimani Law Courts	1. Peter Mukhanji 2. Nifrey Musilivi Tero **Count 1:** Conspiracy to commit an offence of corruption contrary to Section 47(A)(3) as read with Section 48 of ACECA, 2003. **Count 2:** Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	2,200,000	**Count 1:** Both accused convicted and sentenced to a fine KES 1,000,000; in default to serve 2 years' imprisonment. **Count 2:** Accused No. 1 convicted and sentenced to a fine of KES 700,000; in default to serve 12 months in prison.

	Court File No	Accused and Charges	Amount Involved (KES)	Judgement Details
		Count 3: Fraudulent acquisition of public property contrary to Section 45(1)(a) as read with Section 48 of ACECA, 2003.		**Count 3:** Accused No. 2 convicted and sentenced to a fine KES 1,000,000; in default to serve 12 months in prison.
9.	ACC 6/2018 Mombasa Law Courts	1. Tubman Otieno 2. Chrispine Odhiambo 3. Triza Mwanyika Wilful failure to comply with the applicable law relating to procurement contrary to Section 45(2)(b) as read with Section 48 (1)(a) of ACECA, 2003.	870,000	Accused convicted and sentenced to a fine of KES 2,300,000; in default to serve 7 years' imprisonment each.
10.	ACC 11/2018 Mombasa Law Courts	Samuel Njoroge Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	23,000	Accused convicted and sentenced to a fine of KES 100,000; in default to serve 6 months' imprisonment
11.	ACC 9/2018 Mombasa Law Courts	Kepha Momanyi Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	3,000	Accused convicted and sentenced to fine of KES 200,000; in default to serve 11/2 years' imprisonment.
12.	E003/2024 Milimani Law Courts	Javason Kimemia Maina Fraudulent acquisition of public funds contrary to Section 45(1)(a) of ACECA, 2003. Forgery contrary to Section 349 of the Penal Code. Uttering a false document contrary to Section 353 of the Penal Code.	293,241	**Count 1:** Accused convicted and sentenced to a fine of KES 305,000. **Count 2:** Accused convicted and sentenced to a fine of KES 50,000; in default to serve 1 year's imprisonment. **Count 3:** Accused convicted and sentenced to a fine of KES 20,000; in default to serve 1 year's imprisonment. **Count 4:** Accused convicted and sentenced to a fine of KES 20,000; in default to serve 1 year's imprisonment.
Withdrawals				
1.	ACC 2/2019 Ngong Law Courts	Esther Moraa Nyabendo Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	20,000	Matter withdrawn under Section 87(a) of the CPC (Cap 75).
2.	ACC 4/2017 Mombasa Law Courts	1. Alfred Ocheing 2. Fatuma Ali Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	5,000	Matter withdrawn under Section 87(a) of the CPC (Cap 75).

	Court File No	Accused and Charges	Amount Involved (KES)	Judgement Details
3.	ACC E005/2021 Milimani Law Courts	1. Nofatos Ng'ang'a Munyu 2. James Muriithi Muchira 3. Joel Omusebe 4. Simon Kipyegon Kirui 5. Abdirahman Dakane Abdullahi 6. Hassan Sheikh Mohamed Diriye 7. Fatuma Abdi Hassan 8. Nav world Ltd 9. North Pride Ltd Conspiracy to commit an offence of economic crime to wit unlawful disposal of public property contrary to Section 47A of ACECA, 2003. Willful failure to comply with procurement procedures to wit Regulation 25(3) of the Public Procurement and Disposal Regulations.	103,391,910	Matter withdrawn under Section 87(a) of the CPC (Cap 75).
4.	CF No. 6/2018 Mombasa Law Courts	Anselm Mwadime Abuse of office contrary to Section 46 as read with Section 48(1)(a) of the Anti-Corruption and Economic Crimes Act, 2003.	8,000,000	Matter withdrawn under Section 87(a) of CPC (Cap 75).
5.	ACC 007/2024 Mombasa Law Courts	Gadiel Maganga Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.	17,000,000	Matter withdrawn under Section 87(a) of CPC (Cap 75).
6.	ACC 8/2018 Mombasa Law Courts	Japheth Bengo Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	10,000	Matter withdrawn under to Section 87(a) of CPC (Cap 75).
7.	ACC 4/2018 Mombasa Law Courts	Pascal Mataza Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	5,000	Matter withdrawn under to Section 87(a) of CPC (Cap 75).
8.	ACC 1/2020 Isiolo Law Courts	1. Reuben Maruben 2. Geofrey Barun 3. Daniel Lenolkirina Abuse of office contrary to Section 46 as read with Section 48(1)(a) of ACECA, 2003.	6,000,000	Matter withdrawn under Section 87(a) of CPC (Cap 75).
9.	E002/2024 Garissa Law Courts	Mohamed Mohamud Dolal Fraudulent acquisition of public funds contrary to Section 45(1)(a) of ACECA, 2003. Forgery contrary to Section 349 of the Penal Code Uttering a false document contrary to Section 353 of the Penal Code.	12,987,290	Matter withdrawn under Section 87(a) of CPC (Cap 75).

	Court File No	Accused and Charges	Amount Involved (KES)	Judgement Details
Acquittals				
1.	E009/2021 Milimani Law Courts	Yakub Abubakar Omar Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	2,500	Accused acquitted under Section 215 of CPC (Cap 75).
2.	ACC 12/2013 Milimani Law Courts	1. Richard Kerich 2. Marwa Chacha 3. David Chingi 4. Meridian Medical Centre Conspiracy to defraud contrary to Section 317 of the Penal Code. Wilful failure to comply with the applicable law relating to procurement contrary Section 45(2)(b) as read with Section 48 of ACECA, 2003.	116,935,500	Accused acquitted under Section 210 of CPC (Cap 75).
3.	ACC 216/2011 Kisumu Law Courts	Paul Odhiambo Akong'o Deceiving principal contrary to Section 41(2) as read with Section 48(1) of ACECA, 2003.	1,450,000	Accused acquitted under Section 215 of CPC (Cap 75).
4.	ACC 1/2018 Murang'a Law Courts	Francis Mwangi Irungu Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	2,000	Accused acquitted under Section 215 of CPC (Cap 75).
5.	ACC 5/2020 Milimani Law Courts	1. Richard Pkemoi Topila 2. Kipyegon Koskei Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	110,000	Accused persons acquitted under Section 215 of CPC (Cap 75).
6.	ACC 8/2018 Mombasa Law Courts	Donald Omondi Ochieng Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	20,000	Accused acquitted under Section 215 of CPC (Cap 75).
7.	E025/2021 Milimani Law Courts	1. Leah Muthoni Wachira 2. Benedine Jemutai Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	8,000	Accused persons acquitted under Section 215 of CPC (Cap 75).
8.	ACC 3/2019 Mombasa Law Courts	Edward Joho Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	100,000	Accused acquitted under Section 215 of CPC (Cap 75).
9.	ACC 4/2015 Milimani Law Courts	1. David Mwiraria 2. Joseph Mbui Magari 3. Dave Munya Mwangi 4. David Lumumba Onyonka 5. Bradley Birkenfeld 6. Rashmi Chamanlal Kamani		

	Court File No	Accused and Charges	Amount Involved (KES)	Judgement Details
		7. Deepak Kumar Chamanlal Kamani 8. Infotalent Limited Conspiracy to commit an economic crime contrary to Section 47A as read with Section 48 of ACECA, 2003.	59,688,250	Accused persons acquitted under Section 210 of the CPC (Cap 75).
10.	ACC 2/2015 Milimani Law Courts	1. David Mwiraria 2. Dave Munya Mwangi 3. David Lumumba Onyonka 4. Joseph Magari 5. Rashmi Chamanlal Kamani 6. Deepak Kumar Chamanlal Kamani 7. Chamanlal Vrajlal Conspiracy to defraud contrary to Section 317 of the Penal Code. Fraudulent Acquisition of Public Property Contrary to Section 45(1)(a) as read with Section 48 of ACECA, 2003. Dealing with suspect property contrary to Section 47(1)A as read with Section 48 of ACECA, 2003. Engaging in a project prior planning contrary to Section 45(2)(c) as read with Section 48 of ACECA, 2003. Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003. Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.	3,736,326,664	Accused persons acquitted under Section 210 of the CPC (Cap 75).
11.	ACC 18/2018 Milimani Law Courts	John Kimani Mwega Conflict of interest contrary to Section 42(3) as read with Section 48(1) of ACECA, 2003.	12,500,000	Accused acquitted under Section 215 of CPC (Cap 75).
12.	ACC 32/2019 Milimani Law Courts	1. Mike Mbuvi Sonko 2. Peter Mbugua Kariuki 3. Patrick Mwangangi 4. Anthony Mwaura Ng'ang'a 5. Rose Njeri Ng'ang'a 6. Anthony Otieno Ombok alias Jamal 7. Preston Mwandiki Miriti 8. Samuel Mwangi Ndung'u 9. Lawrence Mwangi Mukuru 10. Edwin Kariuki Murimi 11. Andrew Nyasiego 12. Wambua Ndaka 13. Hardi Enterprises Limited 14. Toddy Civil Engineering Limited 15. High Energy Petroleum Limited	357,000,000	Accused acquitted under Section 210 of the CPC (Cap 75).

	Court File No	Accused and Charges	Amount Involved (KES)	Judgement Details
		16. ROG Secutiry Limited 17. Arbab Auto Limited Conflict of interest contrary to Section 42(3) as read with Section 48(1) of ACECA, 2003.		
13.	ACC 19/2017 Milimani Law Courts	James Anthony Maingi Muriithi Fraudulent acquisition of public property contrary to Section 45(1)(a) as read with Section 48 of ACECA, 2003.	9,000,000	Accused acquitted under Section 215 of CPC (Cap 75).
14.	ACC 2/2020 Mombasa Law Courts	Patrick Nyoike Abuse of office contrary to Section 46 as read with Section 48(1)(a) of ACECA, 2003.	214,548,342	Accused acquitted under Section 215 of CPC (Cap 75).
15.	ACC 2/2017 Mombasa Law Courts	Wesley Kiptanui Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	4,000	Accused acquitted under Section 210 of CPC (Cap 75).
16.	ACC 10/2014 Mombasa Law Courts	Nelson Videdi John Machinji Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	500,000	Accused persons acquitted under Section 215 of CPC (Cap 75).
17.	ACC 5/2018 Mombasa Law Courts	Samuel Muriithi Muriuki Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	5,000	Accused acquitted under Section 215 of CPC (Cap 75).
18.	ACC 9/2019 Mombasa Law Courts	Hannah Mwaikitani Wakio Peter Ogal Hadulo Conflict of interest contrary to Section 42(3) as read with Section 48(1) of ACECA, 2003.	10,000,000	Accused persons acquitted under Section 210 of CPC (Cap 75).
19.	CF No. 1091/2015 Kwale Law Courts	Samini Wilson Dzombo Solicting benefit contrary to Section 39(3) as read with Section 48(1) of ACECA, 2003.	25,000	Accused acquitted under Section 215 of CPC (Cap 75).
20.	ACC E002/2021 Malindi Law Courts	1. Kennedy Opar Mboga 2. Bakari Hamisi Kitendo 3. Maryselina Nyevu Kibamba 4. Omari Ramadhan Sigomba 5. Michael Kitti Mwamuye 6. Silas Mohamed Chuba Munga 7. Serah Musyimi Willful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003. Unlawful acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 of ACECA, 2003.	49,950,000	Accused persons acquitted under Section 210 of CPC (Cap 75).

	Court File No	Accused and Charges	Amount Involved (KES)	Judgement Details
21.	ACC E001/2022 Malindi Law Counts	Charles Mumo Abuse of office contrary to Section 46 as read with Section 48(1) (a) of the ACECA, 2003.	2,000	Accused acquitted under Section 210 of CPC (Cap 75).
22.	ACC 3/2017 Isiolo Law Courts	Isaya Kobia Uttering a false document contrary to Section 353 of the Penal Code.	N/A	Accused acquitted Section 215 of CPC (Cap 75).
23.	ACC E002/2022 Nyahururu Law Courts	Solomon Odera Soita Wachilonga Receiving a bribe contrary to Section 6(1)(a) as read with Section 18 of the Bribery Act, 2016.	30,000	Accused persons acquitted under Section 215 of CPC (Cap 75).
24.	ACC 14/2016 Milimani Law Courts	Oscar Sudi Forgery contrary to Section 349 of the Penal Code Uttering a false document contrary to section 353 of the Penal Code as read with section 349 of the Penal Code False declaration contrary to Section 11 of the Oaths and Statutory Declarations Act	N/A	Accused acquitted under Section 210 of CPC (Cap 75).

2.8 Illegally Acquired and Unexplained Assets Traced

The Commission completed 26 asset-tracing inquiries in respect of illegally acquired and unexplained assets. The total estimated value of the assets traced was KES 16 billion. The assets traced are highlighted in Table 2.8.

Table 2.8: Illegally Acquired and Unexplained Assets Traced

	Nature of Allegation	Institution traced for	Amount (KES)
1.	Allegation of fraudulent acquisition and disposal of public land Kisumu/Municipality/Block 5 in Kibuye market irregularly transferred to Andrew Ayara Okwach, Monica Apiyo Odhiambo, Peter Oluocho Owade & Safrina Appida.	County Government of Kisumu	2,000,000,000
2.	Allegation of fraudulent acquisition and disposal of 93 parcels of public land Nyalenda "A" Kisumu Municipality Block 10/98 initially earmarked for Regional Prisons Headquarters Nyanza and Prisons staff houses.	Kenya Prisons Service	1,500,000,000
3.	Allegation of fraudulent acquisition of public utility spaces LR. No. 209/11852 in Woodley Estate by private developers.	Nairobi City County Government	1,350,000,000
4.	Allegation of irregular acquisition of public land LR. No. 7385/2 in Nakuru by private developers.	Agricultural Training Centre, Nakuru	1,000,000,000
5.	Allegation of illegal acquisition of public land LR No. 209/12505, a road reserve along Peponi Road in Westlands.	Nairobi City County Government	960,000,000

	Nature of Allegation	Institution traced for	Amount (KES)
6.	Allegation of irregular alienation of public land belonging to KALRO located in Buchuma, Kwale.	Kenya Agricultural & Livestock Research Organisation (KALRO)	800,000,000
7.	Allegation of irregular acquisition of public land LR. No. 9932/7 in Kericho by private developers.	Ministry of Lands	742,350,000
8.	Allegation of irregular acquisition of public property Eldoret Municipality block 4/111, 4/116, 4/117, 4/123, 4/131 and 4/132 by private entities and individuals.	County Government of Uasin Gishu	720,000,000
9.	Allegation of irregular acquisition of public land measuring 3.44 acres located in Eldoret Municipality Block 7 by private developers.	County Government of Uasin Gishu	670,000,000
10.	Allegation of unexplained wealth against a county official.	Nairobi City County Government	643,213,688
11.	Allegation of irregular acquisition of public land parcel No. Block 91/217 reserved for a fire station in Nairobi.	Ministry of Lands and Physical Planning	600,000,000
12.	Allegation of fraudulent acquisition of public land Eldoret Municipality Block 7/258.	County Government of Uasin Gishu	515,000,000
13.	Allegation of fraudulent acquisition of 25 parcels of lands within Kisumu and Homabay Counties.	County Governments of Kisumu and Homabay	500,000,000
14.	Allegation of fraudulent acquisition and disposal of public land Kisumu/Municipality Block 12/237-12/245.	County Government of Kisumu	500,000,000
15.	Allegation of fraudulent acquisition and disposal of public land Kisumu/Municipality Block 7/324.	County Government of Kisumu	500,000,000
16.	Allegation of irregular acquisition of public land LR. No. 209/9641 by private persons in Nairobi.	Kenya Railways Corporation	480,000,000
17.	Allegation of irregular acquisition of public land LR. No. 209/9640 by private persons in Nairobi.	Kenya Railways Corporation	480,000,000
18.	Allegation of conflict of interest in the award of quotations in the Department of Fisheries, Livestock and Veterinary Services.	County Government of Kisii	420,000,000
19.	Allegation of unexplained wealth against a public official at KETRACO.	Kenya Electricity Transmission Company Limited	418,286,554
20.	Allegation of unexplained wealth by a county official.	County Government of Kisumu	300,000,000
21.	Allegation of fraudulent acquisition of public land Nakuru Municipality Block 21, 24 and 25 London Estate, Nakuru by a private person.	Kenya Railway Corporation	290,000,000
22.	Allegation of irregular acquisition of Government House No. G629 on Nairobi Block 21/158 located along Mandera Road in Kileleshwa by a private person.	The Judiciary	170,000,000
23.	Allegation of embezzlement of public funds by employees of ICTA and a private person	Information Communication Technology Authority (ICTA)	153,000,000
24.	Allegation of irregular alienation of public land MSA/ BLOCK XLVII/112, 115 and 116.	Kenya Ports Authority	148,000,000
25.	Allegation of irregular alienation of public property No. MOM/HOU/MG/1 A-D, LG/242 A-H, LG/243 A-H and LG/244 A-H on parcel of land No. MOMBASA/BLOCK/ XXII/249 in Ganjoni, Mombasa.	Ministry of Housing	140,000,000

	Nature of Allegation	Institution traced for	Amount (KES)
26.	Allegations of fraudulent acquisition and disposal of a government house MG 18 on parcel of Land Kisumu/ Block 8/480 in Milimani, Kisumu County.	Ministry of Housing	100,000,000

2.9 Civil Proceedings

The Commission instituted suits for preservation and recovery of illegally acquired and unexplained assets. There were also Petitions and Judicial Review applications filed against the Commission.

2.9.1 Applications for Preservation of Assets

The Commission filed 13 applications for preservation and injunctive orders valued at approximately KES 1.2 billion as highlighted in Table 2.9

Table 2.9: Applications for Preservation of Assets

	Asset	Preserved From	Related Institution	Value (KES)
1.	ACEC Misc. E006 of 2024 Application for preservation of landed properties and motor vehicles.	Felix Mecha Nyakundi	Ministry of Lands, Thika Lands Office	800,000,000
2.	ACEC Misc. E028 of 2024 Application for preservation of landed properties and monies held in bank accounts.	Evanson Njoroge Kamuri	Kenyatta National Hospital	100,000,000
3.	ACEC Misc. E040 of 2023 Application for preservation of funds held in an escrow account at LAPFUND Trust.	Wycliffe Ambetsa Oparanya	County Government of Kakamega	89,000,000
4.	Malindi ELC Misc. E022 of 2024	Tima Yusuf Issa & Ibrahim Sheikh Abdullahi	County Government of Kilifi	78,000,000
5.	Kabarnet ELC No. E006 of 2024 Application for preservation prohibiting transfer and or disposal of land LR No. Baringo/Kapropita 483.	Grace Chelegat & 26 Others	National Land Commission	60,000,000
6.	ELC E039 of 2023 Application for preservation prohibiting transfer and or disposal of land parcel L.R No MN/1/9647 Letter of allotment 31500/ XXI.	Francis Wang'ang'a & 7 Others	National Water Harvesting and Storage Authority Coast Water Development Authority	35,000,000
7.	ELC E040 of 2023 Application for preservation of land L.R No MN/1/9648 restricting sale, transfer, construction and compensation from NLC for road expansion on the land.	Francis Wang'ang'a & 8 Others	National Water Harvesting and Storage Authority Coast Water Development Authority	30,000,000
8.	ACEC Misc E024 of 2023 Application for preservation of monies held at Equity Bank Ltd.	Daniel Munyoki Wambua	Kenya Rural Roads Authority (KeRRA)	21,000,000

	Asset	Preserved From	Related Institution	Value (KES)
9.	Homabay ELC 002 of 2024 Application for preservation prohibiting transfer and or disposal of land LR. No. WEST KASIPUL KOTIENO/23.	The Board of Management Nyabola Girls Secondary School	County Government of Homabay	20,000,000
10.	Kabarnet CMELC No. E008 of 2024 Application for preservation prohibiting transfer and or disposal of land LR No. Marigat 13877/31.	Samwel Cherunge Zablon Agwata	County Government of Baringo	15,000,000
11.	ACEC Misc. E010 of 2024 Application for preservation of treasury bonds held at Equity Bank.	Felix Mecha Nyakundi Stella Nyaboke Otwori	Ministry of Lands, Thika Lands Office	13,150,000
12.	Kisii ELC Misc. E16 of 2024 Application for preservation prohibiting transfer and or disposal of land LR No. Kisii Municipality Block 2/127.	Bhvavesh Nemchad Haria Diamond Trust Bank Kenya Limited	County Government of Kisii	10,000,000
13.	ACEC Misc. E014 of 2024 Application for preservation of USD 4,600 recovered during premises' search.	Ibrae Doko Yatani	The National Treasury	598,000

2.9.2 Recovery Suits Filed

During the period under review, the Commission filed 47 recovery suits valued at approximately KES 9.2 billion.

Table 2.10: Recovery Suits Filed

	Case No.	Parties	Case Summary	Amount (KES)
1.	Naivasha ELC No. 73 of 2024	EACC -vs- Pineapple Edge Ltd & 3 Others	Suit for recovery of public land L.R. No. 5/285, 289, 290 and 291 in Naivasha.	2,860,000,000
2.	Milimani ELC Suit E079 of 2024	EACC -vs- Lima Limited & Others	Suit for recovery of public land L.R No. 209/12133, 9640 and 9641 belonging to KRC and KeNHA.	1,600,000,000
3.	Milimani ELC Suit E256 of 2024	EACC -vs- Emmanuel Kuria Gathoni & Others	Recovery of public land L.R No. 209/11858 within Woodley Estate, Nairobi Area.	1,325,000,000
4.	Milimani ACEC Suit E022 of 2023	EACC -vs- Wilson Nashon Kanani & Others	Suit for recovery of unexplained wealth accumulated by an employee of NCCG.	644,111,688
5.	Milimani ACEC Suit E027 of 2023	EACC -vs- Mzalendo Kibunja & 3 Others	Suit for recovery of monies fraudulently embezzled disguised as payment of salaries to persons not employed by NMK.	491,405,413
6.	Mombasa ELC E014 of 2024	EACC -vs- Katan Kumar & Others	Suit for recovery of land LR. No. 19128 set aside for Chenze Ranch.	370,000,000

	Case No.	Parties	Case Summary	Amount (KES)
7.	Mombasa ELC E023 of 2023	EACC -vs- Sampadoria Investment & Others	Suit for recovery of public land with 27 units of Staff Houses belonging to National Water Harvesting and Storage Authority & Coast Water Development Authority in Mombasa.	305,000,000
8.	Mombasa ELC E025 of 2023	EACC -vs- Zameen Land and Sand Limited & Others	Suit for recovery of Kisite Mpunguti Island belonging to KWS.	166,000,000
9.	Mombasa ELC E025 of 2023	EACC -vs- William Kabogo Gitau & Others	Suit for recovery of public land and houses in Kizingo Ocean Estate, Mombasa.	143,000,000
10.	Milimani ELC No. 211 of 2023	EACC -vs- Nesco Services Ltd & Others	Suit for recovery of public land L.R No. 209/13557 in Nairobi West.	140,000,000
11.	Mombasa ELC E044 of 2024	EACC -vs- Comen Limited & Others	Suit for recovery of public land for National Directorate of Housing, Ministry of Lands.	140,000,000
12.	Mombasa ELC E022 of 2023	EACC -vs- Maxtowers Limited & Others	Suit for recovery of illegally acquired public land and houses in Kizingo Ocean Estate, Mombasa belonging to KRA.	132,000,000
13.	Nanyuki ELC No. E014/2024	EACC -vs- John Mugo & 3 Others	Suit for recovery of public land Nanyuki/Municipality/Block/12/130.	120,000,000
14.	Milimani ACEC Suit No. E016 of 2024 (OS)	EACC-vs-James Ambuso Omondi & Others	Suit for recovery of unexplained wealth accumulated by the respondents.	112,267,914
15.	Milimani ELC No. E207 of 2024	EACC-vs-Bufuma Trading Co. Ltd & 4 Others	Suit for recovery of public land LR No. 37/386 (IR No. 21393).	95,000,000
16.	Malindi ELC No. E058 of 2024	EACC-vs-Abubakar Mohamed Ahmed Badawy, & 2 Others	Suit for recovery of land parcel No. 1703 within Malindi Municipality illegally alienated.	80,000,000
17.	Milimani ACEC Suit E040 of 2023 (O.S)	EACC-vs-Alex Buigut & Kewah Construction Ltd	Suit for recovery of unexplained wealth accumulated by the respondent.	72,085,123
18.	Kitale ELC No. E20 of 2023	EACC-vs- Edwin Tum & Wilson Gachanja	Suit for recovery of public land Block 12/236 for Kitale School.	60,000,000
19.	Mombasa ELC E039 of 2023	EACC-vs-Francis Wanjohi & Others	Suit for recovery of part of estate of staff houses and sewerage area for National Water Harvesting and Storage Authority & Coast Water Development Authority at Shanzu area in Mombasa.	35,000,000
20.	Mombasa ELC E043 of 2024	EACC-vs-Darius Msagha & Others	Suit for recovery of land belonging to National Directorate of Housing, Ministry of Land situated in Ganjoni Mombasa Island.	35,000,000
21.	Mombasa ELC E041 of 2024	EACC-vs-Chepkwe Holdings & Others	Suit for recovery of land belonging to National Directorate of Housing, Ministry of Land, situated in Ganjoni Mombasa Island.	34,000,000
22.	ELC E040 of 2023 Mombasa	EACC-vs-Francis Wanjohi & Others	Suit for recovery of staff houses and sewerage area for NWHSA & CWDA at Shanzu area in Mombasa.	30,000,000

	Case No.	Parties	Case Summary	Amount (KES)
23.	Mombasa ELC E064 of 2024	EACC -vs- Silas Kiogora & Others	Suit for recovery of land belonging to National Directorate of Housing, Ministry of Land situated in Ganjoni Mombasa Island.	25,000,000
24.	Kakamega ELCC E09/2024	EACC -vs- Macdonald Lijoodi Makaka & Wilson Gacanja	Suit for recovery of public Land No. Kakamega Municipality Block III/212.	23,000,000
25.	Mombasa ELC E020 of 2023	EACC v Mohamed Awadh Dokh & Others	Suit for recovery of illegally acquired public land and houses in Kizingo Ocean Estate, Mombasa belonging to KRA.	21,000,000
26.	Mombasa ELC E049 of 2023	EACC -vs- James Michael Luyali	Suit for recovery of illegally acquired public land belonging to University of Nairobi.	21,000,000
27.	Mombasa ELC E021 of 2023	EACC v E.M. Mbasu & Others	Suit for recovery of illegally acquired public land and houses in Kizingo Ocean Estate, Mombasa belonging to KRA.	20,000,000
28.	Mombasa ELC E026 of 2023	EACC-vs-Gikoma Enterprises & Others	Suit for recovery of public land and houses in Kizingo Ocean Estate, Mombasa belonging to KRA	16,500,000
29.	Mombasa ELC E024 of 2023	EACC-vs-Ramadhan Ali & Others	Suit for recovery of illegally acquired public land and houses in Kizingo Ocean Estate, Mombasa belonging to KRA.	16,000,000
30.	Milimani ACEC Suit No. E021 of 2024	EACC-vs-Jecinter Adoyo Hezron	Suit for recovery of irregular payments to the defendant employed with forged academic documents.	15,224,522
31.	Kabarnet CM ELC No. E008 of 2024	EACC-vs-Samwel Cherunge & Another	Suit for recovery of public land L.R 13877/31 allocated to private persons.	15,000,000
32.	Milimani ACEC Suit No. E018 of 2024	EACC-vs-Odhiambo Ottoman	Suit for recovery of double payment of salary irregularly paid to the defendant.	10,991,712
33.	Malindi ELC No. E070 of 2024	EACC-vs-Francis Bahati Diwani & 3 Others	Suit to recover land No. 9279 within Malindi Municipality	10,000,000
34.	Mombasa ELC E023 of 2023	EACC-vs-Dorbang Limited & Others	Suit for recovery of illegally acquired public land and houses in Kizingo Ocean Estate, Mombasa belonging to KRA.	10,000,000
35.	Milimani ACEC Suit E012 of 2024	EACC-vs-Lucy Kabura Gathika	Suit for recovery of monies fraudulently acquired by the defendants from the National Youth Service.	9,593,750
36.	Mombasa ELC E040 of 2024	EACC-vs-Jackson Tuitok & Others	Suit for recovery of land belonging to Ministry of Lands, National Directorate of Housing situated in Ganjoni Mombasa Island.	8,600,000
37.	Milimani ACEC Suit No. E042 of 2023	EACC-vs-Henry Kawimbi Jillo & 4 Others	Suit for recovery of monies fraudulently embezzled and disguised as payment of salaries to persons not employed by NMK.	7,794,156
38.	Milimani ACEC Suit No. E043 of 2023	EACC-vs-Mzalendo Kibunjia, & 4 Others	Suit for recovery of monies fraudulently embezzled and disguised as payment of salaries to persons not employed by NMK.	7,708,629

	Case No.	Parties	Case Summary	Amount (KES)
39.	Milimani ACEC Suit No. E035 of 2023	EACC-vs-Mzalendo Kibunjia & 4 Others	Suit for recovery of monies fraudulently embezzled and disguised as payment of salaries to persons not employed by NMK.	7,697,390
40.	Milimani ACEC Suit No. E017 of 2024 (OS)	EACC-vs-Kennedy Nicholas Otieno Marienga	Suit for recovery of double payment of salary irregularly paid to the defendant.	7,132,477
41.	Milimani ACEC Suit No. E019 of 2024	EACC-vs-Boniface Oloo Otiato	Suit for recovery of double payment of salary irregularly paid to the defendant.	5,808,056
42.	Milimani ACEC Suit No. E038 of 2023	EACC-vs-Mzalendo Kibunjia & 3 Others	Suit for recovery of monies fraudulently embezzled and disguised as payment of salaries to persons not employed by NMK.	2,826,490
43.	Milimani ACEC Suit No. E041 of 2023	EACC-vs-Mzalendo Kibunjia & 4 Others	Suit for recovery of monies fraudulently embezzled and disguised as payment of salaries to persons not employed by NMK.	2,607,895
44.	Milimani ACEC Suit No. E037 of 2023	EACC-vs-Mzalendo Kibunjia & 4 Others	Suit for recovery of monies fraudulently embezzled and disguised as payment of salaries to persons not employed by NMK.	1,113,789
45.	Milimani ACEC No. E013 of 2024	EACC-vs-Evelyn Adhiambo Ogweno & 3 Others	Suit for recovery of monies embezzled by the defendants in the County of Homa Bay.	708,664
46.	Milimani ACEC Suit No. E036 of 2023	EACC-vs-Mzalendo Kibunjia & 4 Others	Suit for recovery of monies fraudulently embezzled and disguised as payment of salaries to persons not employed by NMK.	282,572
47.	Mombasa ELC E015 of 2024	EACC-vs-Red Bridge Firm & Others	Suit or recovery of 15,000 Hectares of Trust LR. No. 24030 set aside for Chenze Ranch.	Not Valued

2.9.3 Cases Filed against the Commission

There were 126 Petitions and Judicial Review Applications filed against the Commission as highlighted in Table 2.11.

Table 2.11: Highlights of Cases Filed against the Commission

	Case Number	Parties	Subject Matter
1.	HC Petition No. E461 of 2023.	Memba Ocharo-vs-EACC	Petition seeking a declaration that the recommendations by the Commission directing the Inspector General of Police to suspend 67 Police Officers under investigation for corruption and bribery unconstitutional, null and void.
2.	ELRC Petition No. E214 of 2023.	Okiya Omtatah-vs-Chief of Staff & Head of Public Service and the A.G & 19 Interested Parties	Petition seeking Orders to set aside letters issued by the Commission recommending suspension of various public officials who were under investigation. The petition further challenged the constitutionality of Section 42 (7) of LIA, 2012 and Regulation 25 of LIA.
3.	ELRC Constitution Petition No. E221 of 2023.	Benjamin Kai Chilumo-vs-EACC & 3 Others	Petition seeking Conservatory Orders challenging the Commission's recommendation to the Cabinet Secretary, Public Service, Performance and Delivery Management to suspend the Petitioner.

	Case Number	Parties	Subject Matter
4.	MCC No. E101 of 2024.	Florence Mwikali Mutua-vs-AG & Others	Suit for malicious prosecution of the Plaintiff seeking damages against the Commission and other jointly and severally.
5.	Petition E001 of 2024.	James Ambuso-vs-EACC, Chairperson-EACC, CEO-EACC, Attorney General and Chief Land Registrar	Petition seeking Orders for general damages, return of the documents and lifting of restrictions placed on his properties alleging breach of rights under articles 23, 27, 28, 29, 31, 41, 47 and 48 of the Constitution.
6.	Constitutional Petition No. 003 of 2024.	Francis Awino-vs-Rose Mkalama & EACC	Petition seeking Orders to compel EACC to investigate the Respondent.
7.	ELRC Petition No. E049 of 2024	Erick Aguve & Others-vs-KRC & Others	Petition challenging petitioners' dismissal from employment at KRC and restraining the respondents from recovering their assets.
8.	ACEC Petition E002 of 2024. Formerly Murang'a Petition No. E004 of 2024	Mwangi Wa Iria & Others-vs-DPP & Others	Petition seeking Conservatory Orders against the respondents from arresting and charging the petitioner.
9.	Land Acquisition Tribunal E003 of 2024.	Ephraim Keyombe Majani & Another-vs-NLC & Others	Applications seeking Conservatory Orders to stop the defendants from publishing press statements relating to the plaintiffs.
10.	HC Comm No. E187 of 2024	Value View Limited & Others-vs-DPP & Others	Applications seeking Conservatory Orders to stop the defendants from publishing any press statement, images or logos related to the plaintiffs.
11.	ELRC Petition No. E058 of 2024	Jared Onsango Abuya-vs-CS Min. Agriculture & Livestock & Others	A Petition for an Injunction against the Agricultural Food Authority (AFA) and CS, Agriculture from recruiting and appointing a Director General.
12.	JR No. 205 of 2024	Jemimah Wafula Muthoni-vs-Nancy Ngetich, KRA & 5 Others	The Petitioner is seeking a declaration that the 1st Respondent is unfit to hold a public office.
13.	ELC Suit No. E136 of 2024	Phase II Diamond Estate-vs-Regnol Oil Kenya Limited (Interested Parties - NCCG & EACC)	Suit in respect of two parcels of land registered as L.R No 209/17902(now Nairobi/Block 160/698) and L.R No. 209/17536/2.
14.	ELRC claim No. E364 of 2024.	Catherine Nyaboke Nyang'au-vs-Secretary General/CEO Kenya National Commission for UNESCO KNATCOM, AG & EACC	Claim for unfair termination, summary dismissal by the claimant against Kenya National Commission UNESCO.
15.	Petition E011 of 2023.	Sammy Silas Komen-vs-EACC	Petition /Application for Stay of all the EACC proceedings and cases filed against the Former Commissioner of Lands.
16.	HCC E026 of 2023.	Baharini Oil Supply-vs-KPA & EACC	Application to stop investigation into the procurement of KPA tender bids for Mombasa Birth 11-14.
17.	Kisumu Civil Appeal No. COACA E029/2023	Amin Sheikh-vs-BOG Sangálo Institute of Science and Technology & EACC	An Application for Stay pending hearing and determination of the intended appeal from the ruling/order of ELC in Bungoma ELCA 16 of 2023.
18.	Human Rights Constitutional Petition No E007/2024. Kakamega High Court.	Cleophas Shimanyula-vs-EACC, DPP, IG of Police, Chief Magistrate Court, Criminal Court, Milimani Nairobi and Attorney General	Petition seeking Conservatory Order staying the arrest, harassment, intimidation and charging the petitioner based on the warrant of search issued on 23rd August 2023.

	Case Number	Parties	Subject Matter
19.	JR application No. E004 of 2024	David Mukiti-vs-EACC	The applicant is seeking Certiorari Orders to quash the decision of respondents to charge him.
20.	JR application No. E006 of 2024	Peter Mbuvi-vs-EACC	The applicant is seeking Certiorari Orders to quash the decision of respondents to charge him.
21.	Homabay ELC 002 of 2024	The Board of Management Nyabola Girls-vs-EACC & 2 Others	A suit to stop EACC from investigating the Board of Management of Nyabola Girls Secondary School regarding land LR No. WEST KASIPUL KOTIENO/23.
22.	Kisii HCC 002 of 2021	Stratogen Limited-vs-County Government of Kisii & EACC	An application for joinder by the plaintiff for the EACC to be enjoined in the suit.

2.10 Recovered Assets

Illegally acquired and unexplained assets valued at approximately KES 2.9 billion were recovered through court proceedings and out-of-court settlements, as shown in Table 2.12.

Table 2.12: Recovered Assets

	Institution Recovered For	Recovered From	Asset	Estimated Value (KES)
1.	National Museums of Kenya (NMK) and Kenya Wildlife Service (KWS)	Manmohan Kaul Kalsi	L.R No. Kwale/Kinondo Chale 99-146	1,000,000,000
2.	County Government of Uasin Gishu	Magut Agencies & 9 others	L.R No. Eldoret Municipality Block 8/83	399,104,244
3.	State Department of Housing, Ministry of Lands	Saleh Chepkole & 4 Others	L.R No. Nakuru Municipality Block 5/221	345,000,000
4.	KWS Kwale County	Serious Holdings Limited	L.R No. Kwale/Shimoni 495 at Kisite Mpunguti Island	166,000,000
5.	Pyrethrum Processing Company of Kenya (PPCK)	Brig. Alexander Sitieney	L.R No. Nakuru Municipality Block 8/30	150,000,000
6.	Pyrethrum Processing Company of Kenya (PPCK)	Simon Thuo & 2 Others	L.R No. Nakuru Municipality Block 7/138	100,000,000
7.	KWS Kwale County	Pwani Holdings Limited	L.R No. Kwale/Shimoni 493 at Kisite Mpunguti Island	81,000,000
8.	County Government of Nakuru	Shadrack Koske Cherogoe & others	L.R No. Nakuru Municipality Block 5/251	70,000,000
9.	KWS Kwale County	Bantus Investment Limited	L.R No. Kwale/Shimoni 494 at Kisite Mpunguti Island	58,000,000
10.	State Department of Housing, Ministry of Lands	William Kimaru & 2 others	L.R No. Nakuru Municipality Block 5/149	35,000,000

	Institution Recovered For	Recovered From	Asset	Estimated Value (KES)
11.	State Department of Housing, Ministry of Lands	Jacqueline Musalia & Zablon Mabea	L.R No. Kakamega Municipality Block 3/64	26,000,000
12.	Kenya Urban Roads Authority, Mombasa County	Salim Mohamed	L.R No. MSA/Block XVI/1323	14,000,000
13.	State Department of Housing, Ministry of Land	Ashok Doshi	L.R No. Mombasa Municipality Block XXII/254	10,000,000
14.	State Department of Housing, Ministry of Land	Georgina N. Mutava & Ronald Matende	L.R No. Bungoma Municipality/791	10,000,000
15.	Ministry of Lands, Public Works, Housing, and Urban Development	Boniface Aradi & Another	L.R No. Kakamega Municipality Block III/278	7,000,000
16.	County Government of Laikipia	James Thumbi	L.R No. Nanyuki Municipality Block 8/ 876	To be valued
17.	KWS Kwale County	Pangos Limited	L.R No. Kwale/Shimoni 496 at Kisite Mpunguti Island	To be valued
18.	County Government of Kisii	Zaheer Jhanda	L.R No. Kisii Municipality Block III/346	To be valued
19.	Ministry of Housing	George Fred Onyango & Others	L.R No. 209/14216 in South B Estate	To be valued
20.	Nairobi City County Government	Jimmy Mutuku Kiamba & Others	Cash	317,000,000
21.	County Government of Samburu	Moses Lenolku kal Kassaine	Cash	80,763,715
22.	Defunct Ministry of Local Government through City Council of Nairobi (Now Nairobi City County Government)	Joseph Owino Kojwado	Cash	10,000,000
23.	Defunct Ministry of Local Government through City Council of Nairobi (Now Nairobi City County Government)	Herman Stevens Chavera & Another	Cash	8,600,000
24.	Defunct Ministry of Local Government through City Council of Nairobi (Now Nairobi City County Government)	Daniel Mulwa Nguku & Another	Cash	7,000,000
25.	County Government of Isiolo	Wario Boru & Qabale Wario	Cash	5,186,190
26.	County Government of Homa Bay	Former employees	Cash	4,521,485
27.	County Government of Marsabit	Dabs Complex (K) Limited	Cash	3,152,088
28.	Kenya Meat Commission (KMC)	Ibrahim Haji Isaak & 2 Others	Cash	3,000,000
29.	County Assembly of Trans Nzoia	Alfred Weswa & Ben Mutete	Cash	2,550,000
30.	Chebororwa Agriculture Training Centre	Nicholas Kirop	Cash	975,000

	Institution Recovered For	Recovered From	Asset	Estimated Value (KES)
31.	County Government of Nyamira	Philip Machuki	Cash	590,000
32.	County Government of Elgeyo Marakwet	Johana Cheptoo	Cash	400,000
33.	Rural Electrification and Renewable Energy Corporation (REREC)	Dennis Thuo Kimani	Cash	393,100
34.	Masinde Muliro University of Science & Technology	Lusweti Consolata	Cash	350,000
35.	County Assembly of West Pokot	Fredrick Moerwa Omwoyo	Cash	300,000
36.	Koitalel Samoei University College	Teresa Morogo	Cash	200,000
37.	Jomo Kenyatta University of Agriculture and Technology (JKUAT)	Jackson Kagiri	Cash	120,000
38.	Mukiria Technical Training Institute	Stanley Mucoka Murimi	Cash	114,300
39.	The National Treasury	Joyce Muthoni Njagi	Cash	106,000
40.	Teachers Service Commission	Kaburu Perpetua & Mary Kagweni	Cash	20,000

2.11 Issuance of Advisories, Notices and Cautions

The Commission in enforcing Chapter Six of the Constitution issued 712 advisories, 20 cautions and 12 notices to public entities and persons for violation of Chapter Six and LIA, 2012. Highlights of Advisories and Notices Cautions issued are presented in Tables 2.13, 2.14 and 2.15 respectively.

Table 2.13: Highlights of Advisories

	Nature of Advisory	Recepient(s) of Advisory
1.	Advisory on irregular and illegal recruitment of excess staff for offices of the Governor.	All County Governors
2.	Advisory to State and Public Officers on the provisions of the law on operation of bank accounts outside Kenya.	All Principal Secretaries, Chief Registrar of the Judiciary, Accounting Officers of State Corporations, Secretaries/ Chief Executive Officers/Accounting Officers of all Constitutional Commissions, Independent Offices, Clerk of the National Assembly, Clerk of the Senate, Vice Chancellors of Public Universities, County Secretaries and Clerks of County Assemblies
3.	Advisory to all State and Public Officers in Kenya's Diplomatic Missions on operation of bank accounts outside Kenya.	Heads of all Kenya's Diplomatic Missions
4.	Advisory on management of conflict of interest regarding staff who are also sugarcane farmers trading with South Nyanza Sugar Company Limited.	South Nyanza Sugar Company Limited
5.	Advisory on administrative action against former Board Members and CEO on irregular recruitment of Corporate Secretary.	Chairperson of Kenya Medical Training College

	Nature of Advisory	Recepient(s) of Advisory
6.	Advisory on signing and commitment to the Leadership and Integrity Code by High Commissioners, Ambassadors, Diplomatic and Consular Representatives.	Principal Secretary, State Department for Foreign Affairs
7.	Advisories to comply with the requirement of submitting Self-Declaration Forms to the Commission as provided under Section 12A of LIA, 2012 following appointment to various Boards.	Various Boards of State Corporations
8.	Advisory to comply with integrity verification requirement of shortlisted candidates pursuant to Chapter Six of the Constitution and Section 12A of LIA, 2012.	Siaya County Public Service Board
9.	Advisory against irregular procurement and misuse of public resources in mitigation measures for El Nino Rains.	National Government Ministries, Departments and Agencies (MDAs), and County Governments
10.	Advisory against irregular appointment of a Corporate Secretary and for the Board to adhere to the requirements for appointment as per the KWS Career Progression and the Mwongozo Code of Governance.	Director General, KWS
11.	Advisory to the management to adhere to Section 2.21.3 of the human resource policy and procedures manual in the appointment of staff.	Director General, KeNHA
12.	Advisory to adhere to the provisions of the law and procedures on separation of roles for shortlisting and interviewing committees.	Chief Executive Officer, Commission on Administrative Justice
13.	Advisory on irregularities in the recruitment of Senior Legal Officers.	CEO, Kenya Universities and Colleges Central Placement Service (KUCCPS)
14.	Advisory on irregularities in recruitment of the Chief Executive Officer.	Chief of Staff and Head of Public Service and Board of Coast Water Work Development Agency (CWWDA)
15.	Advisory against violation of provisions in the award of tender for the supply and delivery of ambulance and utility vehicles.	County Secretary, Kericho County
16.	Advisory against irregular recruitment of staff and non-compliance with the provisions of Articles 10 and 232 of the Constitution and the Human Resource Policy.	Vice Chancellor, Garissa University
17.	Advisory against irregular recruitment of the Chief Strategy Monitoring and Evaluation Officer and non-compliance with the Human Resource Procedures and Guidelines.	Managing Director and CEO, KenGen
18.	Advisory against payment of terminal benefits to Public Officers who used forged academic and professional certificates for appointment, promotion and redesignation.	All Accounting Officers of Ministries and Departments and Agencies (MDAs), Constitutional Commissions and Independent Offices, Clerks of the National and Senate, Vice Chancellors of Public Universities, Secretaries-County Public Service Boards, and Secretaries-County Assembly Service Boards
19.	Advisory against appointment of a County Executive Committee Member with invalid academic credentials.	Governor, Kitui County
20.	Advisory against double employment by three County Public Service Board members contrary to Article 77 of the Constitution and Section 26 of LIA, 2012.	County Secretary, County Government of Makueni

Table 2.14: Highlights of Notices Issued

	Organisation/Individual Notified	Nature of Notice
1.	Jacinta Odoyo Hezron	Notice issued to an employee of the Commission on Revenue Allocation (CRA) for falsification of academic certificates.
2.	State and Public Officers, responsible Commissions and public entities	Notice on compliance with requirement on Declaration of Income, Assets and Liabilities (DIALs) for the 2023 declaration year.
3.	General Public	Notice to sensitize the public on the provisions of the law on operation of bank accounts outside Kenya.
4.	Kaburu Perpetua Mary Kagweni	Demand notice for recovery of KES 136,584.80 being the salary irregularly paid by TSC while engaged in political activities.
5.	Stanley Mucoka Murimi	Demand notice for recovery of KES114,300 being the salary irregularly paid by Mukiria Technical Training Institute while engaged in political activities.
6.	Jamlick Mbae Mugambi	Demand notice for recovery of KES 477,233.25 being the salary irregularly paid by TSC while engaged in political activities.
7.	Benjamin O. Olang	Notice for failure to observe political neutrality pursuant to Section 23 of LIA, 2012.
8.	Melida Auma Rangili	Notice for failure to observe political neutrality pursuant to Section 23 of LIA, 2012.

Table 2.15: Highlights of Cautions

	Person Cautioned	Position	Nature of Caution
1.	Benjamin Oburu Olango	Senior Enrolled Nurse II	Failure to resign as a Public Officer of Migori County six months before contesting in the elections of August, 2022 in violation of Chapter Six of the Constitution.
2.	Omwa Hesbon Otieno	Member of the Migori County Public Service Board	Failure to adhere to human resource requirements during recruitment for the position of Quantity Surveyor II.
3.	1. Shashai Nyamambia Nyaribo 2. Dr. Victoria Gioto 3. Christine Mwaka	Kenya Universities Colleges Central Placement Service (KUCCPS)	Failure to adhere to human resource requirements during recruitment for the position of Senior Legal Officer at KUCCPS.
4.	Clara C. Mitei	Principal, Kaplong Girls High School	Failure to adhere to Public Procurement and Asset Disposal Act in undertaking a school project.
5.	Charles Gikonya	Chief Officer of Administration, County Government of Kiambu	Irregular recruitment of Sub-County Administrators without the authority of the County Public Service Board.
6.	Abraham Serem	General Manager, Corporate Services, KenGen	Irregularities in the recruitment of the Chief Strategy Monitoring and Evaluation Officer.
7.	Maryjane Waithera Gachui	Assistant Manager, HR KenGen	Irregularities in the Recruitment of the Chief Strategy Monitoring and Evaluation Officer.
8.	Nimrod Mbithuka Mbai	Member of Parliament	A State Officer assaulting a Public Officer who was undertaking official duty.
9.	Melida Auma Rangili	Early Childhood Development and Education Teacher	Failure to resign as a Public Officer of Vihiga County Government six months before contesting in the elections of August, 2022 in violation of Chapter Six of the Constitution.

2.12 Integrity Verification

The Commission received and processed 5,319 integrity verification requests from different institutions and individuals. Out of these, 3,454 were requests from National Government, 1,842 from County Governments and 23 from private institutions. Out of the 5,319 individuals, the Commission provided information on 60 individuals who were found to have contravened Chapter Six of the Constitution. In addition, the Commission received 42,031 Self-Declaration Forms in line with Section 12A of LIA, 2012.

2.13 Review of Policy and Legal Framework

The Commission contributed to the strengthening of the anti-corruption policy and legal framework in the country. The Commission made recommendations for formulation and amendment of several laws. The recommendations for amendment were considered in the following Acts of Parliament:

2.13.1 Statute Law (Miscellaneous Amendment) Act No. 19 of 2023

The Commission continued to support the Office of the Attorney General and Department of Justice (AOG&DOJ) in the proposed Statute Law (Miscellaneous Amendment) Bill, 2022 which was passed into law as Statute Law (Miscellaneous Amendment) Act No. 19 of 2023. Amendments in the Statute Law related to anti-corruption are highlighted below:

(a) Amendments to the Anti-Corruption and Economic Crimes Act (No. 3 of 2003)
Amendments to Sections 25A (1); Section 37(6); and Section 62(5) of ACECA, 2003 with the expression "Attorney-General" substituted with "Director of Public Prosecutions" to align the Act with the Constitution.

(b) Amendments to the Ethics and Anti-Corruption Commission Act (No. 22 of 2011)
Amendment to Section 27(2) of the EACC, Act to extend the period for submission of Annual Report to the President and National Assembly from three months to six months after the end of the year to which it relates.

(c) Amendments to the Leadership and Integrity Act (No. 22 of 2012)
Amendment to Section 40 of LIA, 2012 by inserting a new subsection which allows the High Court, on application by any person, to declare the assumption of office by a State Officer to be invalid for want of executing a commitment to the Specific Leadership and Integrity Code. The provision ensures that appointed State Officers commit to the Specific Leadership and Integrity Code within the prescribed time.

(d) Amendments to the Bribery Act (No. 47 of 2016)
Amendment of the short title of the Bribery Act by substituting the same with 'The Anti-Bribery Act, 2016.' This was to align the short title with the content of the Act. In addition,

there was amendment of Section 4 by inserting the words "public entities" immediately after the words "private entities". The rationale for the amendment was to bring "public entities" under the purview of the Bribery Act.

(e) Amendments to the Evidence Act, Cap 80 Laws of Kenya

Amendment to Section 3 by introducing definition of 'photograph' to mean an image created by light falling on a light-sensitive surface, either a photographic film or an electronic medium and then made visible and permanent by chemical treatment, or stored digitally. The amendment is meant to enhance the definition of photographic evidence in line with the current technological advancements such as infra-red images.

2.13.2 Anti-Money Laundering and Combating of Terrorism Financing Laws (Amendment) Act, 2023

The Commission made contributions to the Anti-Money Laundering and Combating of Terrorism Financing Laws (Amendment) Bill, 2023 which was passed into law as Anti-Money Laundering and Combating of Terrorism Financing Laws (Amendment) Act No. 10 of 2023. The amendments relevant to anti-corruption laws are highlighted below:

(a) Amendments to the ACECA, 2003

Section 2 of ACECA, 2003 was amended to include the offence involving the laundering of the proceeds of corruption. The amendment gives the Commission powers to investigate money laundering of proceeds of corruption.

(b) Amendments to the EACC Act, 2011

Amended Section 11 of EACC, Act to introduce a new Sub-Section 3A which provides that State agencies and organs referred to in Sub-Section 3 may grant the Commission access to relevant information in the prevention and investigation of economic crime. The amendment is meant to enhance access to information by the Commission from public entities while executing its mandate.

2.14 Development of Anti-Corruption Law and Policy

The Commission contributed to the development of policy and legal anti-corruption framework in the country. The following anti-corruption policy and law were developed:

2.14.1 Conflict of Interest Bill, 2023

The Commission supported the Office of the Attorney General and Department of Justice (AOG&DOJ) in the development of the Conflict of Interest Bill, 2023. The Bill was first published by the National Assembly on 3 April, 2023. The Bill seeks to establish a framework for managing conflict of interest in the discharge of public duties under the general supervision of the Commission.

2.14.2 The Model Procedures for The Prevention of Bribery and Corruption

The Commission developed Model Procedures for Prevention of Bribery and Corruption in public and private sector, in line with Section 9(1) of the Anti-Bribery Act, 2016. The Model Procedures were subjected to public participation and forwarded to the Attorney General for approval.

CHAPTER 3

PREVENTION OF CORRUPTION AND UNETHICAL PRACTICES

3.1 Introduction

This Chapter presents programmes implemented by the Commission during the Financial Year 2023/2024 pursuant to its preventive mandate. The programmes include: system reviews; corruption prevention advisories; monitoring the implementation of preventive interventions; sectoral anti-corruption fora; implementation of Chapter Six of the Constitution and related laws; public education and awareness; National Integrity Academy; and the National Ethics and Corruption Survey, 2023.

3.2 System Reviews

The Commission reviews organisational systems through Examinations and Corruption Risk Assessments (CRAs). System Reviews are undertaken to identify weaknesses and opportunities for corruption and unethical practices. The primary objective of the reviews is to strengthen institutional systems and minimise opportunities for corruption.

3.2.1 Examinations

The Commission examined systems, policies, procedures and practices of the National Health Insurance Fund, National Museums of Kenya as well as Probation and Aftercare Services (PACS) Department. Three reports were finalised and disseminated. Table 3.1 presents some of the findings and recommendations as provided in the examination reports.

Table 3.1: Highlights of the Findings and Recommendations of Examinations

	Focus Area	Finding	Recommendation
1.	**National Health Insurance Fund**		
	Referral Mechanisms	Failure to develop and implement mechanisms for referring patients to appropriate health care facilities.	Develop and implement referral mechanisms in accordance with the Kenya Health Sector Referral Implementation Guidelines, 2014.
	Quality Assurance	Failure by Quality Assurance Officers to undertake physical clinical surveillance.	Ensure adherence to Benefits Administration and Claims Management Guidelines, 2016.
	Facility Improvement Fund	Failure or delay in reimbursement of revenue collected from Public Health Care Providers (HCPs) through AIEs in the Counties.	Implement the Facilities Improvement Funds Act, 2023.
	User Access Management	Unauthorized access and fraudulent amendments of members' and Health Care Providers' data in the ICT system by staff, which occasioned a loss of KES 29,958,642 to the Fund during the years 2017-2020.	Develop and implement ICT user access management guidelines in accordance with the GOK Information Security Standard, ICTA-3.003:2023.
	Muster Roll Updates	Irregular access to medical cover by former staff for prolonged periods after exiting the Fund.	Ensure the muster roll is updated in line with Section 12 of the Human Resource Policy and Procedure Guidelines.
	Third Party Access Management	Unsupervised access to the Fund's e-Claims system by service providers.	Review ICT Policy Guidelines to address the management of vendor access to all enterprise systems.
2.	**National Museums of Kenya**		
	Devolved Functions	Failure to transfer the function on management of museums to County Governments.	Ensure the function on management of museums is transferred to County Governments in accordance with the Constitution and the Gazette Notice No. 13982 of 11 November 2022.
	Internal Audit	Failure to develop, approve and operationalise Internal Audit and the Audit Committee Charters.	Ensure Internal Audit and Audit Committee Charters are developed, approved and operationalised in line with the provisions of the Public Finance Management (National Government) Regulations, 2015 and the Kenya Gazette Notice No. 2690 Vol. CXVIII-No. 40 by The National Treasury.
	Staff Recruitment	The NMK undertook recruitment without Board approval. A case in point is an instance where 145 staff were recruited between January 2022 and November 2023 without Board approval.	Ensure strict adherence to all established governance and approval procedures in recruitment of staff.
	Human Resource Management	Failure to review the Human Resource Policy and Procedures Manual to cover areas such as code of conduct and ethics, among others.	Ensure Human Resource Instruments are reviewed and approved in line with the Guidelines for Development and Review of Human Resource Instruments for State Corporations and Public Universities vide Circular reference No. PSC/GEN/22/II/ (91) dated 8 August 2023.
	Ownership of Assets	Failure to acquire ownership documents for parcels of land used as museums, monuments and sites. Thirty-two parcels had no title deeds.	Ensure ownership of documents for all parcels of land allocated to NMK are obtained.
3.	**Probation and Aftercare Services (PACS) Department**		
	Subsidiary Legislation	Failure to develop subsidiary legislation to aid in the implementation of the Probation and Aftercare Services mandate and functions.	Develop and implement subsidiary legislation as per Section 17 of the Probation of Offenders Act (Cap 64) and Statutory Instruments Act (Cap 2A).

	Focus Area	Finding	Recommendation
	Allocation of referrals	Failure to equitably allocate referrals amongst officers in various probation stations.	Ensure adherence to Clause 1.5.3 of the PACS Standard Operating Procedures Manual, 2022 on allocation of referrals.
	Case Conference	Biased selection of case conference members, providing opportunity for collusion to defeat justice.	Review of the PACS Practice Guidelines, 2022 to include requirements for quorum and substantive members.
	Gender Consideration	Failure to ensure female offenders placed in non-custodial sentences are supervised by female probation officers.	Ensure adherence to Section 14 of the Probation Act (Cap 64) on selection of probation officers.
	Expired Contracts	Use of expired contracts to provide goods, works and services.	Develop and implement a contract management framework to track contract implementation, compliance and performance in line with Section 151 of PPADA, 2015.

3.2.2 Corruption Risk Assessments

The Commission conducted Corruption Risk Assessments (CRAs) in Murang'a County Executive and Assembly; Office of the Auditor General; and the Kenyatta International Convention Centre (KICC). Highlights of the findings and recommendations of the CRA Reports are presented in Table 3.2.

Table 3.2: Highlights of the Findings and Recommendations of Assessment Reports

	Focus Area	Finding	Recommendation
1.	**Murang'a County Executive**		
	Policy and Legal Framework	The County Attorney had not issued an instrument of delegation to County Legal Counsels to delegate functions and powers of the office.	Ensure the County Attorney delegates to the County Solicitor or any County Legal Counsel all or any of the powers and functions in line with Section 14 of the Office of the County Attorney Act, 2020.
	Finance Act	Failure to approve the Finance Act for the FY 2023/2024.	Ensure adherence to Section 132 and 133 of the Public Finance Management (PFM) Act, 2012.
	Bank Accounts	Irregular operation of 25 bank accounts for operations and revenue collection in various commercial banks.	Ensure compliance with Regulation 82(1) of the PFM (County Government) Regulations, 2015.
	Valuation Roll	Failure to develop and operationalize the County valuation roll.	Develop and operationalize the County valuation roll for every rateable property within the County in line with the Valuation for Rating Act, Cap 266.
	Advance Payments	Failure to outline the terms for advance payment and maximum limits in tender documents, which created a vulnerability for potential loss of public funds in the event of non-performance by suppliers.	Ensure compliance with Section 146 of PPADA, 2015 on advance payments.
2.	**Murang'a County Assembly**		
	Vote Book Control	Failure to undertake vote book controls during preparation, initiation and payment.	Ensure adherence to Section 51(1) (d) of the PFM (County Governments) Regulations 2015.

	Focus Area	Finding	Recommendation
	Murang'a Staff Car Loan Regulations	The Murang'a County Car Loan (Staff) Scheme Regulations, 2017 did not provide for limitation on the age of the car to be purchased.	Ensure Regulations provide for the age limit of a car to be funded under the scheme, preferably eight years from date of first registration. This is an established best practice adopted by other schemes.
	Unsupported Expenditure	Unauthorised and unsupported foreign trips by MCAs and staff of the County Assembly (CA).	Ensure all trips made by MCAs or staff are adequately supported and duly approved by the appropriate Authority in line with Section 93 of the PFM (County Government) Regulations, 2015.
	Staff Recruitment	Irregular recruitment of staff deployed to the Governor's Office.	Adhere to the Salaries and Remuneration Commission Advisory Reference No. SRT/TS/CGOVT/3/16 on staff to be recruited.
	Use of imprest in procurement of goods and services	Irregular issuance of imprest to staff to procure commonly used goods and services.	Ensure procurement of various goods and services is undertaken through framework agreements, as provided in Section 114 of PPADA, 2015.
3.	**Office of the Auditor General**		
	Legal Framework	Lack of Public Audit Regulations to fully operationalise the Public Audit Act, 2015.	Ensure the Public Audit Regulations are developed and operationalised.
	Internal Audit	Failure to constitute the Audit Committee in accordance with the Audit Committee Guidelines for National Government entities.	Ensure adherence to Gazette Notice No. 2691, Regulation 174(5 & 6) of the PFM (National Government) Regulations, 2015.
	Submission of Financial Statements	Decrease in the level of submission of financial statements by public entities, from 1,679 in the FY 2022/2023 to 930 in the FY 2023/2024.	Ensure institutions adhere to timely submission of financial statements in compliance with Article 229 (4) of the Constitution, Section 81 of the PFM Act, 2012 and Section 47 of the Public Audit Act, 2015.
	Financial Management	Lack of Audit Fees Guidelines providing prescribed rates.	Develop and implement Audit Fees Guidelines in line with the Public Audit Act, 2015.
	Follow-up and Reporting	Failure to fully operationalise the framework for monitoring and reporting on the implementation of audit recommendations.	Ensure adherence to Sections 31(1) and 53(1) of the Public Audit Act, 2015 on monitoring and reporting on implementation of audit recommendations.
4.	**Kenyatta International Convention Centre**		
	Lease Administration	Failure to segregate roles of management and administration of leasing functions.	Review the leasing function to ensure segregation of roles and enhance the leasing revenue collection function in line with Regulation 64 of the PFM (National Government) Regulations, 2015.
	Promotion of Meetings, Incentives, Conventions and Exhibitions (MICE) Business	Failure to segregate the promotion of MICE business for the sector and promotion of KICC as a venue.	Review and amend the Tourism Act, 2011 to segregate the promotion of MICE and KICC.
	Accreditation of KICC	Failure to accredit and register the Corporation and its products by the Tourism Regulatory Authority (TRA).	Ensure the Corporation is regulated as stipulated in the Tourism Act, 2011.
	PFM Standing Committee	Failure to establish a Public Finance Management Standing Committee.	Establish a Finance Management Standing Committee in accordance with Regulations 18 & 19 of the PFM (National Government) Regulations, 2015.

	Focus Area	Finding	Recommendation
	Revenue collection	Irregularity in reporting of revenue collection. For example, in FY 2022/2022, the revenue amount reported for tower viewing at the Reception Office was KES 8,492,844, while the amount reported in the financial statement was KES 5,300,074.	Ensure adequate safeguards for collection and accounting for all revenue as provided by Regulation 64(1)(a) of PFM (National Government) Regulations, 2015.

3.2.3 Empowerment of Institutions to Undertake own CRAs

The Commission undertook capacity building for Uasin Gishu, Elgeyo Marakwet and Trans Nzoia Counties to undertake their own Corruption Risk Assessments in order to mainstream corruption prevention and enhance integrity and good governance in their systems of work.

3.2.4 Compliance Monitoring

The Commission conducted compliance monitoring of the Older Persons Cash Transfer Programme and the Dams Projects. The programmes are implemented by the Ministry of Labour and Social Protection and the Ministry of Water, Sanitation and Irrigation, respectively.

Table 3.3: Highlights of Findings of Compliance Monitoring

	Focus Area	Finding	Recommendation
1.	**Older Persons Cash Transfer Programme**		
	Enrollment of Beneficiaries	Failure to verify whether enrolled Older Persons Cash Transfer (OPCT) beneficiaries were also receiving pension prior to 2023.	Verify and prioritise older persons not on pension for the Cash Transfer Programme in accordance with the Revised Operations Manual for Consolidated Cash Transfer Programme.
	Payment	Failure to conduct pre-payroll checks and payroll reconciliations.	Ensure pre-payroll checks and payroll reconciliations are undertaken as prescribed in the Operations Manual.
	Exit of beneficiaries from the Database and Payroll	Delay in obtaining data on deceased beneficiaries at the Sub-County offices.	Ensure timely exit of deceased beneficiaries from payroll as prescribed in the Operations Manual.
	Proof of Life	Failure to confirm proof of life by most Payment Service Providers (PSPs).	Ensure PSPs conduct proof of life at least once every six months as required under the Multiple PSP Contract II.
	Dormancy and Claw-Back	Failure to deny beneficiaries access to accumulated funds outside the claw-back window.	Ensure adherence to the provisions of the Operations Manual and the Multiple PSP Contract II.
2.	**Dams Projects in the Ministry of Water, Sanitation and Irrigation**		
	National Database for Dams	Lack of a comprehensive database for existing dams.	Develop a national database with the current status; classification, registration and assignment of dams to relevant agencies in line with Regulation 83 of the Water Resources Regulations, 2021.
	The National Water Master Plan	Failure to revise the National Water Master Plan, 2013 to incorporate emerging issues.	Revise the National Water Master Plan to align it to the provisions of the National Water Policy, 2021 and Water Act, 2016 and emerging issues.

	Focus Area	Finding	Recommendation
	Water Catchment Areas	Lack of a policy to provide a structured framework for harmonising the approaches adopted by various responsible institutions in the management of water catchment areas.	Develop and implement a policy that provides a structured framework for harmonising approaches in the management of water catchment areas.
	Water Resource Users Associations	Failure by Water Resource Users Associations (WRUAs) to comply with requirements stipulated in Water Resources Regulations, 2021.	WRUAs to ensure compliance with Regulation 97 of the Water Resources Regulations, 2021.
	Identification of Dam Sites	Lack of ownership documents for land acquired to be used for dam projects.	Ensure that land required for dam projects is secured in line with Sections 110 and 111(1) of the Land Act, 2012.

3.3 Corruption Prevention Advisories

The Commission provides advisories to institutions and individuals on prevention of bribery and corruption pursuant to Section 11(1)(g) of EACC Act, 2011 and Section 9 of the Anti-Bribery Act, 2016.

3.3.1 Advisories on Prevention of Corruption and Bribery

The Commission is required to assist private and public entities, and any interested person, to develop and put in place procedures for prevention of bribery and corruption. The Commission advised 166 MDAs that included: National Council for Children's Services; National Authority for the Campaign Against Alcohol and Drug Abuse; Kenya Electricity Transmission Company Limited; Kenya Veterinary Vaccines Production Institute; LAPSSET Corridor Development Authority; Kenya National Commission for UNESCO; Sacco Societies Regulatory Authority; Kenya Bureau of Statistics; Kenya National Trading Corporation Limited; Kenya Airports Authority; Communications Authority of Kenya; Kenya Meat Commission; National Water Harvesting & Storage Authority; New Kenya Cooperative Creameries Limited; and Kenya Copyright Board.

3.3.2 Advisories on the Formulation of Corruption Prevention Guidelines

The Performance Contracting Guidelines for the FY 2023/2024 (20th Cycle) required all respective Specialised Agencies to implement retired Performance Indicators outside the Government Performance Contracting (PC) Framework in line with their respective core mandates. In this regard, the Commission developed and disseminated guidelines on the implementation of Corruption Prevention Interventions to all the MDAs.

3.4 Monitoring Implementation of Prevention Interventions

3.4.1 Implementation of System Review Recommendations

The Commission monitored the implementation of system review recommendations at the following County Executives and Assemblies: Homa Bay, Busia, Kajiado and Tharaka

Nithi. During the monitoring exercise, the Commission noted attempts to implement the system review recommendations. However, implementation was not conclusive in all the County Executives and Assemblies. The monitoring also revealed that the implementation of system review recommendations is affected by lack of structured handover process and commitment after leadership transition, poor records management, inadequate technical capacity, and lack of budgetary provisions to implement recommendations.

3.4.2 Implementation of Corruption Prevention Advisories

The Commission monitored the implementation of the Corruption Prevention Interventions in 70 MDAs. The monitoring revealed a general reluctance by most institutions to implement preventive interventions following the removal of the Anti-Corruption Indicator from the Government Performance Contract. The monitoring also revealed that the implementation of the interventions is affected by lack of trained Corruption Prevention Committee (CPC) members and Integrity Assurance Officers (IAOs); and failure to implement prevention strategies outlined in Institutional Bribery and Corruption Risk Assessment and Mitigation Plans.

3.4.3 Sectoral Corruption Prevention Forum

The Commission held a forum on the implementation of corruption prevention measures for National Polytechnics and Technical Vocational and Educational Training Institutions. Three hundred and fifty-eight participants were inducted on the formulation of the procedures for the prevention of bribery and corruption, required under the Anti-Bribery Act, 2016.

3.5 Implementation of Chapter Six of the Constitution and Related Laws

To promote leadership and integrity, the Commission undertook several strategic initiatives. These included: Development of Leadership and Integrity Codes for State Officers; commitment to the Leadership and Integrity Codes; development of Codes of Conduct and Ethics for Public Officers; oversight and enforcement of operation of bank accounts outside Kenya; oversight in the management of Declaration of Income, Assets and Liabilities (DIALs); operationalisation of gifts, donations and conflict of interest registers; compliance monitoring on implementation and capacity building on Chapter Six of the Constitution and related laws.

3.5.1 Development of Leadership and Integrity Codes for State Officers

Sections 37 and 39 of LIA, 2012 require each public entity with State Officers to develop a Specific Leadership and Integrity Code for the State Officers serving in that entity and submit to the Commission for approval. The Commission reviewed and approved the Leadership and Integrity Code for Nairobi City County Executive.

3.5.2 Commitment to the Leadership and Integrity Codes

Section 40 of LIA, 2012 provides that a newly appointed or elected State Officer is required, at the time of taking oath of office or within seven days of assuming state office, to sign and

commit to the Specific Leadership and Integrity Code prescribed in accordance with Section 37. In the period under review, 129 State Officers signed and committed to Leadership and Integrity Codes as summarised in Table 3.4.

Table 3.4: Commitment to Leadership and Integrity Code by State Officers

Institution	Designation of State Officer	No. of Officers
The Judiciary	Chief Registrar of The Judiciary	1
	Newly Appointed Judges of the High Court	20
	Members of the Judicial Service Commission	3
	Magistrates	69
	Chief Kadhi of the Republic of Kenya	1
Office of the Director of Public Prosecutions	Director of Public Prosecutions	1
Machakos County Government	County Executive Committee Member	1
Wajir County Government	County Executive Committee Member	8
Trans Nzoia County Government	County Executive Committee Member	10
Mombasa County Government	County Executive Committee Member	9
Members of the County Assembly	Nandi County Assembly	1
Kenya Defence Forces	Chief of Defence Forces	1
	Vice Chief of the Defence Forces	1
	Commandant, Kenya Army	1
	Commandant, Kenya Navy	1
	Commandant, Kenya Airforce	1

3.5.3 Development of Codes of Conduct and Ethics for Public Officers

The Commission provided technical support to seven public entities to align their codes of conduct and ethics to Part II of LIA. These were: Judicial Service Commission, Salaries and Remuneration Commission, Kenya Safari Lodges and Hotels, Nairobi City County Government, Kenya Ports Authority, Kisii University and County Public Service Board of Turkana.

3.5.4 Regulation of bank accounts outside Kenya for State and Public Officers

State and Public Officers are required to seek approval of the Commission to open and operate bank accounts held outside Kenya and notify the Commission on closure. The Commission received and approved 96 applications to open and operate bank accounts outside Kenya, verified 194 bank statements and received 36 notifications for closure of approved bank accounts.

3.5.5 Oversight in the management of Declaration of Income, Assets and Liabilities

The Commission has the oversight mandate in the implementation of Declaration of Income, Assets and Liabilities (DIALs) and supports Responsible Commissions to develop

and gazette administrative procedures for the management of DIALs. The Commission reviewed administrative procedures for Judicial Service Commission and County Public Service Board of Turkana.

3.5.6 Operationalisation of Gifts, Donations and Conflict of Interest Registers

Public entities are required under LIA to open and maintain gifts, donations and conflict of interest registers. Each entity is required to submit a report on compliance on gifts and conflict of interest to the Commission. The Commission provided technical support to 16 public entities in the operationalisation and implementation of gifts, donations and conflict of interest registers. The entities were The National Treasury; Turkana University College; Ministry of Interior and National Coordination; Council of Legal Education; South Nyanza Sugar Company; County Public Service Boards of Meru, Isiolo, Laikipia, Nyandarua, Nyamira, Turkana; and County Assemblies of Meru, Isiolo, Nyandarua, Samburu and Turkana.

3.5.7 Capacity Building on implementation of Chapter Six of the Constitution

The Commission implemented an integrity compliance capacity-building programme on 81 of the Constitution and related integrity laws targeting State and Public Officers. Eighty-one capacity building fora were conducted where 8,100 Public Officers were trained.

3.5.8 Compliance Monitoring on Implementation of Chapter Six and Related Laws

The Commission undertook compliance monitoring on implementation of Chapter Six of the Constitution and integrity laws in 22 public entities. The public entities were: County Executives and Public Service Boards of Nyandarua, Laikipia, Isiolo and Meru; County Assembly Service Boards of Nyandarua, Laikipia, Nyamira, Isiolo and Meru; County Assemblies of Nyandarua, Nyamira, Laikipia, Isiolo and Meru; Council of Legal Education; South Nyanza Sugar Company Limited (Sony Sugar); Ethics Commission for Cooperative Societies; and Ministry of Foreign and Diaspora Affairs.

The compliance monitoring established that: 50 percent of public entities did not submit Self-Declaration Forms from persons seeking appointment; 19 percent of the entities do not have codes of conduct and ethics for their Public Officers; 50 percent of entities with Specific Leadership and Integrity Codes are yet to publish the Codes; 88 percent of entities that have gift and conflict of interest registers did not submit their annual reports to the Commission; and 67 percent have not put in place procedures for prevention of bribery and corruption and mechanisms for protection of whistleblowers and witnesses.

3.6 Public Education and Awareness Programmes

The Commission conducts public education, training and awareness creation on ethics, integrity and anti-corruption to enlist public support in the fight against corruption. This was achieved by undertaking: targeted outreach programmes; capacity building programmes;

general public outreach; mainstreaming of value-based education in institutions of learning; media education; and development and dissemination of Information, Education and Communication (IEC) materials.

3.6.1 Targeted Outreach Programmes

The Commission sensitised community networks that included: members of cooperative societies from Makueni, Kajiado, Kilifi and Uasin Gishu Counties; Matatu Owners Association from Nairobi; Bodaboda Safety Association of Kenya officials drawn from Machakos, Nakuru and Homa Bay Counties; and a Civil Society group from Malindi County. In addition, the Commission sensitised community opinion leaders from Embu County.

Professional networks sensitised included: Architectural Association of Kenya, Pharmaceutical Association of Kenya and the Engineers Board of Kenya, the National Council of Churches of Kenya (NCCK) and Supreme Council of Kenyan Muslims (SUPKEM). The community and professional network public outreach programme attracted 11,910 participants.

The Commission conducted public outreach in open air markets in Embu, Machakos, Nakuru, Malindi and Kilifi Counties. In addition, the Commission sensitised County Inspectorate Officers from Kilifi County and Market Revenue Administrators from Embu County. In the open-air market outreach programme, 63,122 traders, buyers and market managers were sensitised.

3.6.2 Capacity building programmes

The Commission trained 794 participants drawn from 35 Corruption Prevention Committees (CPCs) for various Ministries, Departments, Agencies and County Governments (MDACs). Moreover, 93 general sensitisations on corruption prevention were implemented where 17,586 Public Officers were reached.

3.6.3 General Public Outreach

The Commission undertook various public outreach programmes during commemoration of the International Anti-Corruption Day (IACD), 2023 in Murang'a and to the general public in Meru and West Pokot Counties. The public outreach activities reached an estimated 61,015 citizens.

3.6.4 Mainstreaming value-based education in institutions of learning

To enhance integrity in learning institutions, the Commission undertook school and university outreach programmes; integrity club patron training; education stakeholder sensitisation; sponsorship; and participation in Kenya National Drama and Film Festival.

The Commission implemented a School Outreach Programme in institutions of learning aimed at inculcating values and practices on good governance. This programme was implemented in Nairobi, Muranga, Trans Nzoia, Embu, Tana River, Lamu, Laikipia, Uasin

Gishu, Garissa, Mandera, Taita-Taveta, Migori, Homa Bay, Meru, Nakuru, Mombasa, Narok, West Pokot, Kilifi and Mombasa Counties. This programme was held in 371 institutions of learning, reaching 141,582 learners.

In addition, the Commission participated in Tharaka Nithi University new students' induction; Kimathi University and United States International University sensitisation programmes; Tangaza University's Leadership Guild Conference; visited various Vocational Training Centres and facilitated the visit of Karatina University's political science students to the Commission. This programme reached 1,452 students.

The Commission implemented a training programme for 30 Integrity Club Patrons from Nairobi, Makueni, Kitui and Machakos Counties. Further, the Commission held an Integrity Conference whose theme was *Promoting Integrity Education through the Integrity Club* involving 38 participants drawn from primary and secondary schools within Nairobi County.



Commissioner John Ogallo giving IEC materials to a TSC official during the Conference for Integrity Club Patrons

The Commission sensitised 3,484 education stakeholders from various institutions including: Kenya National Examination Council, Ministry of Education, Kenya Secondary Schools Heads Association and Kenya Primary Schools Heads Association and Artists (Drama and Film), among others. Further, the Commission sponsored Kenya Drama and Film Festival where seven trophies were awarded for the anti-corruption category and 700 composers were sensitised. In the sensitisation and awareness creation programmes, the Commission disseminated 18,335 assorted IEC materials.

3.6.5 Media Education Programme

The Commission conducted 34 media programmes that included, three television programmes, 14 electronic and 17 print media articles reaching approximately 14 million citizens.

3.7 National Integrity Academy

The National Integrity Academy (NIAca) is the training arm of the Commission that provides specialised anti-corruption, ethics, integrity and good governance training to both the public and private sector. The Academy developed its Strategic Plan for 2024-2028 and its marketing strategy; conducted specialised training programmes; and reviewed training curricula and manuals.

3.7.1 NIAca Strategic Plan for 2024-28

The Academy developed its Strategic Plan for 2024-2028. The Plan has identified six objectives which include: strengthening NIAca's financial, human and infrastructural capacity; enhancing NIAca's positioning as a centre of excellence on ethics and anti-corruption training; strengthening coordination of training; increasing knowledge on ethics and anti-corruption; leveraging on technology in training on ethics and anti-corruption; and enhancing collaboration in training on ethics and anti-corruption.

3.7.2 Marketing Strategy

The Academy developed and operationalised a marketing strategy for its courses. The goal of the marketing strategy is to position the Academy nationally, regionally and internationally. The Academy marketed its programmes during the Nairobi Agricultural Society of Kenya Trade Fair and Exhibition. During the Trade Fair, 51 Government institutions were engaged and 1,610 persons sensitised on courses offered by the Academy.



Exhibition of the Academy's Training Materials

3.7.3 Specialised Training Programmes

The Academy undertook the following training programmes: Corporate Governance, Audit and Risk in which 13 Council Members and senior members of Staff of Turkana University were trained; Leadership and Integrity for Executives where 43 Kenya Airports Authority Supervisors were trained; and Integrity Assurance training (IAOs) in which 204 IAOs drawn from the various institutions were trained.

In addition, the Academy made presentations to 200 Sub-County Police Commanders on the role of EACC in conducting investigations and a presentation to 14 PhD and Masters students at JKUAT on the Role of Robust Governance System in Supporting Leadership.

3.7.4 Review of Training Curricula and Manuals

The Academy developed Curriculum and Training Manuals for Law Enforcement courses which included Corruption and Ethics Investigations, Financial Investigations, Asset Tracing, Asset Recovery, Alternative Dispute Resolution (ADR) Mechanisms and Mutual Legal Assistance (MLA). In addition, the Academy assisted the Kenya Revenue Authority to review and finalise their IAO Curriculum.

The Academy also reviewed both the Curriculum and Training Manuals for Ethics and Leadership courses. The courses were on Enhancing Ethics in Public Procurement, Enhancing Ethics in Public Procurement Oversight, Leadership and Integrity Course for Executives, Integrity Assurance Officers Course, Ethics in Revenue Management and Ethics in Human Resource Management.

3.8 National Ethics and Corruption Survey, 2023

To strengthen linkage of research evidence with anti-corruption interventions, the Commission finalised and launched the National Ethics and Corruption Survey (NECS), 2023 Report. The Survey findings reveal that majority of respondents (57.3%) perceived corruption levels to be high in the country with greed (42.8%), desire for quick services (5.4%), poverty (4.9%) and culture (3.4%) being cited as the major causes of corruption in public service provision. Hampered economic growth (24.4%), poor living standards (17.8%) and increased cost of living (15.1%) were cited as the leading effects of corruption in the country. The overall national average bribe was estimated at KES 11,625 in 2023, which was an increase compared to KES 6,865 in 2022.

Based on the findings of NECS, 2023, the Commission introduced Anti-Corruption Rapid Results Initiatives (RRI) with the aim of achieving quick but sustainable wins in the war against corruption. The initiatives were introduced at the National Police Service, State Department for Immigration Services and the National Transport and Safety Authority.

3.9 Challenges Encountered

(i) Weak legal and policy framework for implementing Chapter Six of the Constitution

Article 73(2) of the Constitution as read with Section 12A of LIA, requires those to be elected and appointed to State Office to demonstrate highest levels of integrity. However, the threshold provided for in the law in determining integrity of those seeking appointment and election to public office and removal from office of persons in violation of Chapter Six, gives leeway to those with integrity issues to be in public

office. Besides, offences and penalties under LIA are not comprehensive thereby leaving many ethical violations unpunished. There is need to strengthen the legal framework with adequate provisions for barring persons with integrity issues from seeking appointment or election; and for removal from public office. Further, there is need to amend LIA to provide for additional offences and stiffer penalties.

(ii) Weak legal and institutional framework for management of DIALs

Under the current framework, the management of DIALs is designated to responsible Commissions. However, due to the constitutional dispensation, new public entities and offices are created at the National and County Governments without amendment of POEA to cater for the new offices. In addition, there is inadequate legal framework for verification of DIALs which makes it ineffective. The legal framework does not expressly provide for declaration of assets held outside the country. There is need to amend POEA to designate responsible commissions for the new offices created and strengthen the verification framework for DIALs.

(iii) Rapid technological advancements

Perpetrators of corruption exploit technological advacements to further their criminal activities. This derails the Commission from combatting and preventing crime aided by emerging technology.

(iv) Lack of cooperation in obtaining evidence

The Commission has, in several instances, had its investigations hampered by parties who hide, falsify and/or intentionally destroy documents, thus derailing investigations. Further, the Commission has experienced challenges in obtaining evidence from other jurisdictions despite requests for mutual legal assistance.

(v) Intimidation and threats to witnesses

Witnesses in some corruption cases face threats or intimidation from the perpetrators and their associates to prevent them from recording statements during investigations and giving testimony in court. There is a need to fast-track the enactment of the Whistleblower Protection Bill, 2024 and review the Witness Protection Act, 2006.

(vi) Non-compliance with System Review recommendations

The Commission reviews systems, policies, procedures and practices for public and private institutions to identify opportunities for corruption and makes recommendations on how to seal the corruption loopholes. The institutions are required to implement the recommendations made. However, some public entities do not implement the

recommendations of the System Review. There is a need to amend the EACC Act to include sanctions for non-compliance on implementation of the recommendations.

(vii) Inadequate financial, human, physical and technological resources

- Insufficient funding limits the Commission's capacity to develop and sustain its programmes, affecting the execution of its mandate.
- The Commission lacks adequate staff with specialised skills and has a low staff complement.
- The Commission lacks adequate office space, transport fleet and specialised investigative equipment, which impacts its ability to deliver on its mandate.
- The Commission lacks adequate technological resources to keep abreast with global advancement in technology.

CHAPTER 4

PARTNERSHIPS AND NETWORKS

4.1 Introduction

This Chapter presents national, regional and international engagements that were pursued by the Commission. The Commission established and maintained strategic linkages and partnerships to enhance the fight against corruption and to leverage on their respective capabilities and strengths.

4.2 National Engagements

The Commission supported the Kenya Leadership Integrity Forum (KLIF) and collaborated with various development partners, media and civil society.

4.2.1 Kenya Leadership Integrity Forum

The Kenya Leadership Integrity Forum (KLIF) is a platform that brings together stakeholders to provide a collective and collaborative framework for multi-sectoral and citizen driven initiatives against corruption. The Forum comprises state and non-state actors categorised in 21 sectors namely: Executive; Legislature; Judiciary; County Governments; Labour; Anti-Corruption Agencies; Enforcement; Watchdog Agencies; Media Sector; Private Sector; Professional Bodies; Education; Civil Society; Religious Organisations; Constitutional Commissions; Development Partners; Transport Sector; Regional and Sub-Regional Bodies; Regulatory Boards; Financial Services Sector and the Citizenry.

The Commission provides human, financial and technical support to the Forum. During the year under review, the Commission supported implementation of the following programmes: development of Kenya Integrity Plan (2023-28); commemoration of the 7th Edition of the African Anti-Corruption Day on 11 July 2022; and commemoration of International Anti-Corruption Day (IACD), 2023.



EACC Chairperson Dr. David Oginde, EACC CEO/Secretary Mr. Twalib Mbarak, among other stakeholders during the KIP validation workshop held on 20 November, 2023 in Nairobi

The Kenya Integrity Plan (2023-28) envisages collective action and partnership approaches in enhancing integrity and accountability in Kenya. The Plan provides a framework through which the 21 sectors of the Forum come together to fight corruption and promote ethics and integrity amongst its members and society at large. The objectives of the Plan include to: enhance the capacity of KLIF to implement a collective approach in the fight against corruption; promote strengthening of policy, legal and institutional framework in the fight against corruption; promote ethics and integrity in public and private sectors; and promote ethics and integrity in society.



EACC Chairperson Dr. David Oginde, EACC CEO/Secretary Mr. Twalib Mbarak, among other stakeholders during the KIP adoption NCC meeting held on 5 June, 2024 in Nairobi.

The Forum coordinated the commemoration of the African Anti-Corruption Day on 11 July, 2023 under the theme *Elect Leaders of Integrity* to Enhance Transparency and Accountability. The highlight of the commemoration was a public lecture at the University of Nairobi by Hon. Justice (Rtd.) Aaron Ringera.



From bottom left: Hon. Justice (Rtd.) Aaron Ringera, EACC Secretary/Chief Executive Officer Mr. Twalib Mbarak, EACC Vice-Chairperson Dr. Monica Muiru and other participants during commemoration of the African Anti-Corruption Day, 2023 at the University of Nairobi

The Forum coordinated the commemoration of the International Anti-Corruption Day on 9 December, 2023 under the theme *UNCAC at 20: Uniting the World Against Corruption* at Murang'a Technical University grounds in Murang'a County. All the 21 sectors of KLIF participated in the various activities that included training of the County and National Government, public outreach, public lecture and sporting activities targeting the youth.



Ethics and Anti-Corruption Commission Chairperson Bishop Dr. David Oginde, and the Governor of Muranga County lead other KLIF Partners and stakeholders in commemoration of International Anti-Corruption Day (IACD), 2023.

4.2.2 Climate Change Interventions

During the 2023/2024 Financial Year, the Commission, in collaboration with The National Treasury under the Financing Locally-Led Climate Action Programme, conducted a series of corruption reporting initiatives to address the embezzlement of climate funds. The training sessions, aimed at building capacity, focused on County officials, particularly complaints handling officers, public barazas and County Climate Change Units (CCCU) officers. The programme sought to strengthen the ability of these units to report, prevent, and mitigate corruption, address ethical concerns, and promote good governance at the county level. Trainings were held in ten (10) counties, namely: Machakos, Kajiado, Kwale, Taita Taveta, Laikipia, Nyeri, Uasin Gishu, Nandi, Trans Nzoia, and Elgeyo Marakwet. By the end of each session, participants were sensitised on the impact of corruption on climate change and the critical role they play in mitigating climate change through the reporting of corruption, which was identified as a significant catalyst for environmental degradation.

4.2.3 Partnerships with Development Partners

The Commission partnered with the European Union/United Nations Office on Drugs and Crime (EU/UNODC) under the Programme for Legal Empowerment and Aid Delivery in Kenya, Phase II (PLEAD II) to enhance the capacity of key agencies in the fight against corruption. The Programme supported the development of the EACC Strategic Plan (2023-28), NIAca Strategic Plan (2024-28), and KIP (2023-28); automation of Commission processes; development of NIAca curriculum; commemoration of the IACD, 2023; a joint Anti-Corruption Forum with Kenya Editors' Guild; and a capacity-building workshop for governance journalists and Court reporters.



Prime Cabinet Secretary, Hon. Musalia Mudavadi, EGH delivering the Keynote Address during the launch of the Commission's Strategic Plan (2023-2028) in Nairobi on 26 September, 2023.

Deutsche Gesellschaft für Internationale Zusammenarbeit (GmbH), acronymic as GIZ, supported training of KLIF sector representatives on monitoring and evaluation of KIP (2023-28); supported training of County Executives Committee (CEC) Members and County Assembly representatives in six counties and two county assemblies, respectively; and supported the development of Corruption Prevention Committee (CPC) guidelines and manuals.

United Nations Global Compact Network supported workshops and rallied members of the public to participate in the development of Model Procedures for the Anti-Bribery Act, 2016.



H.E. Simon Kachapin, Governor of West Pokot County receiving CPC Guidelines from Commission Staff

4.3 Regional Engagements

The Commission hosted a delegation from various South African Government institutions, civil society organisations and the GIZ Transparency, Integrity and Accountability Programme (TIP). Organisations represented included the Department of Public Service and Administration (DPSA), Office of the Chief Public Procurement Officer (OCOP), Special Investigating Unit (SIU), National Directorate of Public Prosecutions (NDPP), Gauteng Ethics Advisory Council (GEAC), Whistle-blower House (WBH), Corruption Watch (CW), Public Affairs Research Institute and GIZ TIP. The visit, undertaken in July 2023, was aimed at enhancing the knowledge of the visitors on the anti-corruption landscape in Kenya. The Commission also hosted the National Anti-Corruption Advisory Council of South Africa in August 2023. The delegation visited EACC to learn about the policy, legislative and institutional structures of the Commission as well as its collaboration with other agencies, its successes and challenges.

The Commission hosted a regional forum on asset recovery in partnership with GIZ. Additionally, EACC hosted officials from the African Development Bank to explore further areas of collaboration between the Bank and the Commission in strengthening EACC's capacity to discharge its mandate more effectively in the protection of public funds in Kenya.

The Commission also hosted a delegation from the Anti-Corruption Commission of Zambia October, 2023, which visited Kenya for benchmarking on anti-corruption strategies such as high-impact investigations, asset recovery, prevention, ethics promotion and inter-agency linkages. In addition, EACC hosted a delegation of senior Government officials from Zambian State Agencies in June, 2024, including Anti-Corruption Commission of Zambia, the Human Rights Commission, the National Prosecution Authority and the Office of the Public Prosecutor, who visited the Commission to study and learn from Kenya's legal, policy and institutional framework for fighting corruption.

4.4 International Engagements

The Commission hosted the EU Ambassador to Kenya and discussed the ongoing partnership under PLEAD II, which is being implemented through UNODC. Additionally, EACC hosted officials from the Embassy of the People's Republic of China in Kenya. The meeting explored areas of collaboration to strengthen the fight against corruption. Further, the Commission hosted the Director of the Federal Bureau of Investigations (FBI), who was on a technical and operational working visit to Kenya. The meeting explored various collaboration initiatives for effective modern law enforcement, including countering transnational corruption and economic crimes.



EACC Secretary/CEO Mr. Twalib Mbarak having a discussion with Federal Bureau of Investigations (FBI) Director Mr. Christopher Wray at Integrity Centre on 11 June, 2024.

The Commission was represented at the following international fora:

(i) Africa Anti-Corruption Day, 2023 commemoration, July 2023, Tanzania;

(ii) 6th General Assembly of the African Association of Anti-Corruption Authorities (AAACA), July 2023, South Africa;

(iii) 3rd Belt and Road Forum for International Cooperation, October 2023, China;

(iv) 10th Conference of the State Parties (COSP10) to the United Nations Convention Against Corruption (UNCAC), December 2023, USA;

(v) 8th Independent Commission Against Corruption (ICAC) Symposium, March 2024, Hong Kong;

(vi) Inaugural Meeting of the African Anti-Corruption Law Enforcement (AFR LEN), April 2024, Mauritius;

(vii) 26th Executive Committee Meeting and 15th Annual General Meeting of the Eastern Africa Association of Anti-Corruption Authorities (EAAACA), May 2024, Ethiopia;

(viii) 14th Regional Conference of Heads of Anti-Corruption Agencies in Commonwealth Africa, May 2024, Ghana;

(ix) 21st International Anti-Corruption Conference, June 2024, Lithuania; and

(x) 10th Meeting of the Regional Asset Recovery Inter-Agency Network, June 2024, Netherlands.



EACC Deputy CEO Mr. Abdi Mohammud with other delegates during the 14th Regional Conference of Heads of Anti-Corruption Agencies in Commonwealth Africa held in Ghana

CHAPTER 5

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 30TH, 2024

REPUBLIC OF KENYA

OAG

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

ETHICS AND ANTI-CORRUPTION COMMISSION

FOR THE YEAR ENDED 30 JUNE, 2024

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
03 OCT 2024

ETHICS AND ANTI - CORRUPTION COMMISSION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

Ethics & Anti-Corruption Commission
Annual Report and Financial Statements
for the year ended June 30, 2024

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1. Acronyms and Definition of Key Terms

A: Acronyms

CEO	Chief Executive Officer
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
ODPP	Office of the Director of Public Prosecutions
PPE	Property, Plant and Equipment

B: Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organisation

Comparative Year- Means the prior period

The Act- Means the Ethics and Anti-corruption Act, 2011

2. Key Entity Information and Management

(a) Background information

The Ethics and Anti-Corruption Commission (EACC) was established under the Ethics and Anti-Commission Act, 2011. The EACC is domiciled in Kenya and has Regional Offices in Western (Bungoma), North Rift (Eldoret), North Eastern (Garissa), Upper Eastern (Isiolo), South Nyanza (Kisii), Central Nyanza (Kisumu), Lower Eastern (Machakos), Upper Coast (Malindi), Lower Coast (Mombasa), South Rift (Nakuru), and Central (Nyeri).

The EACC is structured in an elaborate framework for performance of its functions as enumerated in the EACC Act, 2011. The Chairperson of Commission leads a team of Commissioners who are in charge of policy, oversight and strategy. The Commission Secretary who is also the Chief Executive Officer leads the Secretariat. The Secretariat functions are structured in to Directorates of Investigations; Legal Services and Asset recovery; Ethics and Leadership; Preventive Services; Corporate Services; Finance and Planning; and Field Services and Coordination. Each Directorate is headed by a director. Further, there are independent units such as Supply Chain, Internal Audit, and National Integrity Academy that report directly to the Chief Executive Officer.

(b) Principal Activities

The Principal Mandate of the Commission is to combat and prevent corruption, economic crimes and unethical conduct through law enforcement, prevention, public education and promotion of ethical standards and practices. The mandate is derived from Articles 79 and 252 of the Constitution; the EACC Act, No.22 of 2011; the Leadership and Integrity Act (LIA) Act No.19 of 2012; Public Officers Ethics Act, No. 4 of 2003; Anti-Corruption and Economics Crimes Act No. 4 of 2003; and the Bribery Act, No.47 of 2016 among other relevant laws and legislation.

Vision	:	An Integrity and Values -driven Kenyan Society.
Mission	:	To promote integrity and combat corruption through law enforcement, prevention and education.
Core Objectives	:	Law Enforcement; Promotion of Ethics and Integrity, Prevention of Corruption and Unethical Practices, Education, Training and Public Awareness and institutional enables.
Functions	:	Develop codes of ethics and promotion of standards and best practices in integrity and anti-corruption for State and public offices; investigate and recommend to the Office of the Director of Public Prosecutions the

prosecution of any acts of corruption, bribery, economic crimes or violation of codes of ethics; oversee the enforcement of codes of ethics and recommend appropriate action to be taken against State Officers or Public Officers alleged to have engaged in unethical conduct; advise, on its own initiative, any person on any matter within its functions; Raise public awareness on ethical issues and educate the public on the dangers of corruption and enlist and foster public support in combating corruption; monitor the practices and procedures of public bodies to detect corrupt practices and to secure the revision of methods of work or procedures that may be conducive to corrupt practices; and institute and conduct proceedings in court for purposes of the recovery or protection of public property, or for the freeze or confiscation of proceeds of corruption or related to corruption, or the payment of compensation, or other punitive and disciplinary measures.

(c) Key Management

The EACC day-to-day management is under the following key organs:

- Commissioners
- Accounting Officer/Secretary/CEO
- Executive Management

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Secretary/Chief Executive Officer	Mr. Twalib Mbarak, MGH, CBS
2.	Deputy Chief Executive Officer	Mr. Abdi A. Mohamud, MBS
3.	Director, Finance and Planning	CPA Joel I.Mukumu, OGW
4.	Director, Preventive Services	Mr.Vincent O.Okong'o, MBS, 'ndc' (K)
5	Director, Investigations	Mr. Paschal K. Mweu, OGW
6.	Director, Legal Services & Asset Recovery	Mr. David K.Too, OGW
7.	Director, Ethics and Leadership	FCPA John Lolkoloi, OGW
8.	Director, Field Services & Coordination	Mr. Jackson K. Mue, OGW
9.	Head, Human Resource Management	Ms. Ellyjoy G. Bundi, HSC
10.	Head, Supply Chain Management	Mr. Eddie Odhiambo

(e) Fiduciary Oversight Arrangements

Audit and Risk Committee

Audit and Risk Committee form a key element in the governance process by providing an independent expert assessment on the activities of top management, the quality of risk management, financial reporting, financial management and internal audit to the Commission.

Finance Planning and Supply Chain Management Committee

The Committee reviews and offers guidance on policies and reports related to the financial and Supply Chain Management functions.

Enforcement Committee

The Committee is tasked with the responsibility of reviewing, adjudicating and advising on investigations of corruption cases presented by a team of investigators and lawyers from the Directorates of: Investigations; Legal Services and Asset Recovery; Field Services and Coordination; and Ethics and Leadership.

Corruption Prevention, Education & Public Engagement Committee

The Committee is tasked with the responsibility of reviewing and advising on corruption prevention strategies and policies.

Support Services Committee

The Committee reviews and advises on strategies and policies touching on Human Resource Management, Corporate Affairs and Public Communication, Administration and ICT.

Parliamentary Oversight Committees

National Assembly Department of Justice and Legal Affairs Committee (JLAC) and Public Accounts Committee ensure transparency and openness of EACC activities; hold EACC accountable; provides financial accountability; and uphold the rule of law.

Commission Committees	Members
Enforcement	Commissioner Col. (Rtd) Alfred Mshimba, MBS - Chairperson Commissioner Dr. Monica Muiru PhD, MBS
Corruption Prevention, Education and Public Engagement	Commissioner Dr. Cecilia Mutuku PhD, CHRP, CPS-K- Chairperson Commissioner CPA John Ogallo
Support Services	Commissioner Dr. Monica Muiru PhD, MBS - Chairperson Commissioner Dr. Cecilia Mutuku PhD, CHRP, CPS-K
Audit & Risk	Lawrence Nyalle - (Independent Chairperson) John Matagaro (Representative, National Treasury) Commissioner – CPA John Ogallo Commissioner Dr. Monica Muiru PhD, MBS Commissioner Dr. Cecilia Mutuku PhD, CHRP, CPS-K
Finance, Planning and Supply Chain Management	Commissioner CPA John Ogallo - Chairperson Commissioner Col. (Rtd) Alfred Mshimba, MBS

(f) Entity Headquarters

P.O. Box 61130-00200
Integrity Centre
Jakaya Kikwete/Valley Road Junction
Nairobi, Kenya

(g) Entity Contacts

Tel: (254) (020) 4997000
Mobile: 0709 781000; 0730 997000
Email address: eacc@integrity.go.ke
Website: www.eacc.go.ke

(h) Entity Bankers

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

2. Kenya Commercial Bank
   Headquarters
   P.O. Box 69695-00400
   Nairobi, Kenya

(i) Independent Auditor

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

(j) Principal Legal Adviser

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

3. The Commission

Ref	Commission Members	Details
1.	 **David Oginde, PhD, FCS** Doctor of Philosophy in Organisational Leadership from Regent University USA, a Master of Arts in Leadership from PAC University, and a Bachelor of Architecture from the University of Nairobi.	**Independent Chairperson** Born in the year 1959; Appointed Chairperson of EACC on 29th April 2023 and assumed office on the 9th of May 2023. He is the Chairperson of the University Council of the Mama Ngina University College; the Evangelicals of Kenya and the Vice Chair of the Association of Evangelicals in Africa. He is a renowned and distinguished leader with specialization in leadership and governance. He has published several books and written articles in various leadership journals and is the founder of The CATALEAD Associates, a leadership development firm and runs the popular Leadership Forum on hope FM.
2.	 **Dr. Monica Muiru PhD, MBS** Doctor of Philosophy in Business & Management from Egerton University, Master Degree in Accounting and Finance, Bachelor of Commerce Degree in Business Administration from University of Nairobi.	**Vice Chairperson and Independent Commissioner** Born in the year 1965; She is a trained, experienced and internationally exposed professional and academic scholar with many years of experience in accounting, finance and management. She previously served as a lecturer at Egerton University and worked at Kenya Broadcasting Corporation (KBC), East African Standard, Mellon Bank in Pittsburgh USA and Motient Corporation, Reston, Virginia, USA. In addition, a fellow of the Chartered Institute of Marketing, a member of Zonta International and an Associate member of the American Chartered Institute of Accounting. She chairs the Support Services Committee.

3.	 **Col. (Rtd) Alfred Mshimba, MBS** Master of Business Administration in Strategic Management from the University of Nairobi and a Bachelor's Degree in Business Administration.	**Independent Commissioner** Born in the year 1959; and a retired career military officer with over 30 years' experience in leadership, administration, human resource management, procurement and diplomacy. In addition, Commissioner Col. (Rtd) Mshimba, has been recognized for his service and was honoured by receiving the Military Observer, United Nations Western Sahara Morocco (MINRUSO) Medal. He chairs the Enforcement Committee.
4.	 **Dr. Cecilia Mutuku, PhD, CHRP, CPS -K** Doctor of Philosophy and Masters in Business Administration, with a specialization in Human Resources Management (HRM), both from The University of Nairobi (UoN). In addition, a Certificate in Quality Management by the International Trade Centre (ITC). A member of the Institute of Human Resources (IHRM), Institute of Certified Secretaries (ICS) and The National Quality Institute (NQI). A member of the American Society for Quality (ASQ) and the Kenya Institute of Management (KIM).	**Independent Commissioner** Born in the year 1968 and holds extensive experience in Human Resource and Governance biased in policy development, leadership, organization behaviours and reforms, performance improvement, culture change and quality management. She has held senior positions at Kenya Bureau of Standard and National Quality Institute. She is passionate about excellence and quality especially within the public sector institutions and has been spearheading Training of Anti Bribery Management systems (ABMS) Standard in various forums. She chairs the Corruption Prevention, Education and Public Engagement Committee.

5.	 **CPA John Ogallo** Holds a Master of Business Administration (MBA) degree from the University of Sheffield (UK), and Post-Graduate Diploma in Public Financial Management from the University of London. In addition, Certified Public Accountant (CPA-K).	**Independent Commissioner** Born in the year 1956, and vast experience in Financial Management and Governance at World Bank. In addition, he has led teams in providing technical assistance to strengthen institutions on accountability; and undertake fiduciary due diligence, advisory services and analytics. He chairs Finance, Planning and Supply Chain Management Committee.
6.	 **Twalib Mbarak, MGH, CBS** Master of Arts Degree in Armed Conflict and Peace Studies (UoN) Bachelor of Arts (Political Science and Sociology (UoN)	**Secretary to the Commission and Chief Executive Officer** Born in the year 1965 and has served in high-ranking positions in the Military, Intelligence and Corporate Sectors for 39 years. Holds extensive experience in the fields of security and intelligence.

4. Key Management Team

Ref	Management	Details
1.	 **Mr. Twalib Mbarak, MGH, CBS** **Secretary/Chief Executive Officer** Master of Arts in Armed Conflict & Peace Studies Bachelor of Arts (Political Science and Sociology)	He is the Accounting Officer and Secretary/Chief executive Officer of the Commission. He is charged with the day-to-day operations, providing strategic, financial and operational leadership
2.	 **Mr. Abdi A. Mohamud, MBS** **Deputy Chief Executive Officer** Master of Science (Security and Risk Management), Bachelor of Laws (LLB) Postgraduate Diploma in law.	He deputizes the Chief Executive Officer (CEO) in the day to day operations of the Commission.
3.	 **CPA Joel I. Mukumu, OGW** **Director, Finance and Planning** Master of Business Administration (Finance), Bachelor of Commerce -Accounting Option. Certified Public Accountant of Kenya.	Provide Directorate's leadership in implementation of PFM, Act 2012, PFMA (Amendments), 2023, PFMA, Regulations, 2015 and policy formulation, implementation and coordination of the Finance, Planning and Budget functions of the Commission. In addition, lead overall management of the Directorate's functions and activities.

4.	 **Mr. Vincent O. Okong'o, MBS, 'ndc' (K)** **Director, Preventive Services** Master of Arts (Economics & Social Studies) Master of Arts in Economic Policy Management.	Provide Directorate's leadership in policy formulation, implementation and advisory on Preventive measures including prevention, public awareness, training, research, central repository and overall management of the Directorate's functions and activities.
5.	 **Mr. Paschal K.Mweu, OGW** **Director, Investigations** Master Degree in Governance & Ethics Bachelor Degree in Philosophy.	Provide Directorate's leadership in policy, formulation, implementation and advisory investigative role in line with anti-corruption, economic and bribery laws and other laws implemented by the Commission, Further, manages the Directorates functions and activities
6.	 **Mr. David K. Too, OGW** **Director, Legal Services & Asset Recovery** Master of Business Administration Bachelor of Laws (LLB), Diploma in Law.	Provide Directorate's leadership in policy formulation, implementation, and advisory on principal anti-corruption, economic and bribery laws (ACECA,2003; POEA, 2003, LIA,2012, Bribery Act, 2016,) and other relevant laws. In addition, lead asset recovery related to corruption and overall management of the Directorate's functions and activities.

7.	 **FCPA John Lolkoloi, OGW** **Director, Ethics & Leadership** Master of Business Administration (Strategic Management), Bachelor of Commerce (Finance), Certified Public Accountant of Kenya.	Provide Directorate's leadership in implementation of Chapter Six of the Constitution and LIA, Act 2012, development of ethical standards and practices in public service and overall management of the Directorate's functions and activities.
8.	 **Mr. Jackson K. Mue, OGW** **Director, Field Services & Coordination** Master of Science in ICT Policy and Regulation, Bachelor of Science (Mathematics & Computer Science). Post Graduate Diploma in Computer Science.	Provide Directorate's leadership in coordination of Commission functions at regional levels, partnerships, and support the office of Secretary/Chief Executive Officer in general administration and overall management of the Directorate's functions and activities.
9.	 **Ms. Ellyjoy G. Bundi, HSC** **Deputy Director, Human Resource Management** Master of Business Administration (HRM) Bachelor of Education, Diploma in Human Resources Management.	Provide Commission leadership in human capital management and relevant labour laws, implementation of key human resource aspect such as staff succession planning, development, retention, training, and overall management of the Commission staff related functions and activities.

10.	 **Mr. Eddie Odhiambo** **Deputy Director, Supply Chain Management** Master of Business Administration Bachelor of Science (Statistics & Computer Science), Diploma in Purchasing and Supplies Management Chartered International Procurement Professional.	Provide leadership in implementation of Public Procurement and Disposal Act, 2015 and related regulations in supply chain management functions of the commission and overall management and supportive function of the Commission.

5. Statement by Chairperson



In the FY 2023/2024, the Ethics and Anti-Corruption Commission launched its Third Strategic Plan (2023-2028), which reflects a transformative approach to anti-corruption reforms. The Plan focuses on four key pillars: Law Enforcement; Promotion of Ethics and Integrity; Prevention of Corruption and Unethical Practices; and Education, Training, and Public Awareness.

The Plan outlines key institutional enablers, including; Human Capital, Infrastructure, Financial Resources, Partnerships, Technology, Communication, Branding, and Corporate Structures. The plan documents the strategies the Commission has prioritized to guide in the implementation of its mandate during the review period.

The Plan aligns interventions by EACC to the current government priorities under the Bottom-up Economic Transformation Agenda (BETA) and other blueprints. The Commission remains committed to improving public financial management and reporting on public expenditures. The Commission acknowledges the ongoing financial support from the Government of Kenya, which is essential for the continuation of its programs and activities.

The Commission has continued to forge strategic partnerships with state and non-state actors aimed at promoting good governance, rule law and strengthening the criminal justice system to enhance the fight against corruption.

David Oginde, PhD, FCS
CHAIRPERSON

6. Report Of The Secretary/Chief Executive Officer



The Ethics and Anti-Corruption Commission presents the Annual Report and Financial Statements for the Financial Year 2023/2024. This Report is prepared in accordance with section 27 of the Ethics and Anti-Corruption Commission Act, 2011, and section 45 of the Leadership and Integrity Act, 2012.

The annual accounts are prepared, audited, and reported in line with the Public Audit Act, 2003, and the Public Finance Management Act, 2012, adhering to International Public Sector Accounting Standards (IPSAS) for prudent financial management and reporting. The Report includes comprehensive financial statements, such as the Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets, Statement of Cash Flows, and Statement of Comparison of Budget and Actual Amounts, along with other explanatory notes.

During the period under review, the Commission was allocated a recurrent budget ceiling of Kshs. 3.915 Billion and a development budget of Kshs. 68.14 Million for refurbishing the Integrity Centre and automating EACC processes. The Commission successfully absorbed Kshs. 3.76 Billion of the recurrent budget and Kshs. 59.57 Million of the development budget.

These financial resources enabled the Commission to effectively discharge its mandate, achieving significant milestones. These include concluding a higher number of high-impact investigations, recovering corruptly acquired assets and unexplained assets, disrupting corruption networks and improving the monitoring of anti-corruption prevention programs.

Additionally, the Commission strengthened its institutional capacity through continuous trainings to enhance skills and competencies. The Commission also expanded its investigation infrastructure by acquiring specialized equipment and tools.

The Commission remains committed to ensuring compliance with applicable laws in the management of public funds allocated for its operations.



Twalib Mbarak, MGH, CBS
SECRETARY/CHIEF EXECUTIVE OFFICER

7. Statement of Performance Against Predetermined Objectives for FY 2023/2024

EACC has five strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2023/2024. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1: Law Enforcement

Pillar/theme/issue 2: Promotion of Ethics and Integrity

Pillar/theme/issue 3: Prevention of Corruption and Unethical Practices

Pillar/theme/issue 4: Education, Training and Public Awareness

Pillar/theme/issue 5: Institutional Enablers

EACC develops its annual work plans based on the above five pillars/Themes/Issues. Assessment of the Commission's performance against its annual work plans is done on a quarterly basis. The EACC achieved its performance targets set for the FY 2023/24 period on its five strategic pillars, as indicated in the table below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1: Law Enforcement	To effectively deter and punish corruption and unethical practices;	Asset tracing guidelines developed and operationalized	Develop guidelines for tracing of unexplained wealth & for utilization of recovered assets	Not developed
		No. of high impact forensic investigations completed	Expedite completion for forensic and bribery investigations	94 against target 124
		No. of low impact investigations completed		72 against target 132
		No. of bribery investigations completed		99 against target 163
		No. of investigative warrants orders obtained	Optimize support for investigations	1,546 against target 850
		Value in millions of assets restituted	Restitute recovered assets to legitimate owners/victims	2,9 Billon against target 3,1 Billion
		Value in millions of loss averted	Increase disruption of corruption networks	2,9 Billion against target 7 Billon
Pillar/ theme/ issue 2: Promotion of Ethics and Integrity	To promote ethics and integrity	No. of ethical violations investigations completed	Increase investigations on unethical violations	56 against target 80

		Value in millions of irregular obtained benefits		1.1 million against target 1.5million
		% compliance with requirements to submit bank accounts statements annually.	Expand scope of compliance by public officers with requirements for operating banks accounts outside Kenya	70%against target 100%
		No. of codes of conduct and ethics developed, reviewed, approved or gazetted.	Expedite development, review and approval of codes of conduct and ethics for remaining public institutions	1 code reviewed and approved against a target of 6
		No. of gifts, donations and conflict of interest registers operationalized	Support implementation of gifts, donations and conflict of interest registers	8 against target of 10
		% level of compliance on commitment by all appointed and elected state officers	Facilitate and monitor commitment to specific leadership and integrity codes by all appointed and elected state officers	All or 129 signing of and commitment of the Leadership and Integrity. 100% compliance
Pillar/ theme/ issue 3: Prevention of Corruption and Unethical Practices	To improve institutional accountability in public and private sectors	No. of institutions empowered	Empower public institutions to carryout own Corruption Risks Assessments	3 County Government entities empowered against a target of 7
		No. of system Review Reports produced	Conduct comprehensive systems in key/large programmes, projects, sectors and functional areas at national and county level.	6 System review Reports. Surpassed by 3 Reports
		No. of assessments reports	Increase the number of follow-ups to assess the implementation of system review recommendations	1 assessment Report against target 10
		No of research reports	Undertake research in new and emerging issues related to corruption and unethical conduct	2 Research Reports against a target of 2

Pillar/ theme/ issue 4: Education, Training and Public Awareness	To increase public involvement in the fight against corruption and unethical practices	No. of targeted public outreach programmes implemented	Enlist public support through targeted public outreach programmes	12 public outreaches against 16
		No. of learning institutions reached	Mainstream value-based education in institutions of learning	371 learning institutions against 250
		No. of state and non-state institutions reached	Undertake sector-based awareness and sensitization programmes	132 state and non-state actors against target of 60
	Develop capacity for NIAca to deliver on its mandate	NIAca Strategic Plan developed and Operationalized	Develop and operationalize Strategic Plan for NIAca	Strategic Plan Developed (2024-2028)
Pillar/ theme/ issue 5: Institutional Enablers	To enhance cooperation, collaboration and coordination in the fight against corruption and unethical practices	No. of joint initiatives implemented	Carry out joint initiatives against corruption (Commemorations, Criminal justice sector engagements, NCAJ)	6 initiatives against target 10
		No. of KLIF partners committing to implement the KIP	Develop and implement collective action agreements among the KLIF partners	Kenya Integrity Plan (2023-2027) developed
	To improve organizational efficiency and effectiveness	Baseline study on staff culture change	Implement culture change programmes	Not undertaken
		Compliance in Departmental annual work plans	Link budget to annual work plans	100 %
		Primary, Secondary and Data Recovery Sites Uptime	Implement High Availability (HA) for Commission Systems and Services	99% availability
		Monthly media monitoring Report	Undertake daily media monitoring and analysis	12 Monthly Reports against 12

8. Corporate Governance Statement

The Ethics and Anti-Corruption Commission (EACC) is a Constitutional Commission created pursuant to Article 79 of the Constitution of Kenya 2010 and established under Section 3 of the Ethics and Anti-Corruption Commission Act No. 22 of 2011. The mandate of the Commission is to combat and prevent corruption, economic crimes and unethical conduct through law enforcement, prevention, public education and promotion of ethical standards and practices.

Size, Composition & Appointment of the Commission

The EACC Act provides for the functions and powers of the Commission, qualifications, and procedures for the appointment of the Chairperson and Members of the Commission, and for other related purposes. The Chairperson and Members of the Commission serve for a single term of six (6) years on a part-time basis. The Chief Executive Officer serves as the Secretary to the Commission for a single term of six (6) years. The Secretary is responsible for strategic, financial and operational leadership.

Oversight role of the Commission

Section 11 (6) of the EACC Act provides for the functions of Commissioners majorly threefold: policy, oversight, and strategy. That is, assist the Commission in policy formulation and ensure that its staff perform their duties to the highest standards; give strategic direction; establish and maintain strategic linkages and partnerships with other stakeholders in the rule of law and other governance sector.

Commission Committees and Responsibilities

The Commission meets as often as may be necessary for the discharge of its business. The proceedings of meetings of the Commission are governed by the Second Schedule of the Ethics and Anti-Corruption Act, No. 22 of 2011.

In order to fulfil its Fiduciary duties, the Commission has established **four (4)** Standing Committees namely; Finance and Supply Chain Management, Enforcement, Support Services, and Corruption Prevention for the effective discharge of the oversight function. A Commissioner chairs the Committees with members co-opted from heads of Directorates and Departments with relevant experience and skills.

Risk and Audit Committee; established in accordance with the Public Finance Management Act to support the Commission through monitoring and reviewing the risk, control and governance processes.

Conflict of Interest

Commission members are obliged to disclose any real or potential conflict, whether direct or indirect. Where a member discloses the conflict of interest he or she is obligated to recuse himself/herself over the matter in question.

Code of Conduct and Ethics

Good Corporate Governance is engrained as a valuable contributor to the long-term success of the Commission. The Core Values; fidelity to the law, integrity, professionalism, courage, teamwork and innovation steer the decision-making processes. The Commission conducts its operations in compliance with relevant legal principles and high ethical standards. The Commission, Management and staff are required to observe the code and high standards of integrity, even when dealing with all stakeholders.

Accountability

The Commission is required by EACC Act Sect. 27 to prepare an Annual Report at the end of each financial year and submit to the President and the National Assembly. The report is an accountability tool detailing the activities of the Commission, achievements and any impediment that hinders the discharge of its mandate. The Commission also prepares Annual financial statements in accordance with the law and audited by the Office of the Auditor General.

9. Management Discussion and Analysis

9.1 Reports on Corruption Received by the Commission

Out of 5,171 reports received, 2,207 were relevant to the Commission's mandate and were recommended for investigation. This represented 42.7 percent of reports received an increase from 37 percent in the previous period as presented in Figure 1.

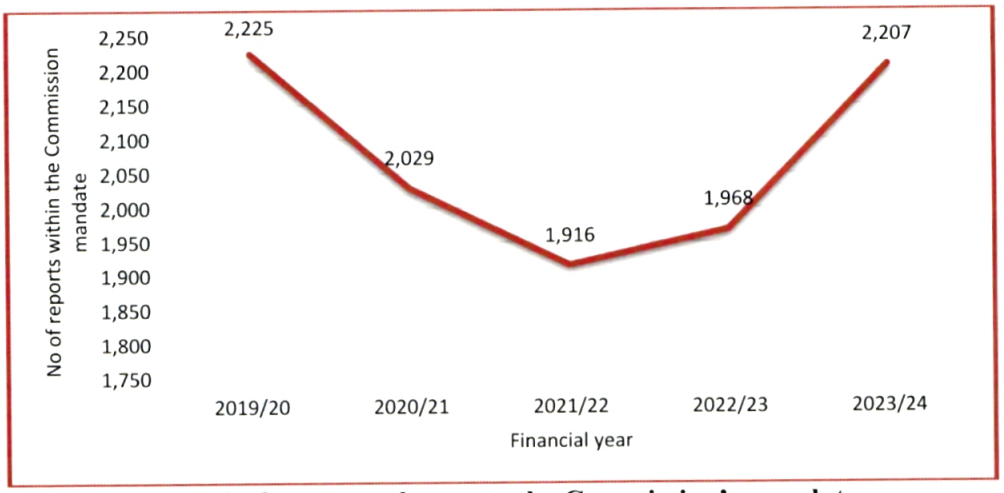


Figure 2.2: Trend of reports relevant to the Commission's mandate

9.2 Cases Forwarded to the Office of the Director of Public Prosecutions

Upon satisfying threshold for investigation and relevant evidence obtained, the completed files are submitted to the ODPP for determination. The independent review by ODPP results in either concurrence with EACC recommendation, return for further investigations, administration action and closure. The Commission has consistently achieved case concurrence rate of above 88% as indicated in Table 1.

Table 1: Reports to ODPP with Recommendation to Prosecute

Year	No. of Reports	Accepted	Not Accepted	Concurrence rate (%)
2019/20	43	40	3	93
2020/21	70	68	2	97
2021/22	97	80	17	82
2022/23	74	68	6	92
2023/24	104	90	14	87

Table 2 presents the results of reports to DPP with recommendation for administrative action. On average, 89 percent concurrence rate is observed over the period.

Table: 2 Reports to DPP with Recommendation for Administrative Action

Year	No. of Reports	Accepted	Not Accepted	Concurrence rate (%)
2019/20	10	9	1	90
2020/21	15	12	3	80
2021/22	9	9	0	100
2022/23	1	1	0	100
2023/24	8	4	4	50

Table 3. shows reports to DPP with recommendation for closure for the Five-Year period. The Commission has achieved a concurrence rate of 88 percent.

Table 3: Reports to DPP with Recommendation for Closure

Year	No. of Reports	Accepted	Not Accepted	Concurrence rate (%)
2019/20	19	17	2	89
2020/21	19	18	1	95
2021/22	48	38	10	79
2022/23	22	18	4	82
2023/24	14	14	0	100

9.3 Outcome of Cases Finalized in Court

The cases that are scrutinized by ODPP and determined for prosecution in court and Table 4 provides outcome of cases in finalized showing a 46 percent conviction rate.

Table 4: Outcome of cases finalized in Court

Year	No of cases finalized	Conviction	Acquittal	Discharge	Conviction rate (%)
2019/20	55	23	28	4	42
2020/21	31	23	5	3	74
2021/22	60	30	27	3	50
2022/23	75	27	16	34	36
2023/24	46	12	9	24	26
Average Conviction rate					**46**

The Commission recovers assets acquired out of corruption and economic crime as deterrent measure. Table 5 presents the estimated value of assets recovered in the period FY 2019/20 to FY 2023/2024.

Table 5: Assets Recovered

Assets Recovered (2019/20-2023/24)					
Year	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Value in (million) of public assets recovered	12,120	6,500	940	3,800	2,994

9.4 Loss averted through Disruption of Corruption Networks

The Commission averted possible loss of the public funds in intelligence gathering strategy. The results are shown in Figure 2.

Public loss averted (2019/20-2023/24)					
Year	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Value in (million) of public funds loss averted	10,000	8,000	4,000	4,740	2,900

9.5 Financial Performance

The Commission is committed to comply with Public Finance Management Act, 2012 in execution of its mandate. The Government through The National Treasury funds the Commission programmes and activities. The Commission has consistently utilized allocated budget at above 96% absorption rate as recorded in five-year period.

Table: Financial Absorption rate

	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**Average**
% Absorption rate	**97**	**99**	**99**	**94.60**	**96**	**97.1**

9.6 Commission's key projects or investments decision implemented or ongoing

The Commission is undertaking refurbishment of the EACC Headquarters to create available work space and improve the aesthetic of the building. The refurbishment is projected to be completed in FY 2024/25.

9.7 Major risks facing the Commission

Operational risks	
1.	Inadequate number of Staff
2.	Breakdown of Commission motor vehicles
3.	Inadequate equipment's in ICT, survey and valuation
4.	Gaps in integrity laws to support investigation on ethical breaches
Financial risks	
5.	Inadequate funding of Commission's operations
6.	Delayed Exchequer disbursements
Compliance Risks	
7.	Failure by state organs to implement preventive recommendations
Reputational risk	
8.	Inaccurate media information

9.8 EACC's compliance with statutory requirements

The EACC sticks to the provision of the EACC Act, 2011 on the appointment of the Commission, which comprise of a Chairperson and four other Members. They are appointed in accordance with the provisions of the Constitution and the Act. The Chairperson and Members of the Commission serve for a single term of six (6) years on a part-time basis. The Chief Executive Officer serves as the Secretary to the Commission.

9.9 Review of the economy and GJLO Sector

Kenya's real GDP growth accelerated to 5.2% in 2023, surpassing the previous year's growth of 4.8% in 2022. The growth in 2023 growth was driven by the recovery of the agriculture sector, following improved weather conditions, and the services sector, with tourism and financial services contributing the most. GDP growth over the medium term is expected to remain at around 5.2 percent, broadly in line with the macro-economic indicators and Kenya's estimated potential GDP growth rate. Real per capita incomes are expected to grow at around 3 percent in the medium term, and poverty is expected to resume its pre-pandemic downward trend.

The Commission is classified under Governance Justice law Order (GJLO) Sector which contributes directly and indirectly to the Gross Domestic Product (GDP). Its direct contribution includes revenue generation in terms of court fees, court fines, and fees incidental to provision of services. The indirect contribution to GDP is through creating a secure and conducive business environment to enhance the productivity of other sectors.

10. Environmental and Sustainability Reporting

i) Sustainability Strategy and Profile FY 2023/2024

a) Strengthening Anti-Corruption Legal framework

The Commission contributed to the strengthening of policy and legal anti-corruption framework in the country. These include Statute Law (Miscellaneous Amendment) Act No. 19 of 2023; Anti-Money Laundering and Combating of Terrorism Financing Laws (Amendment) Act, 2023; and Development of Anti-Corruption Law and Policy-Conflict of Interest Bill, 2023. The Bill is expected to enhance collaboration, synergies and efficiencies between oversight agencies, increase the level of transparency and disclosures on private interests/wealth of public officials, and establish robust mechanisms for managing conflicts of interest.

b) Strategic Plan 2023-2028

On 26th September 2023, the Commission launched its Strategic Plan (2023-2028) that is supported by four (4) key pillars, which are derived from the Commission's mandate. The pillars include: Law Enforcement; Promotion of Ethics and Integrity; Prevention of Corruption and Unethical Practices; and Education, Training and Public Awareness.

The pillars provide a framework for transformation of the Commission into a vibrant, efficient and effective institution in the fight against corruption and unethical practices.

The key institutional enablers for this transformation framework include; Human Capital and Infrastructure; Financial Resources; Partnerships, Collaborations and Coordination; Technology; Communication and Branding; and Corporate Structures, Policies and Procedures

c) Partnerships, Collaborations and Coordination

In FY 2023/2024, the Commission continued its partnerships, collaborations and coordination with international peer agencies such as; the Federal Bureau of Investigation (FBI) which was culminated into a high level visit by the Director of FBI. During the visit, collaboration initiatives for effective modern law enforcement, including countering transnational corruption and economic crimes were explored. The meeting also explored ways of leveraging on exchange of information to support tracing and recovery of corruptly acquired assets stashed abroad.

The Commission also continued to engage development partners including; GIZ and the European Union/United Nations Office on Drugs and Crime (EU/UNODC) under the Programme for Legal Empowerment and Aid Delivery in Kenya, Phase II (PLEAD II) in order to enhance capacity in the fight against corruption.

The Commission held several meetings with Excellency Ambassadors and peer agencies to explore areas of collaboration on capacity building and information sharing.

d) Achievements

EACC completed 126 cases and files forwarded to the Director of Public Prosecutions (DPP) with appropriate recommendations. 45 cases on corruption, economic crimes and bribery were finalized in court; resulting in 12 convictions, 24 acquittals and 9 withdrawals.

In addition, EACC also undertook 11 proactive investigations resulting into disruption of corruption networks and averting public loss of approximately Kshs. 2.9 Billion. Further, the Commission recovered unexplained and corruptly acquired assets valued at approximately Kshs. 2.9 Billion.

The Commission finalized three Examination Reports covering systems, policies, procedures and practices, besides finalized Eight Corruption Risk Assessments Corruption Reports in various public institutions aimed at identifying and mitigating corruption loopholes. In additions, provided 166 advisories to Ministries, Departments and Agencies (MDAs) on prevention of Bribery and Corruption.

The Commission conducted 34 media programmes that included, three television programmes, 14 electronic and 17 print media articles reaching approximately 14 million citizens. In addition, sensitized 13 education stakeholders on ethics and integrity from 371 institutions of learning with 142,493 leaners being reached.

ii) Environmental performance

In order to embrace sustainable waste disposal, the Commission has a service level agreement with a supplier to provide cleaning, collection and disposal of various categories of waste generated in the Commission premises. In addition waste Bins are equally positioned strategically in various locations of Commission premises in order to ensure clean environment. The Commission Corporate Social Responsibility Programme targets conservation of the environment through improvement of forest cover through tree planting at owned and standalone offices.

iii) Employee welfare

The EACC has a Corporate Services Policies and Procedures Manual which comply with the constitutional requirements of handling employees. Specifically, the Corporate Services Policies and

Procedures Manual advocates for non-discrimination directly or indirectly against an employee or prospective employee on the basis of race, colour, gender, age, language, religion, conscience, belief, culture, dress, birth, disability, political affiliation or other opinion, nationality, ethnic or social origin, marital status, marriage, pregnancy or health status.

In addition, the Commission's recruitment policy takes measures to promote affirmative action to ensure diversity in the workplace. The Commission also strives to ensure that the one third (1/3) gender constitutional requirement is observed in employment. Further, the Commission's Shortlisting and Interview Guidelines are designed to promote regional and gender balance. The percentage gender distribution is 39.3% female and 60.7% male as at August 2023. A total of 30 ethnic communities are represented out the 46 existing communities as per 2019 census report.

iv) Market place practices

a) *Responsible competition practice.*

Honouring Contracts: The Legal Directorate drafts clear, fair, and mutually beneficial contracts outlining the rights and responsibilities of all parties. Continuous open and transparent communication with suppliers throughout the contract lifecycle ensures mutual understanding and alignment. Strict adherence to contract terms, including delivery schedules, quality standards, and performance metrics, is monitored and evaluated. Flexibility and good faith negotiations are employed when unforeseen circumstances arise.

Respecting Payment Practices: Contracts and purchase orders state reasonable payment terms fair to both parties, considering suppliers' financial needs. Timely payments are ensured to help suppliers maintain cash flow and financial stability. An automated invoice-processing system (IFMIS) streamlines payment processes, reduces errors and ensures timely payments.

b) *Responsible Supply chain and supplier relations*

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c) *Responsible marketing and advertisement*

The Commission maintains ethical marketing practices through continuous monitoring and evaluation, adhering to ethical guidelines, training, education, and feedback mechanisms to build trust with suppliers and stakeholders. Transparency and honesty in dealings, ethical content, and encouragement of fair competition, accountability, continuous improvement, and utmost social responsibility are emphasized.

d) *Product stewardship*

Efforts to safeguard consumer rights and interests include transparent procurement processes with open tendering and clear criteria, ethical supplier selection through due diligence and conflict of interest policies, and maintaining accountability and oversight with audit trails, regular audits, and whistle-blower protection. The Commission ensures fair and equitable treatment through non-discrimination and feedback mechanisms, complies with legal and ethical standards via regulatory adherence and ethics training, and prioritizes consumer protection and public interest by emphasizing value for money, transparency in contracting, and stakeholder engagement. Additionally, sustainable and ethical procurement practices are upheld, incorporating environmental considerations, social responsibility, and anti-corruption clauses in contracts.

v) Corporate Social Responsibility / Community Engagements

The Ethics and Anti-Corruption Commission bases its Corporate Social Responsibility (CSR) on the fact that, as part of the Kenyan society, we have responsibilities that go beyond our legal and financial obligations for the benefit of the larger society. The Commission's CSR entails community engagement, supporting community activities, responding to emerging challenges such as drought and floods, donating to charities, helping the needy, applying ethical conduct, and participating in matters of topical national interest within Kenya. Our CSR strategy involves building relationships and partnerships, and working together with organizations that we believe advance the well-being of Kenyans. The Commission makes its CSR decisions in the best interest of the society.

Regarding community engagement, the Commission strives to maintain strong values for relationships with the community that will endure the test of time.

In FY 2023/24, EACC did not engage in CSR or community engagement activities. The Commission had a few planned activities, but due to lack of funds, it was unable to carry them out.

11. Report of The Commission

The Commission submits its report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Commission's affairs.

i) Principal activities

The principal activities of the Commission are to investigate corruption and economic crimes, recover lost public property and obtain compensation for damaged public property, prevent corruption, conduct public education on the dangers of corruption and promote ethics and integrity.

ii) Results

The results of the entity for the year ended June 30, 2024 are set out on pages 1 to 23.

iii) Commissioners

The Commission members who served during the year under review, are shown on pages viii to x.

iv) Surplus remission

The entity did not make any surplus during the year 2023/2024 and hence no remittance to the consolidated fund.

v) Auditors

The Auditor-General is responsible for the statutory audit of Ethics and Anti-Corruption Commission for the year ended June 30, 2024 in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act, 2015 and the Ethics and Anti-Corruption Commission Act, 2011.

By Order of the Commission



.....

TWALIB MBARAK, MGH, CBS
SECRETARY/CHIEF EXECUTIVE OFFICER

12. Statement of Commission's Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 26 of the Ethics and Anti-Corruption Commission Act, require the Management to prepare Financial Statements in respect of EACC, which give a true and fair view of the state of affairs of the EACC at the end of the financial year and the operating results of the EACC for the period 2023/2024. The Commission is also required to ensure that proper accounting records are kept which disclose with reasonable accuracy the financial position. The Commission is also required to safeguard its assets.

The Commission is responsible for the preparation and presentation of the EACC *'s* Financial Statements, which give a true and fair view of the state of affairs of the EACC as at the end of the financial year ended on June 30, 2024. 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 EACC; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Commission accepts responsibility for the EACC's Financial Statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act and the Ethics and Anti-Corruption Commission Act, 2011. The Commission is of the opinion that the EACC's financial statements give a true and fair view of the state of EACC's transactions during the financial year ended June 30, 2024 and of the EACC's financial position as at that date. The Commission further confirms the completeness of the accounting records maintained for EACC, which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the Financial Statements

The EACC's Financial Statements were approved by the Commission on 13th September, 2024 and signed on its behalf by:



.....
David Oginde, PhD, FCS
Chairperson



.....
Twalib Mbarak, MGH, CBS
Secretary/Chief Executive Officer

REPUBLIC OF KENYA

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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ETHICS AND ANTI-CORRUPTION COMMISSION FOR THE YEAR ENDED 30 JUNE, 2024

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 the Government achieves value for money and that such funds are applied for the intended purpose.

C. Report on the 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, risk management environment and 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, is effective in the use of resources, or 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 FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Ethics and Anti-Corruption Commission set out on pages 1 to 24, which comprise the statement of financial position as at 30 June, 2024, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and

actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ethics and Anti-Corruption Commission as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Ethics and Anti-Corruption Commission Act, 2011 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Ethics and Anti-Corruption Commission Management in accordance with ISSAI 130 on the 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

Poor Financial Performance

During the year under review, the Commission reported a deficit of Kshs.61,273,032 compared with Kshs.181,860,262 in 2022/2023. Management has disclosed in Notes 6 and 28 to the financial statements that the deficit was mainly caused by depreciation and amortization expense amounting to Kshs.122,124,148 which is a non-cash expense and accrued trade and other payables balances of Kshs.45,218,753 as at 30 June, 2024. Management has attributed this situation to the underfunding by The National Treasury, which, if not addressed, may negatively impact on the implementation of the Commission's planned activities.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Trade and Other Payables

The statement of financial position reflects trade and other payables balance of Kshs.45,218,753 as disclosed in Note 22 to the financial statements, which was not settled during the financial year 2023/2024 but was carried forward to the 2024/2025 financial year. Management attributed non-payment of trade and other payables to a lack

of Exchequer issues from The National Treasury. Failure to settle payables during the year to which they relate, adversely effects the budgets for the following year.

Other Information

The Commissioners are responsible for the other information set out on page xvi to xxxii, which comprises the Statement of the Chairperson, Report of the Secretary/Chief Executive Officer, the Corporate Governance Statement, Statement of Performance Against Predetermined Objectives, Management Discussion and Analysis, Environmental and Sustainability Reporting and the Statement of Commissioners' Responsibilities. The Other Information does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance or conclusion thereon.

In connection with my audit on the Ethics and Anti-Corruption Commission financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 3000 and 4000. The Standards require 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 comply 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and Commissioners

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as the 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 Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

The Commissioners are responsible for overseeing the Commission'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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I also I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/. This description forms part of my auditor's report.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

22 October, 2024

14. Statement of Financial Performance for the Year Ended 30 June 2024

	Notes	2023-2024 Kshs	2022-2023 Kshs
Revenue from non-exchange transactions			
Transfers from Other Government Entities	3	3,740,883,810	3,305,886,892
Revenue from exchange transactions			
Other Income	9	1,461,911	2,582,719
Total Revenue		**3,742,345,721**	**3,308,469,611**
Expenses			
Employee costs	4	2,758,798,166	2,544,913,807
Commissioners Expenses	5	19,692,770	21,859,414
Depreciation and amortization expense	6	122,124,148	99,186,101
Repairs and maintenance	7	35,455,269	40,486,316
Use of goods and services	8	870,462,784	784,524,078
Total Expenses		**3,806,533,137**	**3,490,969,716**
Other gains/Losses			
Gain /Loss on sale of assets		2,914,384	639,843
Surplus(deficit) before tax		**(61,273,032)**	**(181,860,262)**
Taxation			-
Deficit for the period/year		**(61,273,032)**	**(181,860,262)**
Deficit for the year		**(61,273,032)**	**(181,860,262)**

The notes set out on pages 8 to 21 form an integral part of these financial statements.

The Financial Statements set out on pages 1 to 7 were signed on behalf of the Commission by:

.....	.....	.....
Twalib Mbarak, MGH, CBS **Secretary/Chief Executive Officer**	**CPA Joel I. Mukumu, OGW** **Director, Finance & Planning** **ICPAK Member No: 5917**	**David Oginde, PhD, FCS** **Chairperson**
Date: 3/10/2024	Date: 2/10/2024	Date: 03/10/2024

15. Statement of Financial Position as at 30 June 2024

	Notes	2023-2024 Kshs	2022-2023 Kshs
Assets			
Current Assets			
Cash and cash equivalents	10	31,661,055	27,559,671
Receivables from non-exchange transactions	11	27,277,179	30,360,910
Inventories	12	5,952,914	213,669
Total Current Assets		**64,891,148**	**58,134,250**
Non-Current Assets			
Property, Plant and Equipment	13	1,789,335,300	1,805,627,847
Asset recovery Bank Account	19 (a)	650,753,361	437,381,144
Intangible Assets	14	20,642,565	9,576,325
Long term receivables from exchange (Gratuity bank/ investment)	15	27,383,571	42,559,147
Total Non-Current Assets		**2,488,114,797**	**2,295,144,463**
Total Assets		**2,553,005,945**	**2,353,278,713**
Liabilities			
Current Liabilities			
Trade and other payables	17	45,218,753	99,106,066
Current portion of borrowings (Accrued audit fees)	18	696,000	696,000
Total Current Liabilities		**45,914,753**	**99,802,066**
Non-Current Liabilities			
Non-Current provisions (Asset recovery account)	19 (b)	650,763,361	437,431,144
Non-current employee benefit obligation (Gratuity fund)	16	28,503,315	45,278,633
Total Non-Current Liabilities		**679,266,676**	**482,709,777**
Total Liabilities		**725,181,429**	**582,511,843**
Net Assets		**1,827,824,516**	**1,770,766,870**

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Represented by:			
Acquisition Development fund	21(b)	1,543,382,916	1,543,382,916
Revenue Reserves	21(a)	105,919,451	44,423,306
Accumulated Fund/Capital fund	20	178,522,149	182,960,648
Net Assets		**1,827,824,516**	**1,770,766,870**

The Financial Statements set out on pages 1 to 7 were signed on behalf of the Commission by.

.....	.....	.....
Twalib Mbarak, MGH, CBS	**CPA Joel I. Mukumu, OGW**	**David Oginde, PhD, FCS**
Secretary/Chief Executive Officer	**Director, Finance & Planning**	**Chairperson**
	ICPAK Member No: 5917	
Date: 3/10/2024	Date: 2/10/2024	Date: 03/10/2024

16. Statement of Changes in Net Assets for the year ended 30 June 2024

	Capital Reserve	Acquisition Development Fund	Revenue reserve	Total
	Kshs	Kshs	Kshs	Kshs
As at June 30, 2022	**228,000,556**	**1,518,000,000**	**189,066,296**	**1,935,066,852**
Surplus for the period	-	-	(181,860,26)	(181,860,262)
Transfer of unspent exchequer to N. Treasury	-	-	(36,585,913)	(36,585,913)
Transfer of depreciation/Amortization on capital fund to retained earnings	(99,186,101)	-	99,186,101	-
Development grant	54,146,193	-	-	54,146,193
Development grant- Acquisition of Integrity Centre	-	25,382,916	(25,382,916)	
As at June 30, 2023	**182,960,648**	**1,543,382,916**	**44,423,306**	**1,770,766,870**
Surplus for the period	-	-	(61,273,032)	(61,273,032)
Transfer of unspent exchequer to N. Treasury	-	-	(50,971)	(50,971)
Creditors written back-Audit fees	-	-	696,000	696,000
Donated Assets	14,128,160	-	-	14,128,160
Transfer of depreciation/Amortization on capital fund to retained earnings	(122,124,148)	-	122,124,148	-
Development grant	103,557,489		-	103,557,489
As at June 30, 2024	**178,522,149**	**1,543,382,916**	**105,919,451**	**1,827,824,516**

17. Statement of Cash Flows for the year ended 30 June 2024

	Notes	Kshs 2023-2024	Kshs 2022-2023
Cash flows From Operating Activities			
Receipts			
Transfers from other Government entities		3,740,883,810	3,305,886,892
Other income		1,461,911	2,582,719
Total receipts		**3,742,345,721**	**3,308,469,611**
Payments			
Employee costs	4	2,758,798,166	2,544,913,807
Commissioners expenses	5	19,692,770	21,859,414
Repairs and maintenance	7	35,455,269	40,486,316
Use of goods and services	8	870,462,784	784,524,078
		3,684,408,989	**3,391,783,615**
Net cash flows from operating activities	26	**1,393,905**	**(36,576,112)**
Cash flows from Investing Activities			
Purchase of property, plant and equipment		(99,862,713)	(54,146,193)
Transfer of unspent exchequer to Treasury		(50,971)	(36,585,913)
Purchase of Intangible Assets		(17,822,936)	-
Asset recovery		213,332,217	108,210,174
Proceeds from disposal of PPE		3,702,192	1,188,628
Gratuity Fund		(16,775,318)	12,296,968
Net cash flows from investing activities		**82,522,471**	**30,963,664**
Cash flows from Financing Activities			
Fixed Assets Capital Funds		117,685,649	54,146,193

Creditors written back	696,000	-
Asset recovery	(213,372,217)	(108,160,174)
Gratuity Fund	15,175,576	(11,603,921)
Net cash flows from financing activities	**(79,814,992)**	**(65,617,902)**
Net increase in cash and cash equivalents	4,101,384	**(71,230,350)**
Cash and Cash equivalents at 1st July 2023	27,559,671	98,790,021
Cash & Cash equivalents at 30th June 2024	**31,661,055**	**27,559,671**

The Financial Statements set out on pages 1 to 7 were signed on behalf of the Commission by.

.....	.....	.....
Twalib Mbarak, MGH, CBS	**CPA Joel I. Mukumu, OGW**	**David Oginde, PhD, FCS**
Secretary/Chief Executive Officer	**Director, Finance & Planning**	**Chairperson**
	ICPAK Member No: 5917	
Date: 3/10/2024	Date: 2/10/2024	Date: 03/10/2024

18. Statement of Comparison of Budget and Actual Amounts for the year ended 30 June 2024

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of Utilization
	2023-2024	2023-2024	2023-2024	2023-2024	2023-2024	
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Government grants and subsidies	3,823,620,000	92,000,000	3,915,620,000	3,681,317,093	234,302,907	94%
Other Income	-	-	-	1,461,911	(1,461,911)	
Gain/Loss on Disposal	-	-	-	2,914,384	(2,914,384)	
Development Expenditure-Grants and subsidies	68,140,000	-	68,140,000	59,566,717	8,573,283	87%
Total income	**3,891,760,000**	**92,000,000**	**3,983,760,000**	**3,745,260,105**	**238,499,895**	94%
Expenses						
Use of Goods and services	986,229,717	14,972,688	1,001,202,405	870,462,784	190,306,338	87%
Employee Cost	2,770,150,783	86,655,559	2,856,806,342	2,758,798,166	98,008,176	97%
Commissioners' expenses	22,260,000	(6,623,552)	15,636,448	19,692,770	(4,056,322)	126%
Depreciation and Amortization cost			-	122,124,148	(122,124,148)	
Repairs and maintenance cost	44,979,500	(3,004,695)	41,974,805	35,455,269	6,519,536	84%
Staff Loan						
Total expenditure	**3,823,620,000**	**92,000,000**	**3,915,620,000**	**3,806,533,137**	**109,086,863**	97%
Surplus for the period				**(61,273,032)**	**61,273,032**	
Development Expenditure	**68,140,000**	-	**68,140,000**	**59,566,717**	**8,573,283**	87%

i. The 87% utilization under use of goods and services was mainly caused by rescheduling of payment of security licences of forensic lab equipment and BKMS Reporting license to FY2024/2025

ii. Utilization of 84% under repairs and maintenance was mainly caused by deferment of maintenance costs of forensic lab to the following Financial Year

iii. The 87% Utilization on Development Expenditure was mainly caused by the Contractor only submitting payment certificates worth 87% of the budgeted amount for FY 2023/2024

iv. The percentage absorption of 126% on Commissioners expenses is due to the airtime and travelling allowances which was budgeted on a separate category and not under board expenses

19. Notes to The Financial Statements

General Information

The Ethics and Anti-Corruption Commission (EACC) was established under the Ethics and Anti-Commission Act, 2011. The EACC is domiciled in Kenya and has Regional Offices in Western (Bungoma), North Rift (Eldoret), North Eastern (Garissa), Upper Eastern (Isiolo), South Nyanza (Kisii), Central Nyanza (Kisumu), Lower Eastern (Machakos), Upper Coast (Malindi), Lower Coast (Mombasa), South Rift (Nakuru), and Central (Nyeri).

1. Statement of Compliance and Basis of Preparation

The Commission's Financial Statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Commission. The accounting policies have been consistently applied to all the years presented.

The Financial Statements have been prepared on the basis of historical cost, unless stated otherwise. The Cash Flow statement is prepared using the indirect method. The Financial Statements are prepared on accrual basis of accounting.

2. Summary of Significant Accounting Policies

a) Revenue recognition

Revenue from non-exchange transactions

Income is recognized in the period in which it is received. Government and donor funding is only recognized on receipt. Income is not accrued if its recoverability is considered doubtful.
Interest income is recognized on time in proportion basis using the effective interest rate method.

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

Sale of goods
Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Commission.

Interest income
Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected li fe of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

b) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if their recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Commission recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. The Commissions policy is to depreciate assets on straight line basis at the following rates, Buildings 2%, Motor vehicles 16.67 %, Furniture and fittings 12.5%, Computer equipment 30%, Security equipment 12.5%, Plant and equipment 12.5%.

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful life of the intangible assets is assessed as either finite or indefinite. The Commissions policy is to depreciate Software at the rate of 20%.

f) Research and development costs

The Commission expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Commission can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

g) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

h) Provisions

Provisions are recognized when the Commission has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation. A reliable estimate can be made of the amount of the obligation.

Where the Commission expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is Virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

i) Contingent liabilities

The Commission 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.

j) Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

k) 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.

l) Comparative figures

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

m) Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Commission's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

(a) The condition of the asset based on the assessment of experts employed by the Entity

(b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes

(c) The nature of the processes in which the asset is deployed

(d) Availability of funding to replace the asset

3. Transfers from Other Government Entities

		2023-2024	2022-2023
Unconditional grants		**Kshs**	**Kshs**
Operational Grant			
	Quarter 1	696,423,515	625,698,386
	Quarter 2	1,024,587,062	987,796,446
	Quarter 3	923,592,053	538,912,360
	Quarter 4	1,140,271,952	1,161,060,193
	Development Exchequer	59,566,717	46,565,700
Total		**3,844,441,299**	**3,360,033,085**
Less			
Exchequer used for other Assets Acquisition		85,734,553	54,146,193
Exchequer used for Intangibles Acquisition		17,822,936	-
Total		**103,557,489**	**54,146,193**
Net Exchequer for operations		**3,740,883,810**	**3,305,886,892**

Insurance	264,358,822	254,468,748
Legal Expenses	2,079,085	3,595,861
Licences and permits	34,498,824	37,861,521
Specialised materials	15,414	2,815,690
Postage	4,882,449	4,812,650
Rental	85,044,103	76,767,851
Confidential Expenses	158,470,900	145,578,595
Sewerage and water costs	2,411,824	1,315,265
Research and Development	7,331,200	5,641,217
Telecommunication	42,243,255	24,404,414
Training	95,253,196	71,470,302
Refurbishment of Non-Residential buildings	96,270	3,810,678
Bank charges	594,266	344,156
Other Expenses	28,714,263	27,927,600
	870,462,784	**784,524,078**

9 Other Income

	2023-2024	**2022-2023**
	Kshs	**Kshs**
Sale of items	273,540	
Other income	1,188,371	2,582,719
	1,461,911	**2,582,719**

10. Cash and Cash Equivalent	**2023-2024** **Kshs**	**2022-2023** **Kshs**
Current bank Accounts	31,660,640	27,559,256
Cash on hand and in transit	415	415
Total cash and cash equivalents	**31,661,055**	**27,559,671**

11. Receivables from non-exchange contracts

Current receivables	**2023-2024** **Kshs**	**2022-2023** **Kshs**
Staff Imprest	2,937,681	3,863,172
Staff Advances	169,078	78,131
Rent Deposit and Prepayments	24,170,420	26,419,607
Total current receivables	**27,277,179**	**30,360,910**

12. Inventories

	2023-2024	2022-2023
	Kshs	Kshs
Consumable stores	8,876,834	3,137,589
Provision for loss of inventory	(2,923,920)	(2,923,920)
Total inventories at the lower of cost and net realizable value	**5,952,914**	**213,669**

13. Property Plant and Equipment - Refer to the PPE schedule Pages 19 & 20

14. Intangible assets-software	**2023-2024**	**2022-2023**
Cost	**Kshs**	**Kshs**
As At July 2023	196,067,587	196,067,587
Additions during the year	17,822,936	-
As At July 2024	**213,890,523**	**196,067,587**
Additions during the year		
As at June 2024	**213,890,523**	**196,067,587**
Amortization and Impairment		
As at July 2023	186,491,262	183,299,154
Charge for the year	6,756,696	3,192,108
As at June 2024	**193,247,958**	**186,491,262**
Net Book Value 2024	**20,642,565**	**9,576,325**

15. Gratuity Fund Bank Account

	2023-2024	2022-2023
	Kshs	Kshs
Balance brought forward	18,559,147	5,955,226
Additions	145,321,831	166,656,377
Payments	(162,497,407)	(154,052,456)
Sub Total	**1,383,571**	**18,559,147**
Short Deposit Investment	26,000,000	24,000,000
Total	**27,383,571**	**42,559,147**

16. Gratuity Fund Account

	2023-2024	2022-2023
Balance brought forward	45,278,633	32,981,665
Additions	62,530,580	32,860,914
Payments	(79,305,898)	(20,563,946)
Total	**28,503,315**	**45,278,633**

17. Trade and other payables from exchange transactions

	2023-2024	2022-2023
	Kshs	**Kshs**
Creditors	38,829,256	86,768,886
Refundable Deposits	349,766	6,441,972
Treasury advances	4,598,919	4,598,919
Payroll payables	1,440,812	1,193,794
Unpaid Over Expenditure	-	102,495
Total trade and other payables	**45,218,753**	**99,106,066**

18. Accrued liabilities and charges

	2023-2024	2022-2023
	Kshs	**Kshs**
Accrued audit fees	696,000	696,000
Total trade and accrued liabilities	**45,914,753**	**99,802,066**

19(a). Asset Recovery Bank Account

	2023-2024	2022-2024
	Kshs	**Kshs**
Balance brought forward	437,381,144	329,220,970
Funds recovered in the year	293,017,314	108,161,239
Payments	(79,645,097)	(1,065)
Total	**650,753,361**	**437,381,144**

19 (b). Asset Recovery Fund Account

	2023-2024	2022-2023
	Kshs	**Kshs**
Balance brought forward	437,431,144	329,220,970
Funds recovered in the year	292,977,314	108,211,239
Payments	(79,645,097)	(1,065)
Total	**650,763,361**	**437,431,144**

20. Capital fund

	2023-2024	2022-2023
	Kshs	**Kshs**
Balance brought forward	182,960,648	228,000,556
Transfer of depreciation/Amortisation on capital fund to retained earnings	(122,124,148)	(99,186,101)
Donated Asset	14,128,160	-
Development grant	103,557,489	54,146,193
Total	**178,522,149**	**182,960,648**

21(a). Revenue Reserve

	2023-2024	2022-2023
	Kshs	**Kshs**
Balance brought forward	44,423,306	189,066,296
Recovery of unspent exchequer to N. Treasury	(50,971)	(36,585,913)
Transfer of depreciation/Amortisation on capital fund to retained earnings	122,124,148	99,186,101
Creditors written back-Audit fees	696,000	
Deficit for the year	(61,273,032)	(181,860,262)
Development grant- Acquisition of Integrity Centre	-	(25,382,916)
Total	**105,919,451**	**44,423,306**

21(b). Acquisition fund

	2023-2024	2022-2023
	Kshs	**Kshs**
Balance brought forward	1,543,382,916	1,518,000,000
Development grant- Acquisition of Integrity Centre	-	25,382,916
	1,543,382,916	**1,543,382,916**

22. Events after the reporting period

There were no material adjusting and non-adjusting events after the reporting period

23. Currency

The Financial Statements are presented in Kenya Shillings (Kshs)

24. Acquisition Development fund

These were funds received for acquisition of Integrity Centre

25. Proceeds from disposal of assets	2023-2024 Kshs	2022-2023 Kshs
Total	**3,702,192**	**1,188,628**

26.Cash generated from operations	2023-2024 Kshs	2022-2023 Kshs
Deficit for the year before tax	(61,273,032)	(181,860,262)
Adjusted for :		
Depreciation	115,367,452	95,993,993
Amortization	6,756,696	3,192,108
Gains and losses on disposal of assets	(2,914,384)	(639,843)
Working capital adjustments		
Decrease / Increase in inventories	(5,739,245)	714,136
Increase/Decrease in receivables & prepayments	3,083,731	(2,545,978)
Increase/Decrease Trade & other payables from exchange transactions	(53,887,313)	48,569,734
Net cash flow from operating activities	**1,393,905**	**(36,576,112)**

13. Property, Plant and Equipment

	Land	Building	Motor vehicles	Furniture, Fixture & fitting	Computer Equipment	Security Equipment	Plant and Equipment	Library Books	Total
Cost or Valuation:	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**Kshs**
Estimated Useful Life (years)	-	**50**	**6**	**8**	**3**	**8**	**8**	**8**	
Depreciation Rates	-	**2%**	**16.67%**	**12.50%**	**30.00%**	**12.50%**	**12.50%**	**12.50%**	
As at 1st July 2022	**795,483,750**	**773,438,327**	**529,191,601**	**91,147,376**	**290,510,851**	**166,104,667**	**102,404,823**	**11,610,157**	**2,759,891,552**
Additions		20,816,154	8,598,489	2,324,000	21,979,800	48,000	379,750		54,146,193
Disposals			(5,143,909)	(936,059)	(2,475,149)				(8,555,117)
Transfers/adjustments	-								-
Land Improvements	-	-							-
As at 30th June 2023	**795,483,750**	**794,254,481**	**532,646,181**	**92,535,317**	**310,015,502**	**166,152,667**	**102,784,573**	**11,610,157**	**2,805,482,628**
Additions	-	31,733,850	-	130,000	60,313,443	665,397	7,020,023	-	99,862,713
Disposals			(10,743,938)		(9,877,212)		(70,000)		(20,691,150)
Transfers/adjustments									-
Land Improvements									-
As at 30th June 2024	**795,483,750**	**825,988,331**	**521,902,243**	**92,665,317**	**360,451,733**	**166,818,064**	**109,734,596**	**11,610,157**	**2,884,654,191**
Depreciation and impairment									
At 1 July 2022	-	51,886,733	402,836,066	55,591,442	227,215,632	103,727,867	67,888,250	2,721,131	911,867,120
Disposals	-	-	(5,051,904)	(721,783)	(2,232,645)				(8,006,332)
Depreciation	-	15,141,866	26,685,787	5,339,308	33,661,791	8,916,972	4,978,408	1,269,861	95,993,993

13. Property, Plant and Equipment ***Continued.....***

At 30 June 2023	**-**	**67,028,599**	**424,469,949**	**60,208,967**	**258,644,778**	**112,644,839**	**72,866,658**	**3,990,992**	**999,854,782**
Disposals			**(10,269,923)**		**(9,570,503)**		**(62,916)**		**(19,903,342)**
Depreciation	-	15,776,543	26,567,284	5,355,559	51,543,329	9,000,146	5,854,730	1,269,861	115,367,452
As at 30 June 2024	**-**	**82,805,142**	**440,767,310**	**65,564,526**	**300,617,604**	**121,644,985**	**78,658,472**	**5,260,853**	**1,095,318,891**
Net book values									
At 30 June 2024	**795,483,750**	**743,183,189**	**81,134,933**	**27,100,791**	**59,834,129**	**45,173,079**	**31,076,124**	**6,349,304**	**1,789,335,300**
At 30 June 2023	**795,483,750**	**727,225,882**	**108,176,232**	**32,326,351**	**51,370,724**	**53,507,828**	**29,917,915**	**7,619,165**	**1,805,627,847**

27. Contingency Liabilities

The Commission has given no guarantees to third parties. In the ordinary course of business, the Commission has been sued in various cases with potential exposure estimated at **Kshs 168,980,773.** The Commission is a defendant or co-defendant in various litigations and claims. The outcomes of these litigations and claims are yet to be determined; hence, the Commission has not made any provisions in these accounts towards contingent liabilities.

Contingent Liabilities

Description	2023-2024	2022-2023
	Kshs	Kshs
Court cases against the Commission	168,980,773	204,236,911

28. The deficit is mainly caused by depreciation.

29. Detail Analysis of Cash and Cash equivalents

Financial Institution	Account Number	2023-2024	2022-2023
		Kshs	Kshs
KCB - Main A/C	1103253387	8,240,815	14,716,141.35
KCB - Mombasa	1106512073	2,000,000	70,990
KCB - Kisumu	1121427499	2,000,000	872,790.60
KCB - Garissa	1128655223	2,000,000	1,870,704.40
KCB - Nyeri	1128743523	2,000,000	1,372,710
KCB - Eldoret	1131040244	2,000,000	983,899.35
KCB - Malindi	1167493583	2,000,000	1,227,808
KCB - Isiolo	1167596226	2,000,000	1,209,940
KCB - Machakos	1167286790	2,000,000	865,620
KCB - Nakuru	1167708466	2,000,000	452,895
KCB - Kisii	1178636070	2,000,000	513,280
KCB - Bungoma	1249057019	2,000,000	1,934,070
Central Bank of Kenya	1000181141	2,386	50,970.50
CBK - GIZ Project	1000227959	700	700
CBK Development A/C	1000182059	1,416,738	1,416,736.50
Cash - Head Office		416	415.30
Total		**31,661,055**	**27,559,671**

Appendix.1 Transfers from other Government Entities

A. Recurrent Account

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development/ Others	Total Amount Kshs	Where Recorded/recognized		
				Statement of Financial Performance	Capital Fund	Total Transfers during the Year
The National Treasury	01.08.2023	Recurrent	198,893,214	198,893,214		198,893,214
The National Treasury	08.09.2023	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	08.09.2023	Recurrent	204,515,098	204,515,098		204,515,098
The National Treasury	22.09.2023	Recurrent	93,015,203	93,015,203		93,015,203
The National Treasury	26.09.2023	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	03.10.2023	Recurrent	204,472,445	204,472,445		204,472,445
The National Treasury	09.11.2023	Recurrent	205,573,341	205,573,341		205,573,341
The National Treasury	21.11.2023	Recurrent	54,202,869.85	54,202,870		54,202,870
The National Treasury	04.12.2023	Recurrent	223,493,827	223,493,827		223,493,827
The National Treasury	18.12.2023	Recurrent	120,647,867.65	120,647,868		120,647,868
The National Treasury	29.12.2023	Recurrent	216,196,711.70	216,196,712		216,196,712
The National Treasury	16.01.2024	Recurrent	82,002,674	82,002,674		82,002,674
The National Treasury	22.01.2024	Recurrent	317,959,733	317,959,733		317,959,733
The National Treasury	06.02.2024	Recurrent	205,020,827.3	205,020,827		205,020,827
The National Treasury	01.03.2024	Recurrent	203,106,087	203,106,087		203,106,087
The National Treasury	14.03.2024	Recurrent	115,502,732	115,502,732		115,502,732

The National Treasury	08.04.2024	Recurrent	215,459,652	215,459,652		215,459,652
The National Treasury	19.04.2024	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	02.05.2024	Recurrent	207,837,100	207,837,100		207,837,100
The National Treasury	22.05.2024	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	07.06.2024	Recurrent	204,301,830	204,301,830		204,301,830
The National Treasury	18.06.2024	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	26.06.2024	Recurrent	212,673,370	212,673,370		212,673,370
Total			**3,784,874,582**	**3,784,874,582**		**3,784,874,582**

B. Development Account

Name of the MDA/Donor Transferring the funds	**Date Received as per Bank Statement**	**Nature: Recurrent Development Others**	**Total Amount Kshs**	**Statement of Financial Performance**	**Where Recorded/Recognized**	
					Capital Fund	**Total Transfers during the Year**
The National Treasury	18.12.2023	Development	26,329,933		26,329,933	26,329,933
The National Treasury	23.02.2024	Development	22,041,963		22,041,963	22,041,963
The National Treasury	30.06.2024	Development	11,194,821		11,194,821	11,194,821
Total			**59,566,717**		**59,566,717**	**59,566,717**
Grand Total			**3,844,441,299**		**3,844,441,299**	**3,844,441,299**

Appendix 2: Progress on follow up of Auditor Recommendations

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

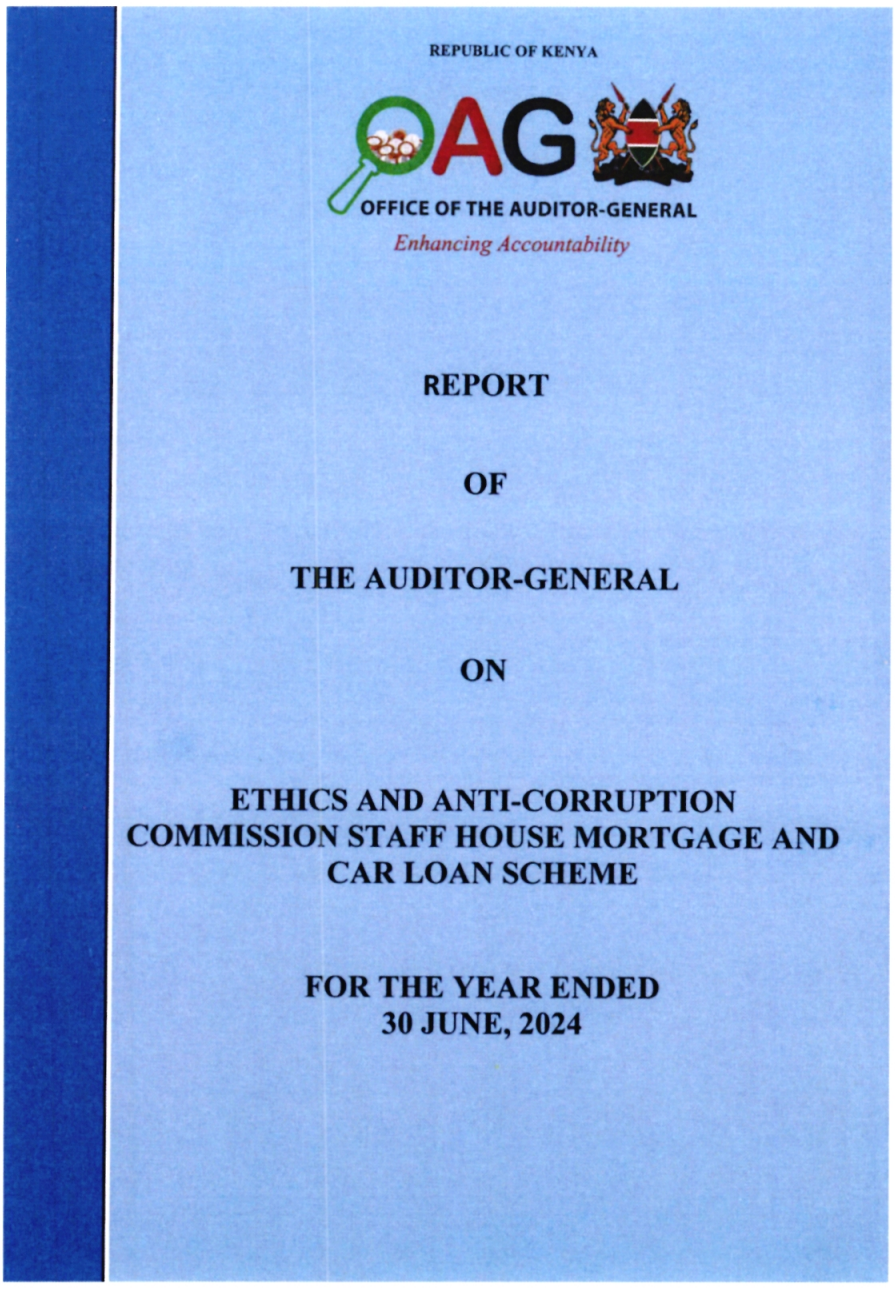
Ref. No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
1	The Commission reported a deficit of Kshs 61,647,104 (2020/2021- Kshs 64,475,692). The persistent under-funding might affect the full implementation of the Commission's planned activities in the future.	The deficit arose mainly due to depreciation and amortization expenses.	Mr Joel I Mukumu, OGW Director Finance and Planning	Resolved	None
2.	The Commission reported a deficit of Kshs 181,860,262 (2021/2022-Kshs 61,647,104. Payables increased from Kshs 23,761,416 in prior year to Kshs 99,106,066 in the FY 2022/2023.	The deficit was attributed to depreciation and amortization which is a non-cash expense. The increase in payables was attributed to underfunding by the Exchequer.	CPA Joel I. Mukumu, OGW Director Finance and Planning	Not Resolved	Awaiting Presentation to Public Accounts Committee (PAC) of the National Assembly.

.....
David Oginde, PhD, FCS
Chairperson

.....
Twalib Mbarak, MGH, CBS
Secretary/Chief Executive Officer

CHAPTER 6

FINANCIAL STATEMENTS FOR STAFF HOUSE MORTGAGE AND CAR LOAN SCHEME



REPUBLIC OF KENYA

OAG

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

ETHICS AND ANTI-CORRUPTION COMMISSION STAFF HOUSE MORTGAGE AND CAR LOAN SCHEME

FOR THE YEAR ENDED 30 JUNE, 2024



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
03 OCT 2024
RE ED



ETHICS AND ANTI-CORRUPTION COMMISSION

STAFF HOUSE MORTGAGE AND CAR LOAN SCHEME

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

EACC	Ethics and Anti-Corruption Commission
CEO	Chief Executive Officer
IPSAS	International Public Sector Accounting Standards
OAG	Office of the Auditor General
PFM	Public Finance Management
PFMA	Public Finance Management Act
PSASB	Public Sector Accounting Standards Board
IPSASB	International Public Sector Accounting Standards Board
SRC	Salaries and Remuneration Commission
CSR	Corporate Social Responsibility

B. Definition of Key Terms

Fiduciary management- Members of management entrusted directly with the responsibility and trust for the organisation financial resources.

Comparative Year- Means the prior period.

2. Key Fund Information and Management

a) Background information

Ethics & Anti-Corruption Commission (EACC) Staff House Mortgage and Car Loan Fund was established by and derives its authority and accountability from the provisions under Section 84(1), Section 24 (4) (5) (6) (7) of the PFM Act, 2012 and Section 127 (1) (2) of the PFM (National Government) Regulations, 2015.

The EACC Staff House Mortgage and Car Loan Fund was established in the financial year 2016-2017 as a revolving fund pursuant to the Salaries and Remuneration Commission (SRC) Circular ref No. SRC/ADM/CIR/1/13 Vol. III (128) of 17th December 2014 on Mortgage and Car Loan Schemes for State Officers and other Public Officers of Government of Kenya, with the objective of providing a loan scheme for the purpose of acquisition of motorcar and residential property for staff.

The Fund is wholly owned by Ethics & Anti-Corruption Commission (EACC) and is domiciled in Kenya.

b) Principal Activities

The principal activity of the fund is to provide:

(i) Mortgage loans to EACC staff for the sole purpose of:
   a) Purchasing an existing residential property;
   b) Purchase of land and construction;
   c) Construction, renovation and/or improvement of existing residential property or existing plot/land;
   d) Takeover loans on existing mortgages or equity release on existing mortgage property(s)

(ii) Car loans for acquisition of motor cars for personal use by EACC staff.

The Fund is administered by the EACC Staff Mortgage and Car Loan Advisory Committee. The committee is charged with the responsibility of processing loans from applicants in accordance with laid down approved regulations, setting up a revolving Fund for the disbursement of loans, and supervising the day-to-day operations of the Fund.

The Fund administrator is responsible for the day-to-day operations of the Scheme assisted by the EACC Staff Mortgage and Car Loan Advisory Committee. The Fund has also engaged professional service providers from the Housing Finance and KCB Bank Limited.

c) The Commission

Ref	Position	Name
1	Chairperson	David Oginde, PhD, FCS
2	Commissioner	Dr. Monica Muiru, PhD, MBS
3	Commissioner	Col. (Rtd) Alfred Mshimba, MBS
4	Commissioner	Dr. Cecilia Mutuku, PhD, CHRP, CPS-K
5	Commissioner	CPA John Ogallo
6	Secretary to the Commission	Twalib Mbarak, MGH, CBS

d) Key Management

Ref	Position	Name
1	Fund Administrator	Mr. Twalib Mbarak, MGH, CBS Secretary/Chief Executive Officer
2	Fund Accountant	CPA Joel I. Mukumu, OGW Director, Finance and Planning
3.	Staff Mortgage and Car Loan Advisory Committee	Mr. David Too, OGW Director, Legal Services & Asset Recovery/ Committee Chairperson
4	Staff Mortgage and Car Loan Advisory Committee	Ms. Ellyjoy G. Bundi, HSC Deputy Director, Human Resource Management/ Secretary
5	Staff Mortgage and Car Loan Advisory Committee	Mr. Abdi A. Mohamud, MBS Deputy Chief Executive Officer/ Member
6	Staff Mortgage and Car Loan Advisory Committee	Mr. Vincent O. Okong'o, MBS ndc (k), Director, Preventive Services/ Member
7	Staff Mortgage and Car Loan Advisory Committee	Mr. Jackson K. Mue, OGW Director, Field Services & Coordination/ Member
8	Staff Mortgage and Car Loan Advisory Committee	Mr. Paschal Mweu, OGW Director, Investigations/ (Nominated Member)
9	Staff Mortgage and Car Loan Advisory Committee	FCPA John Lolkoloi, OGW Director, Ethics & Leadership/ Member

e) Fiduciary Oversight Arrangements

Ref	Position	Name
1.	Risk & Audit Committee	Mr. Lawrence Nyalle (Independent Chairperson)
2.	Commissioner	Dr. Monica Muiru, PhD, MBS
3.	Commissioner	Col. (Rtd) Alfred Mshimba, MBS
4.	Commissioner	Dr. Cecilia Mutuku, PhD, CHRP, CPS-K
5.	Commissioner	CPA John Ogallo
6.	Deputy Director, Internal Audit	Mr. Hassan Kidzuga
7.	Risk & Audit Committee	Mr. John Matagaro (The National Treasury Representative)

f) Registered Offices

Integrity Centre
Jakaya Kikwete/Valley Road Junction
P.O. Box 61130
City Square 00200
Nairobi, Kenya

g) Fund Contacts

Headquarters, Nairobi
Integrity Centre
Jakaya Kikwete /Valley Road Junction
P. O. Box 61130
City Square 00200,
Nairobi, Kenya
Tel: (254) (020) 4997000
Mobile: 0709 781000; 0730 997000
Email address: eacc@integrity.go.ke

h) Fund Bankers

Kenya Commercial Bank
P.O. Box 69695-00400
Agip House
Nairobi, Kenya

Housing Finance Company
Kenyatta Avenue
P.O. Box 30088
GPO 00100
Nairobi, Kenya

i) Independent Auditors

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

j) Principal Legal Adviser

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

3. The Commission

Ref	Commission Members	Details
1.	 **David Oginde, PhD, FCS** **Chairperson** Doctor of Philosophy in Organisational Leadership from Regent University USA, Master of Arts in Leadership from PAC University, and Bachelor of Architecture from the University of Nairobi.	**Chairperson and Independent Commissioner** Born in the year 1959, and joined the Commission in April, 2023. He is currently the University Council Chairman of the Mama Ngina University College (MNUC). He is also the Chairman of the Evangelical Alliance of Kenya (EAK), and the Vice-Chair of the Association of Evangelicals in Africa (AEA). A renowned and distinguished leader with specialization in leadership and governance. He has published several books and written articles in various leadership journals and is the founder of The CATALEAD Associates, a leadership development firm and runs the popular Leadership Forum on Hope FM.
2.	 **Dr. Monica Muiru, PhD, MBS** **Vice-Chairperson** Doctor of Philosophy in Business & Management from Egerton University, Master Degree in Accounting and Finance, Bachelor of Commerce Degree in Business Administration from University of Nairobi.	**Vice Chairperson and Independent Commissioner** Born in the year 1965; She is a trained, experienced and internationally exposed business professional and academic scholar with many years of experience in accounting, finance and management. She previously served as a lecturer at Egerton University and worked at Kenya Broadcasting Corporation (KBC), East African Standard, Mellon Bank in Pittsburgh USA and Motient Corporation, Reston, Virginia, USA. In addition, a fellow of the Chartered Institute of Marketing, a member of Zonta International and an Associate member of the American Chartered Institute of Accounting. She chairs Support Services Committee.

3.	 **Col. (Rtd) Alfred Mshimba, MBS** **Commissioner** Master of Business Administration in Strategic Management from the University of Nairobi and a Bachelor's Degree in Business Administration. He is an expert in logistics and supply chain management.	**Independent Commissioner** Born in the year 1959; and a retired career military officer with over 30 years' experience in leadership, administration, human resource management, procurement and diplomacy. In addition, Commissioner Col. (Rtd) Mshimba, has been recognized for his service and was honoured by receiving the Military Observer, United Nations Western Sahara Morocco (MINRUSO) Medal among other accolades. He chairs the Enforcement Committee.
4.	 **Dr.Cecilia Mutuku, PhD, CHRP, CPS(K),** **Commissioner** Doctor of Philosophy and Masters in Business Administration, with a specialization in Human Resources Management (HRM), both from The University of Nairobi (UoN). In addition, a Certificate in Quality Management by the International Trade Centre (ITC). A member of the Institute of Human Resources (IHRM), Institute of Certified Secretaries (ICS) and The National Quality Institute (NQI).	**Independent Commissioner** Born in the year 1968 and hold extensive experience in Human Resource and Governance biased in policy development, leadership, organization behaviours and reforms, performance improvement, culture change and quality management. She has held senior position at Kenya Bureau of Standard and National Quality Institute. She is passionate about excellence and quality especially within the public sector institutions and has been spearheading Training of Anti Bribery Management systems (ABMS) Standard in various forums. She Chairs the Corruption prevention, Education and Public Engagement Committee.

	In addition, a member of the American Society for Quality (ASQ) and the Kenya Institute of Management (KIM).	
5.	 **CPA John Ogallo,** **Commissioner** Master of Business Administration (MBA) degree from the University of Sheffield (UK), and Post-Graduate Diploma in Public Financial Management from the University of London. In addition, Certified Public Accountant (CPA-K).	**Independent Commissioner** Born in the year 1956. He is Public Financial Management (PFM) expert with extensive global experience in Governance and Institutional Building. He has worked for several years at the World Bank in Washington DC; and has expertise in Financial Management and Governance. He has wide experience in financial management for development; and has led teams to provide technical assistance to strengthen institutions of accountability; and undertake fiduciary due diligence, advisory services and analytics. In addition, worked for several years in the private and public sectors in Kenya in various technical and managerial capacities. More so, has undertaken international consultancy assignments, including with the African Development Bank, to strengthen public administration and public finance management systems. Further, credits in knowledge of and professional interest in Corporate Governance and Decentralization and Local Governance. As an ordained Pastor and a strong believer in the principles of fairness, good governance – integrity, commitment to ethical values, respect for the rule of law and a just society.
6.	 **Mr. Twalib Mbarak, MGH, CBS** **Secretary/Chief Executive Officer**	**Secretary to the Commission and Chief Executive Officer** Born in the year 1965 and has served in high-ranking positions in the Military, Intelligence and Corporate Sectors for 39 years. Holds extensive experience in the fields of security, intelligence and indigestions.

	Master of Arts Degree in Armed Conflict and Peace Studies (University of Nairobi) Bachelor of Arts degree (University of Nairobi) Certified Security Management Professional (International Security Management Institute, UK)	

4. Management Team

	Management	Details
1.	 **Mr. Twalib Mbarak, MGH, CBS** **Secretary/Chief Executive Officer** Master of Arts in Armed Conflict & Peace Studies Bachelor of Arts (Political Science and Sociology)	As the Fund Administrator, he provides strategic, financial and operational leadership, coordinate, and work with the Commissioners and senior leadership team. In addition, he is involved in managing the day-to-day operations of the Fund.
2.	 **Mr. Abdi A. Mohamud, MBS** **Deputy Chief Executive Officer** Master of Science (Security and Risk Management) Bachelor of Laws (LLB), Postgraduate Diploma in Law	Supports the Secretary/Chief Executive Officer (CEO) in the day-to-day operations of the Fund, in addition, he is the Deputy Fund Administrator.

3.	 **Mr. Paschal K. Mweu, OGW** **Director Investigations** Master Degree in Governance & Ethics Bachelor Degree in Philosophy	A Member of the EACC Staff Mortgage and Car Loan Advisory Committee, which is charged with the responsibility of processing loans from applicants in accordance with laid down approved regulations, setting up a revolving Fund for the disbursement of loans, and consider and recommend financial statements of the fund for approval by the fund administrator.
4.	 **Mr. David K. Too, OGW** **Director, Legal Services & Asset Recovery** Master of Business Administration Bachelor of Laws (LLB), Diploma in Law	As the Chair Person of the EACC Staff Mortgage and Car Loan Advisory Committee, he provides leadership in policy formulation, implementation, and advisory on relevant laws, as well as coordination of the activities of the committee.
5.	 **FCPA John Lolkoloi, OGW** **Director, Ethics & Leadership** Master of Business Administration (Strategic Management), Bachelor of Commerce (Finance), Certified Public Accountant of Kenya (CPA-K)	A Member of the EACC Staff Mortgage and Car Loan Advisory Committee, which is charged with the responsibility of processing loans from applicants in accordance with laid down approved regulations, setting up a revolving Fund for the disbursement of loans, and consider and recommend financial statements of the fund for approval by the fund administrator.

6.	 **Mr. Vincent O. Okong'o, MBS 'ndc (k)** **Director, Preventive Services** Master of Arts (Economics & Social Studies), Master of Arts in Economic Policy Management Bachelor of Arts (Economics)	A Member of the EACC Staff Mortgage and Car Loan Advisory Committee, which is charged with the responsibility of processing loans from applicants in accordance with laid down approved regulations, setting up a revolving Fund for the disbursement of loans, and consider and recommend financial statements of the fund for approval by the fund administrator.
7.	 **CPA Joel I. Mukumu, OGW** **Director, Finance and Planning** Master of Business Administration (Finance), Bachelor of Commerce -Accounting Option. Certified Public Accountant of Kenya	A Member of the EACC Staff Mortgage and Car Loan Advisory Committee, as well as the Fund Accountant. He ensures proper books and records of accounts of the income and expenditure, assets and liabilities of the fund are kept.
8.	 **Mr. Jackson K. Mue, OGW** **Director, Field Services & Coordination** Master of Science in ICT Policy and Regulation, Bachelor of Science (Mathematics & Computer Science). Post Graduate Diploma in Computer Science	A Member of the EACC Staff Mortgage and Car Loan Advisory Committee, which is charged with the responsibility of processing loans from applicants in accordance with laid down approved regulations, setting up a revolving Fund for the disbursement of loans, and consider and recommend financial statements of the fund for approval by the fund administrator.

9.	 **Ms. Ellyjoy G. Bundi, HSC** **Deputy Director, Human Resource Management** Master of Business Administration (HRM) Bachelor of Education, Diploma in Human Resources Management	As the Secretary to the EACC Staff Mortgage and Car Loan Advisory Committee, she provides secretariat support, which includes but not limited to recording of minutes, circulation of agendas and resolution to the committee members.

5. Chairperson's Report



The Commission established the EACC Staff Mortgage and Car Loan Scheme in 2016 in line with the Salaries and Remuneration Commission Guidelines. The Scheme enables staff acquire residential houses and motor vehicles at favourable interest rates as a way of attracting, retaining, and motivating staff.

The Scheme has experienced tremendous growth from a seed of capital of **Kshs. 300 Million** from The National Treasury in 2016 to the current **Kshs. 1,085,000,000.00** as at 30th June, 2024. The growth of the scheme is attributed to consistent funding by The National Treasury which has enabled uptake of the mortgage and car loans by the staff. The principal loan repayment has been impressive standing at **Kshs.487,927,425.00** by end of the Financial Year 2023/2024.

The governance and management of the Scheme is as set out in the EACC Staff Mortgage and Car Loan Scheme Policies and Regulations, 2016 (Revised 2019).

Thank you. God bless you all!

David Ogindo, PhD, FCS
Chairperson of the Commission

6. REPORT OF THE FUND ADMINISTRATOR



The Ethics and Anti-Corruption Commission (EACC) presents the Financial Statements of the EACC Mortgage and Car Loan Scheme for the year ending 30th June 2024.

The Scheme is administered pursuant to the Public Finance Management Act, 2012, Public Financial Regulations, 2015 and reported in line with the International Public Sector Accounting Standards (IPSAS). It is imperative to ensure the management of the fund is efficient and effective to meet the intended objective.

The fund is managed by the Staff Mortgage and Car Loan Advisory Committee in liaison with external professional service providers. The external service providers are sourced competitively and the Scheme is funded as a revolving fund by The National Treasury. As at 30th June 2024 the balance stood at **Kshs. 1,220,310,658**. Loan repayments stand at **Kshs. 487,927,425** as at 30th June 2024.

The Scheme has inspired staff, creating an environment to thrive, and achieve its mandate. The Scheme has facilitated **155** applicants for mortgage and **105** for car loans cumulatively. Accordingly, the total amount disbursed during the financial year to facilitate staff mortgage was **Kshs. 33,293,248.00** while car loan was **Kshs. 14,090,000.00.**

The staff members are encouraged to utilize the facility for improvement of their social economic welfare for enhanced performance.

Twalib Mbarak, MGH, CBS
Secretary/Chief Executive Officer & Fund Administrator

7. Statement of Performance Against Predetermined Objectives

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 are contained in the EACC 2023-2028 Strategic Plan. However, to achieve the objective of the Salaries and Remuneration Commission (SRC) circular Ref. No: SRC/ADM/CIR/1/13 Vol. III (128) dated 17th December 2014 that initialized the establishment of the fund, the EACC 2023-2028 Strategic Plan incorporated the following as one of its strategic objectives;

To attract and retain a productive and motivated human resource

To realise this strategic objective, the EACC Staff House Mortgage and Car Loan Scheme relied on its strategic objectives to guide activities, policy formulation and work plans and made the following progress and achievements towards its targeted objective during FY 2023/2024.

Below is the progress to attaining the stated objective:

Program	Objective	Outcome	Indicator	Achievements
Control and Management of Public Finances	To attract and retain a productive and motivated human resource	Increased number of staff accessing the staff mortgage and car loan	Percentage of staff retained in EACC and number of staff who accessed the mortgage and car loans	The number of staff who accessed the mortgage and car loans rose from 247 in FY 2022/2023 to 260 staff in FY 2023/2024.This has led to a motivated workforce and retention of staff in EACC.

8. Corporate Governance Statement

a. The EACC Staff House Mortgage and Car Loan Scheme Fund

The Ethics and Anti-Corruption Commission Staff House Mortgage and Car loan scheme Fund is a revolving fund established pursuant to the Salaries and Remuneration Commission (SRC) circular number SRC/ADM/CIR/1/13 Vol. III (128) dated 17th December 2014 and Section 24 (4)(5)(6)(7) of the Public Finance Management (PFM) Act, 2012 and 127 (1)(2) of the PFM (National Government) Regulations, 2015.

Its mandate is to provide car loans and house mortgage to members of staff. The fund is committed to ensuring compliance with regulatory and supervisory corporate governance requirements. Essential to the establishment of a corporate governance framework in the fund is a formal governance structure with the committee at its apex. The operations of the fund are governed by EACC Staff House Mortgage and Car Loan Scheme Regulations, 2016 (Revised 2019) and PFM Act, 2012, PFM Regulations, SRC Circulars, National Treasury Circulars and any other government legislations.

b. The Fund Management Committee

Section 9 & 10 of the EACC Staff Mortgage Regulations, 2016 (Revised 2019) provides for appointment of a committee and an administrator of the fund. The committee is made up of twelve members including the Chairperson and a Secretary. The committee is responsible for the long-term strategic direction of the fund. The committee exercises leadership, enterprise, integrity and judgment in directing the Fund.

c. Roles and functions of the Fund Administration Committee

The function of the Committee includes receiving and processing applications for loans following the existing terms and conditions of borrowing; liaising with the service provider (financial institution) to set up the revolving Fund for disbursement of loans; forward the successful applications with recommendations to fund managers for processing.

The committee members are provided with full, appropriate and timely information that enables them to maintain full and effective control over the strategic, financial, operational and compliance issues. The day-to-day running of the fund is delegated to the fund administrator but the committee is responsible for establishing and maintaining the fund's system of internal controls for the realization of its mandate.

d. Committee Meetings

The committee meets quarterly or as required in order to monitor the implementation of the fund's strategic objectives and achievement of the targets. The committee also plays an oversight role over all other financial and operational issues.

e. Ethics and conduct as well as governance audit

Internal Control and Risk Management

The committee is responsible for reviewing the effectiveness of the fund's system of internal control which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against unauthorized use or disposition and the maintenance of proper accounting records and the reliability of financial information used within the business or for publication. These controls are designed to manage rather than eliminate the risk of failure to achieve business objectives due to circumstances which may reasonably be foreseen and can only provide reasonable and not absolute assurance against material misstatement or loss.

Management Team

The management team headed by the Fund Administrator implements the committee decisions and policies through action plans. The team meets regularly to review these action plans to ensure that the committee's objectives are achieved effectively and efficiently.

Auditor

The Auditor General is responsible for the statutory audit of the EACC Staff House Mortgage and Car Loan Scheme Fund in accordance with the provisions of Art. 226 (3) and Art.229 (4) (b) of the Constitution of Kenya, 2010, section 24 (10) (b) and section 84 (3) of the PFM Act, 2012 and section 35 of the Public Audit Act, 2015. The audit issues raised in the FY 2022/2023 were resolved, and the scheme financial statements were reported to present fairly in all material aspects the true financial position of the Scheme. The auditors of the Scheme, thus, issued an unqualified audit opinion.

Statement of Compliance

The Committee confirms that the Fund has, throughout the FY 2023/2024, complied with all statutory and regulatory requirements and has been managed under the principles of good corporate governance.

9. Management Discussion and Analysis

a) Operational and financial performance of the Fund during the period

The Scheme was introduced eight (8) years ago and has recorded total cash inflows of Kshs 1,868,046,238 as reported in the period under review.

The number of applicants who have shown interest in Mortgage and Car Loan facility has grown over time with the waiting list becoming bigger every day. There are 155 successful applications for mortgage amounting to Kshs. 1,214,795,952 and 105 successful applications for Car Loan amounting to Kshs. 141,786,300 as at the end of the period under review.

Performance for the periods 2015/2016 to 2023/2024

	Mortgage	Car Loan	Total
	Kshs.	Kshs.	Kshs.
Exchequer funding HFC Schemes	460,000,000	200,000,000	720,000,000
Exchequer funding KCB Schemes	425,000,000	-	425,000,000
Net intra-fund bank transfers*	142,000,000	(142,000,000)	-
Sub- Total	1,027,000,000	58,000,000	1,085,000,000
Principal repayments received HFC	268,785,062	114,222,392	383,007,454
Principal repayments received KCB	96,241,562	8,678,408	104,919,970
Interest earned on HFC Schemes	171,161,238	36,171,830	207,333,068
Interest earned on KCB Schemes	84,762,432	3,023,313	87,785,745
Total Inflows	**1,647,950,293**	**220,095,944**	**1,868,046,238**
Loans Issued HFC	718,049,103	116,416,300	843,465,403
Loans Issued KCB	496,746,849	25,370,000	522,116,849
Scheme Administration Cost	146,673,652	9,020,338	155,693,991
Withholding Tax on interest	3,980,269	125,449	4,105,718
Bank Service Charges	5,115	3,330	8,445
Total Outflows	**1,365,454,988**	**150,935,418**	**1,516,390,406**
Net Inflows	**135,495,306**	**216,160,527**	**351,655,832**

*Details of Intra - fund transfers have been annexed to these financial statements.

Due to increased demand for mortgage and car loan facility, the fund has been facing inadequate resource challenges due to fiscal austerity measure instituted by the government. However, there is a great expectation that in future the scheme will be a self-sustaining revolving fund.

b) Fund's key projects or investments decision implemented or ongoing

The Commission has continued to support the Mortgage and Car Loan schemes for the staff. This is intended to provide affordable housing for the staff while at the same time facilitating the staff to conveniently commute to and from their workplace.

c) Fund's compliance with statutory requirements

The fund complied with all its statutory and tax obligations in the implementation of its mandate. Further, the Fund complied with all the necessary laws and regulations applicable in the management of the financial facilitation and intermediation.

d) Risk management activities

The Scheme has put in place risk management framework for risk identification and mitigation. Further it has embedded risk management in all its planning, execution, evaluation and business continuity arrangements.

Some of the key risks facing the Scheme include

i) **Strategic Risks**: These are risks that affect the ability to carry out the long-term goals and objectives of the fund due to inadequate funding.

ii) **Compliance Risks**: These are risks associated with non- compliance with applicable laws and regulations could result in litigation and conflict of interest.

iii) **Financial Risks**: The risk of financial loss that may include ineffectiveness of internal controls, inadequate funding, inability to service the loans and delay in financial reporting due to reliance on third party financial information. The delayed funding may also result in the Commission's inability to fund all the applications hence delay in issuing loans and acquisition of the properties.

iv) **Operational Risk**: The risk of direct or indirect loss or inability to provide core services especially to mortgage and car loan applicants, resulting from inadequate or failed financial processes, resources and systems.

e) Financial Probity and Governance

To obtain assurance on compliance and prudence in the management of the Fund finances, the Scheme prepares the financial statements for the Mortgage and Car Loan funds, which are subjected to both internal and external audit. The audit findings and recommendations enable the Scheme to strengthen the Fund operational and financial systems.

10. Environmental and Sustainability Reporting

Environmental and Sustainability reporting corporate social responsibility is an integral part of the Commission culture. As a responsible organization, the Commission respects the interests of its stakeholders – our employees, customers, suppliers and the wider community. We actively seek opportunities to improve the environment and contribute to the well-being of our communities.
Below is a brief highlight of our achievements on Corporate Social Responsibility and Sustainability.

a) Sustainability strategy and profile

The Commission's mortgage and car loan scheme fund has endeavoured to remain a going concern through effective planning, budgeting and implementation of its activities. The scheme also ensures continuous training of staff in order to have an informed workforce and bridge knowledge gaps. By so doing, the Commission has been able to remain solvent and able to attract beneficiaries to the scheme's products.

b) Environmental performance

Care for the environment is one of our key responsibilities and an important part of the way in which the scheme operates. The EACC mortgage and car loan scheme does this through automation of its processes to ensure minimal usage of printing paper and further contribute towards attainment of a paperless institution.

c) Employee welfare

The Commission puts employee welfare at the core of its decisions. To this end, the Commission has made several strides aimed at successful improvement of the employee welfare issues. The Commission has established the EACC Staff House Mortgage and Car Loan Scheme to enable employees own houses and motor vehicles at affordable costs for better living in line with the government programme of the big four agenda.

d) Market Place Practises

The Commission has put efforts to ensure the following:

i. Responsible competition practice.

The EACC Staff House Mortgage and Car Loan Scheme offers its services to all its clients and does not discriminate based on gender, age, persons living with Disability, race or religion.

ii. Responsible Supply chain and Supplier relations

The EACC Staff House Mortgage and Car Loan Scheme ensures all its mortgage and car loan appraisals and award processes are done in a transparent and accountable manner with full adherence to provisions of the law and regulations in place.

iii Responsible marketing and advertisement

The Commission has a website that contains all the information relating to the EACC Staff House Mortgage and Car Loan Scheme and can easily be accessed by the all its staff.

iv. Product stewardship

The Scheme upholds the rights and fundamental freedoms as outlined in the Bill of Rights contained in Chapter 4 of the Constitution of Kenya 2010.

d) Community Engagements

Corporate Social Responsibility (CSR) is an essential component that enables an organization to participate in promoting the environmental, ethical and socio-economic concerns of the communities. During the period under review, The EACC Staff House Mortgage and Car Loan Scheme did not participate in community engagements and other CSR activities.

11. Report of the Commission

The Commission committee submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Fund affairs.

Principal activities

The principal activity of the fund is to provide financing to the members of staff to purchase, develop or renovate residential property and acquisition of motor cars for private use.

Performance

The performance of the Fund for the year ended June 30, 2024, is set out on pages 1 to 27.

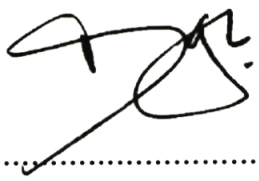
The Commission

The members of the Commission who served during the year are shown on pages vii to x.

Auditors

The Auditor-General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Commission



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David Oginde, PhD, FSC
Chairperson of the Commission

12. Statement of Management's Responsibilities

Section 84 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a Fund established under the constitution or an act of parliament shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2024. 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 fund, (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 fund; (v)Selecting and applying appropriate accounting policies, and (vi)Making accounting estimates that are reasonable in the circumstances.

The Administrator of the Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2024, and of the Fund's financial position as at that date.

The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Administrator of the Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements.

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

Approval of the Financial Statements

The Fund's financial statements were approved by the Commission on 13th September, 2024 and signed on its behalf by:



.....

David Oginde, PhD, FSC
Chairperson of the Commission



.....

Twalib Mbarak, MGH, CBS
Fund Administrator /
Secretary to the Commission

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON ETHICS AND ANTI-CORRUPTION COMMISSION STAFF HOUSE MORTGAGE AND CAR LOAN SCHEME FOR THE YEAR ENDED 30 JUNE, 2024

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 the Government achieves value for money and that such funds are applied for the intended purpose.

C. Report on the 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, risk management environment and 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, is effective in the use of resources, or 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 FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Ethics and Anti-Corruption Commission Staff House Mortgage and Car Loan Scheme as set out on pages 1 to 25,

which comprise of the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Ethics and Anti-Corruption Commission Staff House Mortgage and Car Loan Scheme as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with Ethics and Anti-Corruption Commission (EACC Staff Motor Car Loan Scheme) revised Regulations, 2019, the Ethics and Anti-Corruption Commission (EACC Staff House Mortgage Scheme) Regulations, 2019 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Ethics and Anti-Corruption Commission Staff House Mortgage and Car Loan Scheme Management in accordance with ISSAI 130 on the 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 judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Information

The Commissioners are responsible for the other information, set out on xv page to xxv which comprises the Chairperson's Report, Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussions and Analysis, Environmental and Sustainability Reporting and the Statement of Management's Responsibilities. The other information does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance or conclusion thereon.

In connection with my audit on the Ethics and Anti-Corruption Commission Staff House Mortgage and Car Loan Scheme financial statements, my responsibility is to read the

other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 3000 and 4000. The Standards 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 comply, 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 2315 and 2330.The standards require that I plan and perform the audit to obtain assurance about whether effective 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 Commissioners

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

In preparing the financial statements, the Management is responsible for assessing the Scheme's, ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management is aware of the intention to cease operations.

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

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

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

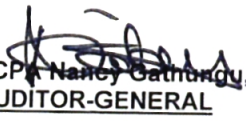
Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I also I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/. This description forms part of my auditor's report.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

22 October, 2024

14. Statement of Financial Performance for the year ended 30th June 2024

Description	Note	2023/24	2022/23
		Kshs.	Kshs.
Revenue from exchange transactions			
Interest income on Bank Balance	6	10,311,431	7,996,688
Interest on Individuals Staff House Mortgage and Car Loans	7	26,908,066	27,671,942
Total revenue		**37,219,496**	**35,668,630**
Expenses			
Commission paid to Service Providers	8	26,908,066	27,671,942
Bank Service Charges	9	2,130	-
Withholding Tax on Interest Income	10	1,345,403	1,383,598
Total expenses		**26,910,196**	**27,971,942**
Surplus for the period		**8,963,897**	**6,613,090**

The notes set out on pages 6 to 23 form integral part of these financial statements.

The financial statements on pages 1 to 5 were approved on 13th September, 2024 and signed by:

.....	.....	.....
David Oginde, PhD, FSC **Chairperson of the Commission**	**Twalib Mbarak, MGH, CBS** **Fund Administrator /** **Secretary to the Commission**	**CPA Joel I. Mukumu, OGW** **Fund Accountant /** **Director, Finance & Planning** **ICPAK M/No. 5917**

15. Statement of Financial Position as at 30th June 2024

Description	Note	2023/24	2022/23
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	11	351,655,832	293,200,280
Short term receivables from Staff House Mortgage	12	63,173,322	60,460,926
Short term receivables from Staff Car Mortgage	12	7,344,827	9,316,942
Total Current Assets		**422,173,981**	**362,978,148**
Non-current assets			
Long term receivables from staff House Mortgage	12	786,596,004	832,130,810
Long term receivables from staff Car Mortgage	12	11,540,673	7,268,447
		798,136,677	**839,399,257**
Total assets		**1,220,310,658**	**1,202,377,405**
Net assets			
Accumulated surplus (*Reserves*)	13	117,117,323	108,153,425
Mortgage and Car loan revolving fund	13	1,103,193,335	1,094,223,980
Total net assets		**1,220,310,658**	**1,202,377,405**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Fund financial statements were approved on 13th September, 2024 and signed by:

.....	.....	.....
d Oginde, PhD, FSC **rperson of the Commission**	**Twalib Mbarak, MGH, CBS** **Fund Administrator /** **Secretary to the Commission**	**CPA Joel I. Mukumu, OGW** **Fund Accountant /** **Director, Finance & Planning** **ICPAK M/No. 5917**

16. Statement of Changes in Net Assets for the year ended 30th June 2024

Description	Note	Mortgage Fund	Car Loan Fund	Accumulated Surplus	Total
		Kshs	Kshs	Kshs.	Kshs.
Balance as at 1 July 2022		**1,020,000,000**	**65,000,000**	**101,540,336**	**1,186,540,336**
Surplus for the period		-	-	6,613,090	6,613,090
Transfers from EACC		-	-	-	-
Interest capitalized	7	8,988,444	235,536	-	**9,223,980**
As at 30 June 2023		**1,028,988,444**	**65,235,536**	**108,153,426**	**1,202,377,406**
Balance as at 1 July 2023		**1,028,988,444**	**65,235,536**	**108,153,426**	**1,202,377,406**
Surplus for the period		-	-	8,963,897	8,963,897
Transfers from EACC		-	-	-	-
Interest capitalized	7	8,751,868	217,487		8,969,355
As at 30 June 2024		**1,037,740,312**	**65,453,023**	**117,117,323**	**1,220,310,658**

17. Statement of Cash Flows for the year ended 30th June 2024

Description	Note	2023/24	2022/23
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Interest income on Bank Balance	6	10,311,431	7,996,688
Interest on Individuals Staff Mortgage and Car Loans	7	26,908,066	27,671,942
Total receipts		**37,219,496**	**35,668,630**
Payments			
Commission paid to Service Providers	8	26,908,066	27,671,942
Bank Service Charges	9	2,130	-
Withholding Tax on Interest Income	10	1,345,403	1,383,598
Total payments		**28,255,599**	**29,055,540**
Net cash flow from operating activities		**8,963,897**	**6,613,090**
Cash flows from investing activities			
Proceeds from Staff Mortgage principal repayments		76,115,508	72,873,873
Staff Mortgage disbursements paid out		(33,293,248)	(60,744,129)
Proceeds from Staff Car Loan principal repayments		11,790,040	13,976,495
Staff Car loan disbursements paid out		(14,090,000)	(1,600,000)
Net cash flows used in investing activities		**40,522,300**	**24,506,239**
Cash flows from financing activities			
Receipts into the mortgage and car loan revolving fund		8,969,355	9,223,983
Net cash flows used in financing activities		**8,969,355**	**9,223,983**
Net increase/(decrease) in cash and cash equivalents		**58,455,552**	**40,343,312**
Cash and cash equivalents at 1 July	11	293,200,280	252,856,968
Cash and cash equivalents at 30 June 2024		**351,655,832**	**293,200,280**

18. Statement of Comparison of Budget and Actual Amounts for the year ended 30th June 2024

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
	A	B	C=(A+B)	D	E=(C-D)	F= D/C
Revenue						
Interest on Bank Balance	7,996,688	-	7,996,688	10,311,431	(2,314,743)	129%
Interest on Staff Mortgage & Car Loans	27,671,942	-	27,671,942	26,908,066	763,876	97%
Total Revenue	**35,668,630**	**-**	**35,668,630**	**37,219,496**	**(1,550,866)**	
Expenditure						
Commission paid to service providers	27,671,942	-	27,671,942	26,908,066	763,876	97%
Withholding Tax on Interest Income	1,383,598	-	1,383,598	1,345,403	38,195	97%
Bank Service Charges	-	-	-	2,130	(2,130)	0%
Total Expenditure	**29,055,540**	**-**	**29,055,540**	**28,255,599**	**799,941**	97%
Surplus for the period	**6,613,090**	**-**	**6,613,090**	**8,963,897**	**(2,350,807)**	

Note:

i. **Interest on Bank Balance**: The percentage increase was due to higher interest realized on bank balances than anticipated

ii. **Bank Service Charges:** The zero percentage was due to unbudgeted bank service charges incurred during the year.

19. Notes to the Financial Statements

1. General Information

Ethics and Anti-Corruption Commission Staff House Mortgage and Car Loan Scheme Fund is established by and derives its authority and accountability from the Public Finance Management Act (PFMA) 2012. The Fund is wholly owned by the Ethics & Anti-Corruption Commission (EACC) and is domiciled in Kenya. The Fund's principal activity is to provide financing to the members of staff to purchase, develop or renovate residential property and acquisition of motor car for private use.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant, and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Fund's accounting policies.

The financial statements have been prepared and presented in Kenya Shillings (**Kshs**), which is the functional and reporting currency of the Fund.

The financial statements have been prepared in accordance with the PFM Act, 2012 and the International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

The financial statements are prepared assuming that the EACC Staff House Mortgage and Car Loan Scheme is a going concern and will continue in operation and meet its statutory obligations in the foreseeable future.

3. Adoption of New and Revised Standards

i. **New and amended standards and interpretations in issue effective in the year ended 30 June 2024**

There are no new standards effective in the Financial Year.

ii. **New and amended standards and interpretations in issue but not yet effective in the year ended 30th June 2024.**

Standard	Effective date and impact:
IPSAS 43: Leases	***Applicable 1st January 2025*** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. There was no impact of the Standard to the current financial report of the Scheme
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	***Applicable 1st January 2025*** The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. There was no impact of the Standard to the current financial report of the Scheme
IPSAS 45: Property Plant and Equipment	***Applicable 1st January 2025*** The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. There was no impact of the Standard to the current financial report of the Scheme
IPSAS 46: Measurement	***Applicable 1st January 2025*** The objective of this standard was to improve measurement guidance across IPSAS by:

	i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. There was no impact of the Standard to the current financial report of the Scheme
IPSAS 47: Revenue	***Applicable 1st January 2026*** This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. There was no impact of the Standard to the current financial report of the Scheme
IPSAS 48: Transfer Expenses	***Applicable 1st January 2026*** The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. There was no impact of the Standard to the current financial report of the Scheme
IPSAS 49: Retirement Benefit Plans	***Applicable 1st January 2026*** The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. There was no impact of the Standard to the current financial report of the Scheme

iii. Early adoption of standards

The Fund did not early – adopt any new or amended standards in the year 2023/24

4. Significant Accounting Policies

a. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income for each period.

b. Budget information

The original budget for FY 2023/24 was approved on 20th June 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Fund upon receiving the respective approvals in order to conclude the final budget.

The Fund's budget is prepared on a different basis from the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis.

The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also

Significant Accounting Policies (Continued)

made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts as per the statement of financial performance has been presented under page 5 of these financial statements.

c. Financial instruments

1)Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments; Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. The Fund determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Fund has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, with less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Significant Accounting Policies (Continued)

Impairment of financial assets

The Fund assesses at each reporting date whether there is objective evidence that a financial asset or a Fund of financial assets is impaired. Management then follows the procedure required by Regulation 145 of the PFM Act, 2012. A financial asset of the Fund is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (*an incurred 'loss event'*) and that loss event has an impact on the estimated future cash flows of the Fund that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors of the Fund are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults).

2) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Fund determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

d. Contingent liabilities

The Fund 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.

e. Contingent assets

The Fund does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Fund in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are

Significant Accounting Policies (Continued)

appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

f. Changes in accounting policies and estimates

The Fund recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

IPSAS-3: Accounting Policies, Changes in Accounting Estimates and Errors is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors.

The standard requires compliance with any specific international financial reporting standard applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis.

Prior period errors are omissions from, and misstatements in, an entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that was available and could reasonably be expected to have been obtained and taken into account in preparing those statements. Such errors result from mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

g. Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the

Significant Accounting Policies (Continued)

reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

h. Related parties

The Fund regards a related party as a person or entity with the ability to exert control individually or jointly, or to exercise significant influence over the Fund, or vice versa. Members of key management are regarded as related parties and comprise the Commission, the Directors, the Fund Managers, and Fund Accountant.

i. 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 Housing Finance Company and KCB Bank Ltd at the end of the financial year.

j. Comparative figures

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

k. Events after the reporting period

There were no material adjusting and non-adjusting events after the reporting period.

l. Ultimate and Holding Fund

The EACC Staff House Mortgage and Car Loan Scheme is a Fund under the sponsorship of the Ethics and Anti-Corruption Commission which is a Constitutional Commission established section 3 of the EACC Act 2011and pursuant to Article 79 of the Constitution of Kenya.

m. Currency

The financial statements are presented in Kenya Shillings (**Kshs**).

Significant Accounting Policies (Continued)

5. Significant judgments and sources of estimation uncertainty

The preparation of the Fund's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Notes to the Financial Statements

6. Interest income on Bank Balance

Description	2023/24	2022/23
	Kshs.	Kshs.
Interest on Mortgage Bank Account HFC	2,365,289	1,394,006
Interest on Mortgage Bank Account KCB	6,430,846	5,945,764
Interest on Car Loan Bank Account KCB	481,012	386,135
Interest on Car Loan Bank Account HFC	1,034,283	270,783
Total Interest Income	**10,311,431**	**7,996,688**

The Interest Income of **Kshs 10,311,431** relates to the total interest earned on the capital sum deposited in the Free Fund (High Interest) Account at an annualized 91-day Treasury Bill Rate minus 1%.

7. Interest on Individuals Staff House Mortgage and Car Loans

Description	2023/24	2022/23
	Kshs.	Kshs.
4% Interest on Staff Mortgage at HFC Bank	18,822,883	19,919,440
4% Interest on Staff Mortgage at KCB Bank	16,184,588	16,034,337
	35,007,471	**35,953,777**
3% Commission to Service Provider HFC Mortgage	(14,117,163)	(14,939,580)
3% Commission to Service Provider KCB Mortgage	(12,138,441)	(12,025,753)
Interest capitalized on mortgage funds	**8,751,868**	**8,988,444**
4% Interest on Car Loan at HFC Bank	237,630	634,157
4% Interest Car Loan at KCB Bank	632,319	307,988
	869,950	**942,145**
3% Commission to Service Provider HFC Car Loans	(178,223)	(475,618)
3% Commission to Service Provider KCB Car Loans	(474,239)	(230,991)
Interest capitalized on car loan funds	**217,487**	**235,536**
Total Interest Income	**8,969,355**	**9,223,980**

The EACC Staff House Mortgage and Car loan Scheme Fund charges an interest rate of 4% to its members which 1% above the recommended rates by the Salaries and remuneration Commission. This is aimed at ploughing back the 1% interest into the Fund, which operates as a revolving fund.

Notes to the Financial Statements (continued…...)

8. Commission paid to Service Providers

Description	2023/24	2022/23
	Kshs.	Kshs.
3% Commission to Service Provider HFC Mortgage	14,117,163	14,939,580
3% Commission to Service Provider KCB Mortgage	12,138,441	12,025,753
3% Commission to Service Provider HFC Car loan	178,223	475,618
3% Commission to Service Provider HFC Car loan	474,239	230,991
Total	**26,908,006**	**27,671,942**

9. Bank Service Charges

Description	2023/24	2022/23
	Kshs.	Kshs.
Mortgage Bank accounts	1,065	-
Car Loan Bank accounts	1,065	-
Total	**2,130**	**-**

10. Withholding Tax on Interest Income

Description	2023/24	2022/23
	Kshs.	Kshs.
Staff Mortgage 1% Interest at HFC Bank	705,858	746,979
Staff Mortgage 1% Interest at KCB Bank	606,922	601,288
Car Loan 1% Interest at HFC Bank	8,911	23,781
Car Loan 1% Interest at KCB Bank	23,712	11,550
Total	**1,345,403**	**1,383,598**

The scheme charges an interest of 4% on loans issued out which a share of 1 % is credited back to the scheme for growth of the fund. The withholding tax of Kshs 1,345,403 relates to the 1% interest income received.

Notes to the Financial Statements (continued…...)

11. Cash and cash equivalents

Description	**2023/24**	**2022/23**
	Kshs.	**Kshs.**
HFC Staff Mortgage Bank Account	135,108,336	91,717,106
KCB Staff Mortgage Bank Account	167,386,970	151,721,181
KCB Car Loan Bank Account	25,903,574	17,865,484
HFC Car Loan Bank Account	23,256,953	31,896,509
Total Cash and Cash equivalents	**351,655,832**	**293,200,280**

Detailed analysis of the cash and cash equivalents in banks approved by The National Treasury in line with Section 28 of the PFM Act, 2012 are as follows:

		2023/24	**2022/23**
Financial Institution	**Account number**	**Kshs.**	**Kshs.**
Mortgage and Car Loan Fund			
KCB Bank Limited	MM1823230468	160,405,488	149,324,032
KCB Bank Limited	MM2035HC6PL	21,188,592	31,793,652
Housing Finance Company	2025883401-0	25,903,574	17,865,484
Housing Finance Company	2025883104-0	135,108,336	91,717,106
Sub- Total		**342,605,989**	**290,700,274**
Current Account			
KCB Bank Limited	1233945564	2,068,361	2,397,149
KCB Bank Limited	1233948172	6,981,482	102,857
Sub- Total		**9,049,843**	**2,500,006**
Grand Total		**351,655,832**	**293,200,280**

The Scheme Back-Up accounts held at Housing finance for both Mortgage loans and Car loans hold funds that are disbursed to the beneficiaries less principal recoveries. It shall thus at all times have a balance equivalent to the total aggregate disbursed loans less principal recoveries. The back-up account does not earn interest.

12. Mortgage and Car Loan Receivables

Description	**2023/24**	**2022/23**
	Kshs.	**Kshs.**
Current Receivables		
Short term receivables from staff House Mortgage	63,173,322	60,460,926
Short term receivables from staff Car Mortgage	7,344,827	9,316,942
Total Current Receivables	**70,518,149**	**69,777,867**
Non-Current Receivables		

Long term receivables from staff House Mortgage	786,596,004	832,130,810
Long term receivables from staff Car Mortgage	11,540,673	7,268,447
Total Non- Current Receivables	**798,136,677**	**839,399,257**
Total Receivables	**868,654,826**	**909,177,124**

Ageing analysis (receivable from exchange transactions	**2023/24**	**% of total**	**2022/23**	**% of total**
Less than 1 year	70,518,149	8%	69,777,867	8%
Between 1-2 years	141,036,298	16%	139,555,735	15%
Between 2-3 years	211,554,447	24%	209,333,602	23%
Over 3 years	445,545,932	51%	490,509,920	54%
Total	**868,654,826**	100%	**909,177,124**	100%

13. Mortgage and Car Revolving Fund

Description	**2023/24**	**2022/23**
	Kshs.	**Kshs.**
Revolving fund as at 01 July	1,094,223,980	1,085,000,000
Transfer into Mortgage Revolving fund	-	-
Interest capitalised on mortgage loans	8,751,868	8,988,444
Transfer into Car Loan Revolving fund	-	-
Interest capitalised on car loans	217,487	235,536
	1,103,193,335	**1,094,223,980**
Accumulated surplus *(Reserves)*	117,117,323	108,153,425
Total funds as at 30 June	**1,220,310,658**	**1,202,377,405**

14. Net cash flow from operating activities

Description	**2023/24**	**2022/23**
	Kshs.	**Kshs.**
Surplus for the year	**8,963,897**	**6,613,090**
Adjusted for:		
Withholding tax on interest income	-	-
	8,963,897	**6,613,090**
Working capital adjustments		
Increase in receivables	-	-
Net cash flow from operating activities	**8,963,897**	**6,613,090**

Notes to the Financial Statements (continued…...)

15. Financial risk management

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Fund's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

The Fund does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Fund's financial risk management objectives and policies are detailed below:

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.
Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Fund's management based on prior experience and their assessment of the current economic environment.
The carrying amount of financial assets recorded in the financial statements representing the Fund's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs.	Fully performing Kshs.	Past due Kshs.	Impaired Kshs.
At 30 June 2024				
Receivables from Car Loans and Mortgages	868,654,826	868,654,826	-	-
Bank Balances	351,655,832	351,655,832	-	-
Total	**1,220,310,658**	**1,220,310,658**	**-**	**-**

At 30 June 2023				
Receivables from Car Loans and Mortgages	**909,177,125**	**909,177,125**	-	-
Bank Balances	**293,200,280**	**293,200,280**	-	-
Total	**1,202,377,405**	**1,202,377,405**	-	-

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Fund has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Fund has significant concentration of credit risk on amounts due from staff loan beneficiaries.

The board of trustees sets the Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the Fund's short, medium, and long-term funding and liquidity management requirements. The Fund manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

c) Market risk

The board has put in place an internal audit function to assist it in assessing the risk faced by the Fund on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates, which will affect the Fund's income or the value of its holding of financial instruments.

The objective of market risk management is to manage and control of market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's Accountant is responsible for the development of detailed risk management policies (subject to review and approval by the Audit and Risk Management Committee) and

for the day-to-day implementation of those policies. There has been no change to the Fund's exposure to market risks or the manner in which it manages and measures the risk.

d) Interest rate risk

Interest rate risk is the risk that the Fund's financial condition may be adversely affected as a result of changes in interest rate levels. The Fund's interest rate risk arises from bank deposits. This exposes the Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs. 1,550,866 (2023: Kshs. 35,668,630).

A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of kshs. 399,834 (2023- kshs. 643,958) = (last year revenue) x 5%)

e) Capital risk management

The objective of the Fund's capital risk management is to safeguard the Fund's ability to continue as a going concern. The Fund capital structure comprises of the following funds:

Description	**2023/24**	**2022/23**
	Kshs.	**Kshs.**
Revolving fund as at 01 July	**1,103,193,335**	**1,094,223,980**
Mortgage and Car Loan Revolving fund	-	-
	1,103,193,335	**1,094,223,980**
Accumulated surplus (*Reserves)*	117,117,323	108,153,425
Total funds	**1,202,310,658**	**1,202,377,405**
Less: Cash and bank balances	(351,655,832)	(293,200,280)

Net debt/(excess cash and cash equivalents)	868,654,826	909,177,124
Gearing	**71%**	**76%**

16. Related party

a) Nature of related party relationship

Entities and other parties related to the Fund include those parties who can exercise control or exercise significant influence over its operating and financial decisions. Related parties have management personnel and their associates. The fund/scheme is related to the following entities:

a) The National Treasury

b) Ethics & Anti-Corruption Commission

c) Staff Mortgage and Car Loan Advisory Committee; and

d) Key management personnel

b) Related party transactions

i. Transfers from related parties

Description	**2023/24**	**2022/23**
	Kshs.	**Kshs.**
Transfers from EACC	-	-

ii. Key Management Remuneration

The members of the Commission and the Staff Mortgage and Car Loan Advisory Committee do not draw any form of remuneration from the fund.

17. Events after the reporting period

There were no material adjusting and non-adjusting events after the reporting period.

18. Ultimate and Holding Fund

The EACC Staff House Mortgage and Car Loan Scheme is a Fund under the sponsorship of the Ethics and Anti-Corruption Commission which is a Constitutional Commission established section 3 of the EACC Act 2011and pursuant to Article 79 of the Constitution of Kenya.

19. Currency

The financial statements are presented in Kenya Shillings (**Kshs**).

20. Scheme Accountability Statement as at 30th June 2024

	Staff Mortgage Scheme Interest	Staff Mortgage Scheme	Car Loan Scheme Interest	Car Loan Scheme	Total
Scheme Funding:	**Kshs.**	**Kshs.**	**Kshs.**	**Kshs.**	**Kshs.**
Opening Balance 01.07.2023		**1,109,029,274**		**93,348,131**	**1,202,377,405**
Funding for the year		-		-	-
Interest capitalized		8,751,868		217,487	8,969,355
Total Funding		**1,109,029,274**		**93,348,131**	**1,211,346,760**
Interest					
Interest earned on Bank Balance HFC		2,365,289		418,012	2,846,301
Interest earned on Bank Balance KCB		6,430,846		1,034,283	7,465,129
4% interest on Loans issued (net capitalized amount)	(26,255,604)		(652,462)		
Less:3% Administration fees	(26,255,604)		(652,462)		
Withholding Tax on Interest Income		(1,312,780)		(32,623)	(1345403)
Bank Service Charges		(1065)		(1,065)	(2130)
Total Net Interest		7,482,290		1,481,607	8,963,897
Total Fund		**1,125,263,432**		**95,047,225**	**1,220,310,657**
Total Loans Issued KCB Bank	(496,746,849)		(25,370,000)		
Total Principal Repaid KCB Bank	96,241,562	(400,505,287)	8,678,408	(16,691,592)	(417,196,879)
Total Loans Issued HFC Bank	(718,049,103)		(116,416,300)		
Total Principal Repaid HFC Bank	268,785,062	(449,264,039)	114,222,392	(2,193,908)	(451,457,946)
Total Fund Balance 30.06.2024		**275,494,106**		**76,161,726**	**351,655,832**

21. Annexes

Annex I: Progress on follow up of prior year Auditor's recommendations

The Scheme did not have any Audit follow up issues for the previous Audited Financial Year 2022/23.



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Twalib Mbarak, MGH, CBS
Secretary to the Commission/ Fund Administrator

Annex II: Intra Fund Transfers as at 30th June 2024

Intra Fund Transfers	Mortgage Scheme HFC Kshs.	Mortgage Scheme KCB Kshs.	Car Loan Scheme HFC Kshs.	Car Loan Scheme KCB Kshs.	Total Kshs.
Transfers from HFC Car Loan Scheme to HFC Mortgage Scheme	100,000,000		(100,000,000)		-
Transfers from HFC Mortgage Scheme to KCB Mortgage Scheme	(60,000,000)	60,000,000			-
Transfers from HFC Car Loan Scheme to KCB Mortgage Scheme		27,000,000	(27,000,000)		-
Transfers from KCB Car Loan Scheme to KCB Mortgage Scheme		15,000,000		(15,000,000)	-
Transfers from HFC Car Loan Scheme to KCB Car Loan Scheme			(53,000,000)	53,000,000	-
	40,000,000	**102,000,000**	**(180,000,000)**	**38,000,000**	**-**

Annex III: Statement of Scheme Performance

The Scheme recorded five (5) successful applications for Mortgage amounting to Kshs. 33,293,248 and eight (8) for Car Loan amounting to Kshs. 14 090,000 as at the end of the period under review compared with nine (4) successful applications for Mortgage and one (1) successful applications for Car loan in the previous financial year as analysed below.

(i) Comparative Scheme Performance

	2023-2024		2022-2023	
Scheme	**Number of successful applicants**	**Amount**	**Number of successful applicants**	**Amount**
	No.	**Kshs.**	No.	**Kshs.**
Staff Mortgage	5	33,293,248	4	60,744,129
Staff Car Loan	8	14,090,000	1	1,600,000
	13	**47,383,248**	**5**	**62,344,129**

(ii) Cumulative Scheme Performance since inception

Scheme	**Number of successful applicants**	**Amount**
	No.	**Kshs.**
Staff Mortgage	155	1,214,795,952
Staff Car Loan	105	141,786,300
Total		**1,356,582,252**

Annex IV: Cumulative Scheme performance from year 2016 to 2024

FY		Mortgage HFC	Mortgage KCB	Car loan HFC	Car loan KCB	Total
2016-2017	No of applicants	28	-	24	-	**52**
	Loan Disbursed (Kshs)	247,230,562	-	36,531,800	-	**283,762,362**
2017-2018	No of applicants	24	-	19	-	**43**
	Loan Disbursed (Kshs)	170,300,379	-	19,761,000	-	**190,061,379**
2018-2019	No of applicants	21	2	25	-	**48**
	Loan Disbursed (Kshs))	162,940,172	13,467,257	32,648,500	-	**209,055,929**
2019-2020	No of applicants	9	13	17	-	**39**
	Loan Disbursed (Kshs))	70,564,972	72,448,230	22,017,000	-	**165,030,202**
2020-2021	No of applicants	2	40	5	5	**52**
	Loan Disbursed (Kshs)	7,032,733	294,312,237	5,458,000	7,680,000	**314,482,970**
2021-2022	No of applicants	3	6	-	1	**10**
	Loan Disbursed (Kshs))	24,452,629	58,009,404	-	2,000,000	**84,462,033**
2022-2023	No of applicants	2	2	-	1	**5**
	Loan Disbursed (Kshs))	23,689,429	37,054,700	-	1,600,000	**62,344,129**
2023-2024	No of applicants	2	3	-	8	**13**
	Loan Disbursed (Kshs))	11,838,227	21,455,021	-	14,090,000	**47,383,248**

NOTES

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ETHICS AND ANTI-CORRUPTION COMMSSION

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