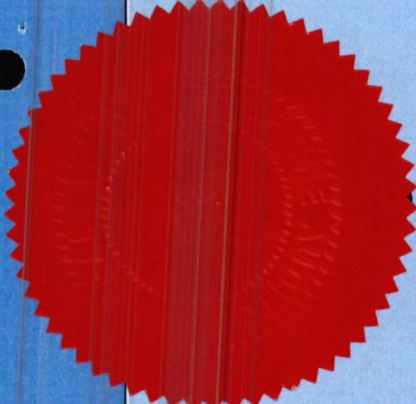


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



| | |
|-----------------------|--|
| THE NATIONAL ASSEMBLY | |
| MEMBERS LAID | |
| REPORT | DAY: Wed |
| DATE: 27 MAR 2019 | |
| TABLED BY: OF | Majority Party Whip Hon. Benjamin Wachuki |
| CLERK-AT THE-TABLE: | Nivian Ntobo |

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THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF NATIONAL LAND COMMISSION

FOR THE YEAR ENDED

30 JUNE 2018



NATIONAL LAND COMMISSION

NATIONAL LAND COMMISSION

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2018

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

NATIONAL LAND COMMISSION
Reports and Financial Statements
For the year ended 30 June 2018

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I. KEY COMMISSION INFORMATION AND MANAGEMENT

(a) Background information

The National Land Commission (NLC) is an Independent Constitutional Commission established under Article 67 of the Constitution of Kenya, 2010. It was operationalized through Acts of Parliament that gave effect to Article 67 of the Constitution, namely; the National Land Commission Act, 2012; the Land Act, 2012 and the Land Registration Act, 2012, to carry out its mandate as outlined both in the Constitution and in the aforementioned legislations. The Commission is not subject to direction or control by any person or authority; it is subject only to the Constitution and the law as stated in Article 249 (2) of the Constitution of Kenya.

(b) Key Management

NLC's day-to-day management is under the following key organs:

- Nine (9) Commissioners comprising of the Chairman and eight (8) Commissioners. The Commissioners are engaged on a full time basis.
- Forty seven (47) County Coordination Offices headed by the County Coordinators as stipulated in the Constitution of Kenya under Article 6(3) and the National Land Commission Act 2012 under Section 16(5).



**Prof. Swazuri A. Muhammad -
Chairman**

He holds Doctor of Philosophy in Land Economics, a Master of Arts in Housing Administration and a Bachelor of Arts in Land Economics all from the University of Nairobi. Previously, Prof. Swazuri Served as a Commissioner of the Constitution of Kenya Review Commission (CKRC).

With a background in teaching, Prof. Swazuri has lectured in a number of Universities in Kenya and abroad, where he has supervised PhD students. He once served as a Deputy Principal, Mombasa Polytechnic University College. Until his appointment as the Chairman, National Land Commission, Prof. was the Ag. Deputy Vice Chancellor, Technical University of Mombasa.

He is an associate member of the Institution of Surveyors of Kenya. He has served in many boards which included being the Chairman of Kwale Water and Sewerage Company, Shimo la Tewa school and a member of National Governing Committee of the Kenya Red Cross. Prof. Swazuri is a scholar who has researched and presented papers, written and reviewed books, published articles and many other scholarly works.

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Abigael Mbagaya – Vice Chair

She holds a Master of Urban Management (MUM) and a Bachelor of Arts in Land Economics (Hons) from the University of Nairobi. She is a Full Member of the Institution of Surveyors of Kenya (MISK), Valuation and Estate Management Surveyors Chapter and is a Registered Valuer. She is an alumnus of the International Visitor Leadership Programme (IVLP). Before joining the Commission as the Vice Chairperson, Abigael worked as a Corruption Prevention Specialist at the EACC focusing on the Land and Public Service sector. She has wide experience in governance, anti-corruption and fraud prevention. She has over 22 years of work experience in both public and private sectors. Abigael is the Commission reference point for the Counties of Isiolo, Kakamega, Kirinyaga, Kisumu, Elgeyo-Marakwet, Kilifi and Nakuru.



Abdulkadir Adan Khalif – Commissioner

Commissioner Abdulkadir Adan Khalif holds a Bachelor degree in Surveying and Photogrammetry from The University of Nairobi and Geomatics Engineering from St. Cloud State University. He worked for the Ministry of Lands as a Surveyor and later joined the private sector. Abdulkadir worked in the USA as a Surveyor. He returned to Kenya in 2009 and started a private practice as a Licensed Land Surveyor until he joined the National Land Commission in 2013. He is the Commissioner in charge of NLIMS committee. He is the Commission reference point for the Counties of Garissa, Migori, Nyeri, Kajiado, Tana River and Kwale



Clement Isaiiah Lenachuru – Commissioner

Commissioner Dr. Clement Isaiiah Lenachuru holds a PhD in Rangeland Ecosystem from Colorado State University, USA, a Master of Science in Natural Resources, a Bachelor of Science in Natural Resources Management and a Diploma in Range Management. Dr. Lenachuru has worked at Egerton University as a lecturer in the faculty of Environment and Resources Development. He has a wealth of experience with Non-Governmental organizations where at one time he worked as a National Coordinator for Pastoralist Development Network of Kenya, an advocacy body that championed for the inclusion of the pastoralist agenda in the policy development in Kenya. Dr Lenachuru chairs Communication and Corporate Affairs, Natural Resources and Research committees.

He is the Commission reference point for the Counties of Baringo, Kitui, Turkana, Wajir, Laikipia and Narok.

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Emma Muthoni Njogu – Commissioner

Commissioner Emma Muthoni Njogu is an Advocate of the High Court of Kenya. She holds a Master of Law (LLM) in Commercial and Corporate Law from University of London, Queen Mary and Westfield College as well as a Bachelor of Law (LLB) degree and a Postgraduate Diploma in International Relations, both from the University of Nairobi. She served as a Joint Secretary to the Presidential Commission of Inquiry into the Land Law System of Kenya (Njonjo Commission), whose recommendations informed the National Land Policy and the provisions on land in the Constitution and in the land laws. While under the Office of the Attorney General, Commissioner Emma Njogu in her capacity as Head of Copyright Section served as a Joint Secretary to Kenya’s Task Force appointed to develop policies and laws to protect Kenya’s traditional knowledge, genetic resources and traditional cultural expressions. She also served as Deputy Chief State Counsel in the Department of Treaties and Agreements where she handled diverse legal and policy issues. She has expansive legal expertise and a wealth of experience in land matters. Commissioner Emma chairs the Land Administration committee and is the Commission reference point for the Counties of Embu and Nairobi.



Dr. Rose Musyoka – Commissioner

Commissioner Dr. Rose Musyoka holds a PhD. in Public Policy specializing in land policy from the University of Birmingham, UK. She also holds Master of Arts (Philosophy), Master of Arts (Urban and Regional Planning Postgraduate Diploma in Land management and Informal Settlement Regularisation from the Institute for Housing & Urban Development Studies, Erasmus University in Rotterdam, the Netherlands and Bachelor of Arts (Hons) from the University of Nairobi. Dr. Musyoka is a registered planner and lead expert in Environmental Impact Assessment and Audit. Before joining the Commission, she was a lecturer in the Department of Urban & Regional Planning at The University of Nairobi. Dr. Musyoka has also worked as an Urban and Regional planner with the Government of Kenya for over 18 years. She has researched and published in land particularly its governance, management, informal urbanisation, and access for the disadvantaged especially the poor and women. Dr Musyoka chairs Land Use Planning Committee and is the Commission reference point for the Counties of Bomet, Machakos, Makueni, Muranga, Samburu and Mombasa.

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Dr. Samuel Kipng'etich Tororei – Commissioner

Commissioner Dr. Samuel Kipng'etich Tororei holds a Doctor of Philosophy in Environment Studies (Human Ecology), a Master of Science in Health Planning and Financing and a Bachelor of Education. He has served as a Commissioner at the Kenya National Commission on Human Rights as the Vice Chairperson and acting Chair for one year. He worked as a Director for the Kenya society for the Blind.

Dr. Tororei was a delegate at the Constitution conference representing the civil society and people with disability. He has a background in teaching and lectures at Moi University, School of Public Health. He chairs the Audit and Risk Management and Historical Land Injustices Committees. He is also a Member of Land Use and Human Resource Committees. He is the Commission reference point for the Counties of Kisii, Uasin Gishu, Lamu, Vihiga Kirinyaga, Migori and West Pokot.



Silas Kinoti Muriithi – Commissioner

Commissioner Silas Kinoti Muriithi holds the Presidential Distinguished Service Medal (DSM) award. He has a Master of Arts in Urban and Regional Planning, a Bachelor of Science (Hons) in Surveying and Photogrammetry, both from the University of Nairobi. He has a Post Graduate Certificate in Surveying and Mapping from Geographical Survey Institute in Tsukuba, Japan. He has extensive experience spanning nearly 30 years, on all types of surveying and mapping by use of total stations, GPS, remote sensing (aerial photography/satellite imagery) as well as GIS operations, planning, surveying and mapping of settlement programmes. Commissioner Kinoti previously served as a Director in the Interim Independent Boundaries Review Commission (IIBRC). He is a member of the Institution of Surveyors of Kenya (ISK) and Kenya Institute of Planners (KIP). Mr. Kinoti has also served as a Director at the Kenya Roads Board and a past Chairman of Institution of Surveyors of Kenya (ISK). He chairs the Human Resource committee and is the Commission reference point for the Counties of Bungoma, Nyandarua, Tharaka – Nithi, Meru, Trans-Nzoia and Marsabit.

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Dr. T. Konyimbih Mboya -
Commissioner

Dr. T. Konyimbih Mboya has been a registered and licensed valuer in Kenya for over twenty years. He holds a PhD from the University of Cambridge in England where he studied land policy and tenure reform. He holds a first class honours degree from the University of Nairobi. He has previously worked as a property manager and land valuer both in Kenya and abroad. He has published widely in the areas of Land Valuation, Land Taxation, Land Economics, Land Tenure Reform, Land Administration, Land Management, Land Policy and Estate Management. He has been a lecturer at the University of Nairobi and has supervised several Masters Degrees and PhDs at the University. He has served in various parastatal boards, and has been an external examiner at the University of Dares Salaam. He is a member of the Kenya Cambridge Commonwealth Society, African Centre of Technology Studies, Lincoln Institute of Land Policy and the Institution of Surveyors of Kenya and has represented Kenya in various professional forums in Britain, Pakistan, Sri Lanka and Zimbabwe. In the National Land Commission, Dr. Konyimbih chairs the Committee on Land Administration, Land Taxation and Compulsory Acquisition and is a Commission reference point for the Counties of TaitaTaveta, Kiambu, Kericho, Nyamira, Nandi, Siaya and Homa Bay.



Chavangi Aziz Tom – Secretary/ceo

Mr. Chavangi Aziz Tom is a seasoned professional lawyer and a former Magistrate. Mr. Chavangi holds an LL.M degree from Golden Gate University School of Law, San Francisco, U.S.A. He is an advocate of the High Court of Kenya. He has Bachelor of Law (LL.B) and Bachelor of Commerce (B.Com) from Bhopal University in India. He has worked at the Truth, Justice and Reconciliation Commission as the Director of Legal Affairs and later as the CEO and Secretary to the Commission.

He also worked for the Children Legal Action Network where he was the Executive Director for five years. Mr Chavangi Aziz has over 14 years of legal experience, having close work relations with Government Agencies, Civil Society Organizations and Development Partners at policy programme and project levels, both in urban and rural settings. He has an extensive experience in project monitoring and evaluation of donor funded projects. He once served at the Task Force on the Implementation of the Sexual Offences Act.

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(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30 June 2018 and who had direct fiduciary responsibility were:

| | Designation | Name |
|----|--|--------------------------------|
| 1 | Chairman | Prof. Muhammad Abdalla Swazuri |
| 2 | Vice Chairperson | Mrs. Abigael Mbagaya Mukolwe |
| 3 | Commissioner | Dr. Tomik Konyimbih Mboya |
| 4 | Commissioner | Dr. Clement Isaiah Lenachuru |
| 5 | Commissioner | Dr. Samuel Kipng'etich Tororei |
| 6 | Commissioner | Dr. Rose Mumbua Musyoka |
| 7 | Commissioner | Ms. Emma Muthoni Njogu |
| 8 | Commissioner | Mr. Silas Kinoti Muriithi |
| 9 | Commissioner | Mr. Abdulkadir Adan Khalif |
| 10 | Secretary/Chief Executive Officer (CEO) | Mr. Chavangi Aziz Tom |
| 11 | Director, Public Land Management Information System (DPLIMS) | Prof. David Ndegwa Kuria |
| 12 | Director Land Use Planning (DLUP) | Dr. Herbert Luka Musoga |
| 13 | Director Research | Dr. Fibian Kavulani Lukalo |
| 14 | Director Finance & Administration (DFA) | Mr. Francis Karimi Mugo |
| 15 | Director Valuation & Taxation (DVT) | Dr. Salome Ludenyi Munubi |
| 16 | Director Natural Resources & Environment (DNRE) | Mr. Leonard Omullo Orondo |
| 17 | Director Land Administration (DLA) | Ms. Mercy Muthoni Njamwea |
| 18 | Ag. Director Legal Affairs & Enforcement (DLAE) | Mr Brian Ikol Adungo |
| 19 | Director Human Resource Management (DHRM) | Ms. Qabale Tache Arero |
| 20 | Director Communication, Corporate Affairs & Advocacy (DCCAA) | Mr Khalid Masoud Salim |
| 21 | Head Supply Chain Management (HSCM) | Mr. Patrick Kiprotich Malakwen |
| 22 | Head Audit & Risk Management (HARM) | Mr. Isaac Kamau Ng'ang'a |
| 23 | Head, Information & Communication Technology (HICT) | Mr. Amos Parletuan Kasaine |

(d) Fiduciary Oversight Arrangements

- **Audit and Risk Management Committee**

The Committee is guided by the Audit Committee Charter that outlines its mandate and powers. The main responsibilities include review of financial information, ensuring adherence to and/or compliance with various legislations, Government Circulars professional standards and Commission policies while maintaining oversight on internal control systems. The Committee also reviews, advises and makes recommendations regarding the Commission's risk management. The members of this Committee during the year were:

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| | | |
|---|---|------------------|
| Commissioner Dr. Samuel Kipng'etich Tororei | - | Convenor |
| Commissioner Dr. Clement Isaiah Lenachuru | - | Member |
| Commissioner Mr. Abdulkadir Adan Khalif | - | Member |
| HARM, Mr. Isaac Kamau Ng'ang'a | - | Member/Secretary |

- **Finance and Administration Committee**

The functions of this Committee include guiding on policy, processes and procedures on financial management in the Commission; sourcing for funds through the Government budgetary process; oversight over the management of funds of the Commission including procurement; and guidance on general administration issues of the Commission including provision of conducive working environment and working tools. The members of this Committee during the year were:

| | | |
|--|---|------------------|
| Commissioner Mrs. Abigael Mbagaya Mukolwe | - | Convenor |
| Commissioner Ms. Emma Muthoni Njogu | - | Member |
| Secretary/ CEO, Mr Chavangi Aziz Tom | - | Member |
| DFA, Mr. Francis Karimi Mugo | - | Member |
| HSCM, Mr. Patrick Kiprotich Malakwen | - | Member |
| Deputy DFA, Mr Bernard Kibet Cherutich | - | Member |
| County Coordinators, Ms Mary Kamene Ngundo | - | Member |
| Deputy DFA, Mr Francis Cheruiyot Bor | - | Member/Secretary |

- **Human Resource Committee**

The functions of this Committee include guiding on policy, processes and procedures on staff management in the Commission; oversight over the management of human capital of the Commission including guidance on human resource management policy, staff recruitment, staff development and remuneration. The members of this Committee during the year were:

| | | |
|--|---|------------------|
| Commissioner Mr. Silas Kinoti Muriithi | - | Convenor |
| Commissioner Dr Samuel Kipng'etich Tororei | - | Member |
| Commissioner Dr Rose Mumbua Musyoka | - | Member |
| Secretary/ CEO, Mr Chavangi Aziz Tom | - | Member |
| DHRM, Ms Kabale Tache Arero | - | Member |
| Deputy HRM, Mr Ben Bett Tuwai | - | Member/Secretary |

- **Land Administration Committee**

The Committee discharges some of the most vital functions of the Commission including approval of applications for change of user; approval of applications for allocation of public land; approval of extension of leases; approval of applications for renewal of leases; approval of applications by County Governments for land exchange with individuals for public good; and discharge of approvals relating to or incidental to the functions of the Commission. The members of this Committee during the year were:

| | | |
|---|---|----------|
| Commissioner Dr. Tomik Konyimbih Mboya | - | Convenor |
| Commissioner Ms. Emma Muthoni Njogu | - | Member |
| Commissioner Mr Silas Kinoti Muriithi | - | Member |
| Commissioner Mr. Abdulkadir Adan Khalif | - | Member |
| Secretary/ CEO, Mr Chavangi Aziz Tom | - | Member |

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| | | |
|--|---|------------------|
| DLA, Ms. Mercy Muthoni Njamwea | - | Member/Secretary |
| Deputy DLA, Ms. Edith Sandra Olando | - | Member |
| Deputy DLA, Mr Daniel Rukunga Kithunka | - | Member |

• **Communication, Research and Natural Resources Committee**

The functions of this Committee are to advise the Commission on the natural resources and research aspects for sustainable land management; resolve natural resource and land use conflicts among stakeholders; ensure that sustainable land management is achieved by all state agencies responsible for its management; determine the capacity needs of the Commission in achieving its sustainable land management; review policies, guidelines, procedures and processes necessary for the Commission to achieve its mandate in natural resources; determine necessary interventions, at policy and operational levels required for the Commission to realize its oversight roles in natural resources management; determine the types of research necessary to achieve sustainable land management as provided for in the COK Article 67 (2) (d); and ensure that there is adequate communications to the citizens of Kenya on the Commission's mandate in the management of land and land resources. The members of this Committee during the year were:

| | | |
|--|---|------------------|
| Commissioner Dr Clement Isiah Lenachuru | - | Convener |
| Commissioner Dr. Rose Mumbua Musyoka | - | Member |
| Commissioner Dr. Tomiik Konyimba Mboya | - | Member |
| Commissioner Mr. Abdulkadir Adan Khalif | - | Member |
| Secretary/ CEO, Mr Chavangi Aziz Tom | - | Member |
| DCCAA, Mr Khalid Masound Salim | - | Member/Secretary |
| Director Research, Dr Fibian Kavulani Lukalo | - | Member |
| Deputy DCCAA, Ms. Jennifer Itumbi Wambua | - | Member |
| Deputy DCCAA, Ms. Elijah Leiro Letangule | - | Member |

• **Public Land Information Management System (PLIMS) / Information and Communication Technology (ICT) Committee**

The Committee supports the Commission in implementation of the NLIMS and other Commission specific systems through channelling efforts of the Commission in its engagement with various stakeholders; it monitors the progress of these systems projects along their implementation pathways; harnesses the information needs and streamlines the message that the Commission needs to pass to stakeholders and the general public; identifies challenges, obstacles and limitations that the projects may encounter and guides on policy direction; and resource mobilisation for the projects. The members of this Committee during the year were:

| | | |
|--|---|----------|
| Commissioner Mr. Abdulkadir Adan Khalif | - | Convener |
| Commissioner Dr. Clement Isiah Lenachuru | - | Member |
| Commissioner Mr. Silas Kinoti Muriithi | - | Member |
| Commissioner Ms. Emma Muthoni Njogu | - | Member |
| Secretary/ CEO, Mr Chavangi Aziz Tom | - | Member |
| DNLIMS, Prof. David Ndegwa Kuria | - | Member |
| DLUP, Dr. Herbert Luka Musoga | - | Member |
| DLA, Ms. Mercy Muthoni Njamwea | - | Member |
| DFA, Mr. Francis Karimi Mugo | - | Member |
| DVT, Ms Salome Munubi | - | Member |

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| | | |
|---|---|------------------|
| DNRE, Mr. Leonard Omullo | - | Member |
| Deputy Director Settlement, Ms Susan Kidemi | - | Member |
| Deputy Director Adjudication, Mr. Samuel Okenyi Odari | - | Member |
| Deputy Director Survey, Mr. Sospeter Oduor Ohanya | - | Member |
| Deputy DCCAA, Ms. Jennifer Itumbi Wambua | - | Member |
| HICT, Mr. Amos Parletuan Kasaine | - | Member/Secretary |

• **Land Acquisition and Compensation Committee**

The Constitutional mandate of this Committee is assessment of tax on land and premiums on immovable property in any area designated by law (Article 67(2) (g)). The Committee sets policy direction and formulates rules, regulations and guidelines in respect to assesment of ground rents and stand premiums of new allocations; acquisition and compensation for public rights of way and wayleave as provided in the Land Act 2012 Sections 142-150; change of user and extension of user; lease renewals and extensions; sub-division of land; assesment and collection of rents, royalties and payments in respect to leases or licences; compulsory acquisition of land both at National and County Government levels. The members of this Committee during the year were:

| | | |
|--|---|------------------|
| Commissioner Dr. Tomik Konyimbih Mboya | - | Convenor |
| Commissioner Dr. Rose Mumbua Musyoka | - | Member |
| Commissioner Ms. Emma Muthoni Njogu | - | Member |
| Commissioner Mr. Silas Kinoti Muriithi | - | Member |
| DVT Dr. Salome Ludenyi Munubi | - | Member/Secretary |
| DDVT, Mr Joash Mogambi Oindo | - | Member |

Legal Affairs Committee

The Committee provides oversight and guidance on key legal matters affecting the Commission including legal interpretations on the position of the Commission in regard to various cases at hand. The Committee is involved in the prioritisation of the inherited court cases and also any new cases arising out of land transactions. The Committee also guides on alternative dispute resolution methods with the aim of reducing the number of court cases to a bare minimum. Where and when necessary, the Committee seeks clarity from the courts and the Attorney General's office on any grey areas in the written law. The Committee also guides and reviews on investigations related to land matters touching on the Commission. The members of this Committee during the year were:

| | | |
|---|---|------------------|
| Commissioner Ms. Emma Muthoni Njogu | - | Convenor |
| Commissioner Mrs. Abigael Mbagaya Mukolwe | - | Member |
| Ag.DLAE, Mr Brian Ikol Adungo | - | Member |
| Deputy DLAE, Mr. Brian Adungo Ikol | - | Member/Secretary |
| Deputy DLAE, Mr. Edmond Kiplagat Gichuru | - | Member |
| Deputy DLAE, Mr. Antipas O A Nyanjwa | - | Member |

• **Land Use Planning Committee**

The Committee provides policy direction and coordination in effecting the Commission's Constitutional mandate of monitoring and overseeing land use planning throughout the Country (Article 67(2) (h)); liaises with state agencies responsible for planning and the County Governments to ensure adherence to the law in preparing and implementing land use plans for the urban areas and the Counties; sets performance standards for preparing statutory

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land use plans; advises on the planning and development of strategic National projects occurring on public land; gives guidance on the suitability of land to be acquired for public purposes including creating land banks and land for other uses such as public housing and industry; and is responsible to develop a framework to inform the National Government on comprehensive programme for registration of title in land throughout the country (Article 67(2)). The members of this Committee during the year were:

| | | |
|---|---|------------------|
| Commissioner Dr. Rose Mumbua Musyoka | - | Convenor |
| Commissioner Dr. Samuel Kipngetich Tororei | - | Member |
| Commissioner Mr Silas Kinoti Muriithi | - | Member |
| Commissioner Mr. Abdulkadir Adan Khalif | - | Member |
| DLUP, Dr. Herbert Luka Musoga | - | Member |
| DLA, Ms Mercy Muthoni Njamwea | - | Member |
| Deputy DLUP, Rose Chelagat Kitur | - | Member |
| Deputy Director Adjudication, Samuel Okenyi Odari | - | Member |
| Deputy Director Survey, Sospeter Oduor Ohanya | - | Member |
| Deputy Director Settlement, Susan Kidemi | - | Member/Secretary |

• **Other Oversight Activities**

NLC has regular liaison with the Parliamentary Committee on lands to ensure that issues of land are properly addressed and legislated. Similarly, Parliamentary Committee on Budget Appropriations, Public Accounts Committee and the National Treasury have oversight on the Commission's budgetary requirements, allocations and utilisation.

(e) National Land Commission Headquarters

Ardhi House
1st Ngong Avenue
Nairobi, Kenya.

(f) National Land Commission Contacts

P.O. Box 44417 - 00100, Nairobi
Telephone: 020 2187505
E-mail: info@landcomission.go.ke
Website: www.landcommission.go.ke

(g) National Land Commission Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. National Bank of Kenya Ltd
Upper Hill Branch
NHIF Building
P O Box 45219

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GPO 00100
Nairobi, Kenya

(h) Independent Auditors
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(i) Principal Legal Adviser
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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II. FORWARD BY THE SECRETARY /CHIEF EXECUTIVE OFFICER

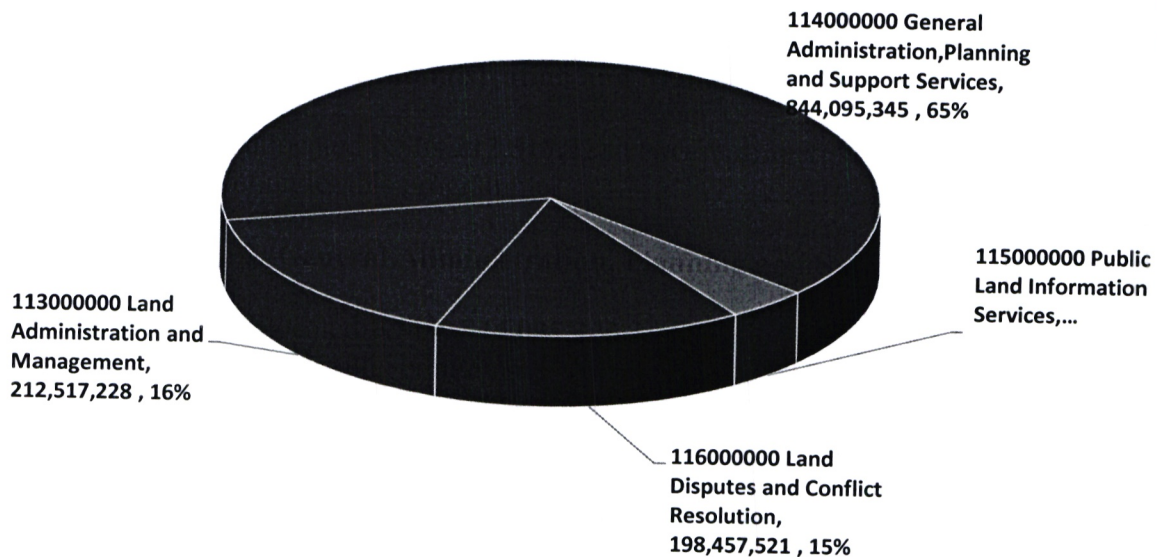
I am pleased to present the financial statements of the Commission for the Financial Year (FY) 2017/18 that ended on 30 June 2018. National Land Commission (NLC) is one of the ten Independent Constitutional Commissions listed under Article 248(2) of the Constitution of Kenya (COK) and is established under Article 67 of the same Constitution. On top of COK, the Commission draws its mandate from various Acts of Parliament but mainly the National Land Commission Act 2012, the Land Act 2012 and the Land Registration Act 2012. The Commission’s budget is fully funded through exchequer funds by the National Treasury.

BUDGET ALLOCATION

In the financial year 2017/18 The National Land Commission had a gross budget of **KShs. 1,307,167,550.00** which was made up of **KShs. 1,134,167,550.00** and **KShs. 173,000,000.00** for recurrent and development vote respectively.

The National Land Commission was to spend the gross budget of **KShs. 1,307,167,550.00** under the following programmes:

BUDGET ALLOCATION BY PROGRAMMES



I. Programme 1: Land Administration and Management

This programme was allocated **KShs 212,517,228** representing 16% of the budget. A total of **KShs 170,262,904** was spent under this programme.

II. Programme 2: General Administration, Planning and Support Services

This programme was allocated **KShs. 844,095,345** representing 65% of the budget. A total of **KShs 837,706,618** was spent under this programme.

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III. Programme 3: Public Land Information Management System

This programme was allocated **KShs 52,097,456** representing 4% of the budget. A total of **KShs 43,004,763** was spent under this programme.

IV. Programme 4: Land Disputes and Conflict Resolution

This programme was allocated **KShs 198,457,521** representing 16% of the budget. A total of **KShs 33,782,509** was spent under this programme.

Compensation Fund

Under the Land Act 2012, NLC is mandated to undertake compensation on compulsory acquisition of land for development by either the National Government or the County Governments. This is done in collaboration with the acquiring Government bodies that provide the compensation monies.

During the current FY 2017/18 the Compensation Fund received Kshs **8,973,159,827.00** and a brought forward funds from FY 2016/2017 of **KShs 6,129,497,338.00**

In the same financial year FY 2017/18 **KShs 8,123,624,327.00** was paid out to the project affected persons (PAPs) in relation to various Government projects being implemented in different parts of the Country.

These payments relate to flagship projects geared towards achievement of Government goals under Vision 2030 blue print, Jubilee government priority projects etc. These projects among others are in the areas of national roads network, sea ports, water dams and reservoirs, national electricity transmission lines and the standard gauge railway.

During the FY 2017-18 NLC continued to engage various stakeholders on various matters that are critical to successful delivery of services for the people of Kenya, including civil society organizations (CSOs), the community and other Government institutions.

The Commission has worked with key Organizations namely Food Agriculture Organization (FAO), Action Aid Kenya, Kenya Land Alliance, Reconcile, Haki Jamii, Pamoja Trust, Kituo Cha Sheria, Muhuri, Haki Yetu, Ujamaa, World Vision Kenya, World Wide Fund for Nature (WWF), Shule Yangu, International Livestock Research Institute (ILRI) Association of Professional Societies of East Africa (APSEA), Kenya Forest Service (KFS), Kenya Wildlife Service (KWS), Geothermal Development Corporation (GDC), National Environment Management Authority (NEMA), GROOTS Kenya, among other stakeholders.

Key area of focus has been community sensitization on various land laws and land transaction processes and resolution of various conflicts. Lot of focus has also been capacity building to the devolved units of the Commission to enhance service delivery at the County level.

Key Performance Highlights

Below is an overview of the financial performance for the year ended 30th June 2018 as reported in the detailed financial statements together with the commentary and comparative analysis against budget and prior year for the key items in the financial statements.

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Financial Performance Summary

Actual Performance against Budget for Year to 30th June 2018

| Financial Performance | Printed Estimates | Actual | Variance | % |
|------------------------------|--------------------------|--------------------|--------------------|-----------------------------|
| | KShs | KShs | KShs | Utilisation Variance |
| Total Receipts | 8,684,908,863.28 | 10,188,103,063 | (1,503,194,197.00) | (3%) |
| Total Payments | 8,603,685,303.10 | 9,223,376,018 | (619,690,714.00) | (3%) |
| Surplus for the Year | | 964,727,045 | | |

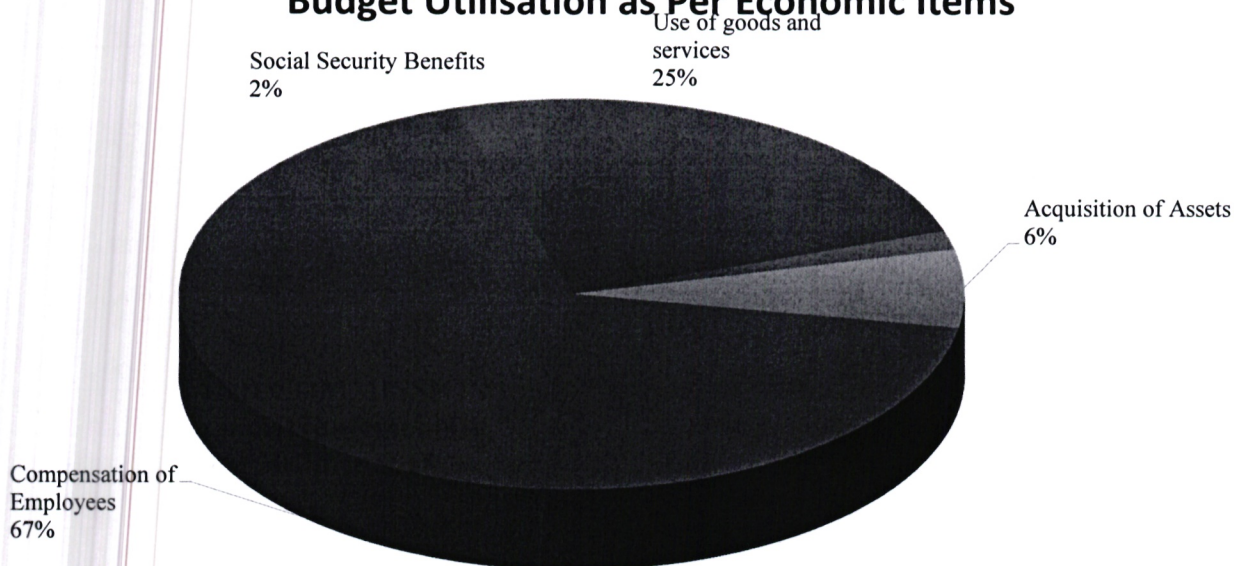
Actual receipts by the NLC stood at 3% below budget which is 97% utilisation while actual payments were 3% below budget which is also 97% utilisation. This is attributable to underutilisation of budget allocation for acquisition of assets and payments to PaPs.

Budget Utilisation

The National Land Commission spent **KShs 1,099,751,693** against an approved budget of **KShs. 1,307,167,550** representing absorption of **84%**. Utilisation of the budget was carried out through various activities (economic classifications) as shown in the chart below:

| | Approved Budget Allocation | Actual Payments | Variance |
|---------------------------|-----------------------------------|------------------------|-----------------------|
| Compensation of Employees | 754,400,000 | 719,883,434 | 34,516,566.00 |
| Use of goods and services | 304,908,772 | 285,672,722 | 19,236,050.00 |
| Social Security Benefits | 17,035,000 | 11,129,796 | 5,905,204.00 |
| Acquisition of Assets | 230,823,778 | 69,919,020 | 160,904,758.00 |
| Total Payments | 1,307,167,550 | 1,086,604,972 | 220,562,578.00 |

Budget Utilisation as Per Economic Items



It is noted that 67% of the National Land Commission’s budget was used on compensation of employees, 25% on use of goods and services, 6% utilised in Acquisition of assets and 2% on social security benefits.

Current Year Performance against Prior Year

| Financial Performance | Year to 30 th June 2018 KShs | Year to 30 th June 2017 KShs | Change KShs | % Change |
|---------------------------------------|--|--|------------------------|-------------|
| Total Receipts | 10,188,103,063 | 14,775,075,740 | (4,586,972,677) | -32% |
| Total Payments | 9,223,376,018 | 11,730,358,132 | (2,506,982,113) | -21% |
| Surplus/(Deficit) for the Year | 964,727,045 | 3,044,717,609 | (2,079,990,564) | -68% |

Total receipts decreased by 32% due to decreased funding mainly through exchequer releases while there was an equivalent decrease of 21% in payments attributed to the decreased funding.

Receipts

The National Land Commission’s receipts mainly comprise of exchequer releases from the National Treasury. Other receipt sources include interest earned from compensation fund.

The total receipts for FY 2017/2018 stood at Kshs 10,188,103,063.00 representing 32% decrease from Kshs 14,775,075,740.00 for FY 2016/2017.

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Total Receipts Breakdown

| | 2017-2018 | 2016-2017 | Change | % |
|--|-----------------------|-----------------------|------------------------|-------------|
| | Kshs | Kshs | | Change |
| RECEIPTS | | | | |
| Transfers from National Treasury | 1,080,695,971 | 1,367,400,000 | (286,704,029.00) | -21% |
| Transfers from Other Government Entities | 8,973,159,827 | 13,407,675,740 | (4,434,515,913.00) | -33% |
| Other Revenues | 134,247,265 | - | 134,247,265.00 | - |
| TOTAL REVENUES | 10,188,103,063 | 14,775,075,740 | (4,586,972,677) | -31% |

The decrease in total receipts is as a result of a decrease in exchequer releases from the National Treasury by KShs 286.7 Million due to decreased in budgetary allocation. There was also a decrease of Transfers from Other Government Entities by KShs 4.586 Billion Compared to the previous year.

Payments

The National Land Commission's payments mainly comprise of payments of compensation fund, employee compensation, use of goods and services and acquisition of assets.

The total payments for FY 2017/2018 stood at KShs 9,223,376,018.00 representing a 21% decrease from KShs 11,730,358,131.00 for FY 2016/2017.

Total Payment Breakdown

| | 2017-2018 | 2016-2017 | Change | % |
|----------------------------------|-------------------------|-----------------------|---------------------------|-------------|
| | Kshs | Kshs | | Change |
| PAYMENTS | | | | |
| Compensation of Employees | 719,883,434.00 | 712,558,055.00 | 7,325,379.00 | 1% |
| Use of goods and services | 285,672,722.00 | 477,964,982.00 | (192,292,260.00) | -40% |
| Social Security Benefits | 11,129,796.00 | - | 11,129,796.00 | - |
| Acquisition of Assets | 69,919,020.00 | 126,267,460.00 | (56,348,440.00) | -45% |
| Other Expenses-Compensation Fund | 8,123,624,327.00 | 10,389,808,632 | (2,266,184,306.00) | -22% |
| Board Expenses | 13,146,719.00 | 23,759,003.00 | (23,759,003.00) | -100% |
| TOTAL PAYMENTS | 9,223,376,018.00 | 11,730,358,132 | (2,520,128,834.00) | -21% |

Further analysis is here below;

- Use of Goods and Services decrease of negative 40% is due to budget cuts on austerity measures undertaken by the National Treasury in its supplementary budgets.

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- Acquisition of assets decrease of negative 45% is due to austerity measures done.
- Compulsory Acquisition Compensation decrease of 22% is due to slow compensation process and less funds release for projects during the financial year.
- Board expenses decrease by 100% is due to decrease or budget cuts especially on domestic and foreign travel budget lines.

Financial Assets Summary

| | 2017-2018 | 2016-2017 | Change | %Change |
|---|-------------------------|-------------------------|-----------------------|------------|
| | Kshs | Kshs | | |
| FINANCIAL ASSETS | | | | |
| Cash and Cash Equivalents | | | | |
| Bank Balances | 7,115,620,264.00 | 6,156,347,839.00 | 959,272,425.00 | 13% |
| Cash Balances | - | - | - | |
| Total Cash And Cash Equivalents | 7,115,620,264.00 | 6,156,347,839.00 | 959,272,425.00 | 13% |
| Accounts Receivables - Outstanding Imprest and Clearance Accounts | 19,611,188.00 | 14,156,568.00 | 5,454,620.00 | 28% |
| TOTAL FINANCIAL ASSETS | 7,148,527,308.00 | 6,170,504,407.00 | 964,727,045.00 | 14% |

Bank balances increased by 13% as a result of reduced spending towards year end.

There is also an increase in accounts receivables by 28% as a result of increased imprest advance by the imprest holders mainly towards year end.

Cash Flows and Cash Position

Cash and bank balances held by National Land Commission as at 30th June 2018 was Kshs 7,115,620,264.00 compared to Kshs 6,156,347,839.00 Million held as at 30th June 2017. The breakdown of the cash and bank balances is as summarized in the table below.

Cash and Bank Balance

| Cash and Bank balances | As at 30 th June 2018 | As at 30 th June 2017 | Change | % |
|------------------------|----------------------------------|----------------------------------|-----------------------|------------|
| | KShs | KShs | KShs | Change |
| Bank Balances | 7,115,620,264.00 | 6,156,347,839.00 | 973,691,459.00 | 13% |
| Cash Balances | - | - | - | - |
| Total | 7,115,620,264.00 | 6,156,347,839.00 | 973,691,459.00 | 13% |

Bank balances increased by 14% as a result of reduced spending towards year end.

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Cash Flow Activities

The table below summarizes cash flows generated and used from various activities.

| | 2017-2018 | 2016-2017 | Change | %Change |
|---|-----------------------|-------------------------|---------------------------|-------------|
| | Kshs | Kshs | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net cash flow from operating activities | 1,043,610,479.00 | 3,088,611,379.00 | (2,045,000,900.00) | -66% |
| Net cash flows from Investing Activities | (69,919,020.00) | (126,267,460.00) | 56,509,910.00 | -45% |
| Net cash flow from financing activities | - | - | 0 | |
| | | | 0 | |
| NET INCREASE IN CASH AND CASH EQUIVALENT | 959,272,425.00 | 2,962,343,920.00 | (1,988,652,461.00) | -67% |
| Cash and cash equivalent at BEGINNING of the year | 6,156,347,839.00 | 3,194,003,919.00 | 2,962,343,920.00 | 48% |
| Cash and cash equivalent at END of the year | 7,115,620,264.00 | 6,156,347,839.00 | 959,272,425.00 | 14% |

Net cash flows utilised in investing activities decreased due to a decline in amounts utilised in the acquisition of assets.

Net cash flows utilised in operating activities increased due to an increase in amounts utilised in the transfers from other government entities

In regard to the implementation of its mandate during the FY 2017/18, NLC recorded a number of achievements towards this end which, among others include:

- The Commission researched on Secure Land Rights in Trans Nzoia County, Youth & Land Rights and Land & Conflict in Kajiado County, research Publications; Gender & Land Rights booklet by NLC and FAO, Securing Public Lands in Marsabit County- (2017).Research on riparian land policy framework to inform MOLPP and other agencies
- Launch of the National Land Use policy, Undertook review of the National Land policy Sessional Paper No.3 of 2009, Participated in the review of the Physical Planning Bill 2017. Advised County Governments on commissions mandate to manage public land; advice on leasing out to investors in accordance with the law, developed a leaders guide for the Urban Land Use Planning Monitoring and oversight guidelines. Prepared County Land Use Planning profiles for 15 Counties i.e. Kiambu, Muranga, Nyandarua, Nyeri, Kirinyaga, Siaya, Homabay, Migori, Kisii, Nyamira, Nairobi, Lamu, Taita Taveta, Kwale and Kilifi to provide baseline information for monitoring
- The Commission approved and processed 30 Change of user, Over 400 transfer of land for land translating to titles. Issued 451 Letters of allotments. Transfers of land prepared for issuance of

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freehold titles-60.Issued School titles issued – 500.Valuation requisitions done for stamp duty, annual rents and rent apportionment. Processed and Approved 58 Subdivisions.23 Extensions of leases,85 Renewal of lease ,24 Change of user,102 Building plans on new allocations ,19 PDPs verified for approval and several Letters of allotments verified

- Launch for the acquisition for LAPSET CORRIDOR, Acquisition for Ministry of Mining 9,000 acre for fluorspar mining at Elgeyo-Marakwet, Assessment of Sand dunes in Lamu - Water Resource Authority, Gazettment of the acquisition for SGR Nairobi-Naivasha (Phase 2A DK 8-120), SGR Phase 2, valuation and acquisition of Fluorspar Mining, Water Resource Authority advisory on Lamu sand dunes. Acquisition of Telkom land along Ngong Road. for Ministry of Youth, Gender and Public Service – Review of Grant and Disposition Committee, Ministry of Education: Acquisition of land on which Ruaraka Secondary and Drive Inn Primary schools are sited. Lower Nzoia Irrigation Project – Ministry of Water and Conservation. Mwache Multi-Purpose Dam Project in Kwale County Ministry of Water and Conservation. Acquisition of land for KeNHA: Kibwezi – Mutomo – Kitui – Kabati – Miwani Road Project Acquisition of land for KERRA: Mukurwe-Ini – Gakonya & Rutene – Mahua-Ini,KAA – Airports (Malindi, JKIA, Wilson, Isiolo, Nanyuki, Eldoret, Kitale, Kisumu) ,Inquiries and awarding compensation for SGR Nairobi-Naivasha (Phase 2) Karimenu Dam – Athi Water Services Board; Ministry of Water; Muranga County,Kangundo (Tala)-Kenol-Kangundo (Koma) and Katumani-Mombasa Road and Rehabilitation of Kenol-Machakos town-Katumani link road project – Ministry of Housing and Public Works, Guthurai-Kimbo Phase III – KeNHA
- Developed a web GIS portal on Public Land Inventory which is accessible from NLC website. The Commission has received more data from Kenya Roads Board (KRB) and Prisons. Mainstreaming of the NLIMS standards and guidelines. Through FAO 1000 copies were published and are being shared with Land stakeholders to guide in spatial data sharing. NLIMS phase I system training to Commission staff 75% complete .Refining NLIMS system according to the inputs from the user training. Finalization on NLIMS Policy. Developed the specifications for the GIS Laboratory Strengthening and Establishment of Local Area Network in County Offices tender, floated and evaluated it. Training on NLIMS and GIS Portal to PLIM and ICT officers. Additionally, PLIS system administrators drawn from PLIM, ICT, Land Admin, Land Valuation & Taxation, Risk & Audit and Finance Directorates/units underwent a 5-day intensive training on user roles management. GIS server and portal installation and training. Scanning and digitization of Kisumu County spatial data on public land to feed in the Public Land Inventory.
- The Commission also concluded 60 land cases, Prepared of Legal Management system, legal notices, instruments and documents, Undertook investigations into Historical Land Injustices. Over saw the preparation and approval of Alternative Dispute Resolution guidelines. Staff training on strategic leadership and development

NATIONAL LAND COMMISSION
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Finally, I want to record the Commission's appreciation to the National Treasury for the funding provided since inception and look forward to our continued cordial relations in future. The support of Parliamentary Committee on Land in advancing the Commission's agenda in Parliament cannot go unrecognised. Similarly the Parliamentary Committee on Budget Appropriations has supported the Commission in advancing its request for higher funding, thank you.

Kimms

Kabale Tache Arero
Ag. Secretary/CEO

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL LAND COMMISSION FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of National Land Commission set out on pages 23 to 49 which comprise the statement of financial assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation, recurrent and development combined 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 knowledge and belief were necessary for the purpose of the audit.

In my opinion, because of the significance of matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Land Commission as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracies in the Financial Statements

The following discrepancies were noted between the figures in the financial statements and figures in the trial balance:

| Item Description | Balance in the Financial Statements Kshs | Balance in the Trial Balance Kshs | Difference Kshs |
|--------------------------|---|--------------------------------------|--------------------|
| Recurrent bank account | 3,463,336 | (779,374,267.75) | 782,837,603.75 |
| Development bank account | - | 227,249,112.90 | (227,249,112.90) |
| Cash in hand | - | 5,143,930,146.80 | (5,143,930,146.80) |
| Debtors and advances | 10,349,078 | 34,255,058.30 | (23,905,980.30) |

Report of the Auditor-General on the Financial Statements of National Land Commission for the year ended 30 June 2018

| Item Description | Balance in the Financial Statements Kshs | Balance in the Trial Balance Kshs | Difference Kshs |
|-----------------------------|---|--------------------------------------|----------------------------|
| Imprests | 9,262,110 | 169,273,739.50 | (160,011,629.50) |
| Other debtors | - | 15,232,191.80 | (15,232,191.80) |
| Suspense and clearance | - | 438,800 | (438,800) |
| General deposit | - | (1,599,044,811) | 1,599,044,811 |
| Other current assets | - | 180,680 | (180,680) |
| System required liabilities | - | 2,983,711,072.25 | (2,983,711,072.25) |
| General provision | - | 5,177,393,171 | (5,177,393,171) |
| Withholding tax | - | 6,239,086 | (6,239,086) |
| Total | 23,074,524 | 11,379,483,979.80 | (11,356,409,455.80) |

In the circumstances, the accuracy of the financial statements for the year ended 30 June 2018 could not be confirmed.

2. Bank Balances

The statement of assets and liabilities reflects bank balance of Kshs.7,115,620,264 as at 30 June 2018. However, the reconciliation statement for the National Bank Compensation Fund account reflects unpresented cheques totalling Kshs.61,314 whose clearance status as at the time of the audit in December 2018 was not shown. In the circumstances, the accuracy of bank balance of Kshs.7,115,620,264 as at 30 June 2018 could not be confirmed.

3.0 Other Expenses

3.1 Compensation for Mombasa Port Area Development

The statement of receipts and payments reflect other expenses totalling Kshs.8,123,624,326 as detailed in Annex 6 as at 30 June 2018. Included in this expenditure is compensation for three parcels of land to Regional Container Freight Limited totalling Kshs.224,784,720. However, the valuation reports for the three parcels of land were not produced for audit review. In the circumstances, the propriety of expenditure totaling to Kshs.224,784,720 for the year ended 30 June 2018 could not be confirmed.

3.2 Compensation for Thika Road Project

Included in other expenses is an amount of Kshs.45,367,404 paid as compensation to a supermarket situated on land LR No. 13858.70 along Thika Road measuring 0.0909 for which the registered owner of the land had been compensated Kshs.38,263,750. It was however noted that although the supermarket was registered on 16 July 2015 as per certificate of incorporation, the lease agreement between the land owner and the supermarket was dated 18 December 2009 implying that the lease was entered into before the supermarket was incorporated. Further, valuation reports for the supermarket were not availed for audit verification. Consequently, the propriety and validity of Kshs.45,367,404

paid as compensation to the supermarket could not be confirmed for the year ended 30 June 2018.

3.3 Acquisition of Landfill MITUBIRI/WEMPA BLOCK 1/6824

Included in other expenses is a payment of Kshs.82,470,000 being part payment for purchase of 50 acres of land valued at Kshs.135,470,000 for sanitary landfill in Muranga County. The money was received from State Department of Housing and Urban Development. However, no signed valuation report was availed other than a hand written draft which valued the land for Kshs.135,470,000 inclusive of 15% disturbance allowance. Further, justification for the 15% disturbance allowance was not provided given that the land was not occupied. In the circumstances, the validity of expenditure totalling Kshs.82,470,000 for the year ended 30 June 2018 could not be confirmed.

3.4 Compensation for Interruption and Loss of Business

Included in other expenses is a payment of Kshs.360,000,000 paid to a law firm on behalf of a client for interruption and loss of business for plot No. MN/VI/4806 in Mombasa. However, it was not clear how the value of interruption and loss of business was arrived at as no valuation report was availed for audit verification. Consequently, the validity of the expenditure amounting to Kshs.360,000,000 paid as compensation for interruption and loss of business could not be confirmed.

4. Pending Bills

As disclosed at Annex 1 to the financial statements, the Commission reported total pending bills of Kshs.196,701,844 as at 30 June 2018, which were not settled but were carried forward to 2018/2019. Had the bills been paid and the expenditure charged to the respective accounts in 2017/2018, the statement of receipts and payments for the year would have reflected a surplus of Kshs.768,025,201 instead of the reflected surplus of Kshs.964,727,045 for the year ended 30 June 2018.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Land Commission management in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse audit opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Adverse Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1. Special Audit

The Public Accounts Committee requested the Auditor-General vide letter of ref. NA/DCS/PAC/2018/011 dated 19 March 2018 to carry out a special audit on compensation

payments made by the Commission and submit a special report on the same to Parliament. As at the time of this report, the special audit was still in progress and the report had therefore, not been finalized. The special audit report when completed may bring to light issues not captured in the course of this statutory audit report.

2. Budgetary Performance

During the year under review, the Commission's actual receipts amounted to Kshs.10,188,103,065 while the budgeted receipts amounted to Kshs.10,414,574,642 resulting in an under collection of Kshs.226,471,579 which translate to 98% efficiency in revenue collection which is commendable. Further, the Commission's actual expenditure for the year amounted to Kshs.9,223,376,018 against an expenditure budget of Kshs.9,443,938,596 resulting in an under expenditure of Kshs.220,562,578 or 98% efficiency. Further analysis indicate that the Commission budgeted expenditure on acquisition of assets amounted to Kshs.230,823,778 while that of social security benefits amounted to Kshs.17,035,000 against actual expenditure of Kshs.69,919,020 for acquisition of assets and 11,129,796 for social security benefits resulting in under expenditure of Kshs.160,904,758 and Kshs.5,905,204 respectively which translate to 30% efficiency for acquisition of assets and 65% for social security benefits. Consequently, there is need to review the budget process to ensure that resources are channeled to areas where they are needed most.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for conclusion

Land Acquisition and Compensation of Ruaraka High School and Drive Inn Primary School

Note 8 to the financial statements reflects other expenses totalling to Kshs.8,123,624,327 for the year ended 30 June 2018. Included in this amount is part payment of Kshs.1,500,000,000 to a limited company for acquisition of part of L.R.No.7879/4 by the Government. Records in relation to this acquisition indicate that a director of two companies who claimed ownership of the land vide letter dated 17 August 2016 addressed to the National Land Commission requested for compensation for land indicated as measuring 17.5364 acres comprising of 13.5364 acres occupied by Ruaraka secondary school and 4 acres occupied by a chief's camp.

The National Land Commission vide letter Ref:Val 1446 dated 13 September 2016 brought the matter to the attention of the Cabinet Secretary Ministry of Education upon which the

Ministry replied vide letter Ref:MOE/CONF/G5 dated 7 February 2017 in which the Principal Secretary acknowledged that both Ruaraka High School and Drive Inn Primary School were occupying part of LR No.7879/4 which was private land. Vide letter Ref:MOE.CONF/G5 VOL.II/16 dated 17 March 2017, the ministry of Education formally requested the National Land Commission to commence the process leading to compulsory acquisition of the land.

In a valuation report dated 14 June 2017, the National Land Commission determined the area for acquisition as measuring 6.9818 acres for Drive in Primary School and 6.7883 acres for Ruaraka High School, all totalling to 13.7701 acres at Kshs.206,000,000 per acre translating to 3,262,136,690 inclusive of 15% disturbance allowance. The valuation report however reflects total valuation of Kshs.3,269,040,600 resulting in a variance of Kshs.6,903,910 which has not been explained. Further, justification for the 15% disturbance allowance was not clear given that the claimant had not developed the land in question.

The Ministry of Education transferred Kshs.1,500,000,000 to the National Land Commission on 22 January 2018 for the purpose of the acquisition and the same was paid to the vendor on 29 January 2018 vide cheque number 000936. However, a scrutiny of certificate of postal search obtained on 16 July 2018 revealed that the property has two mortgages dated 21 December 1981 to Continental Credit Finance Limited for Kshs.21,000,000 and another dated 11 July 1986 to Kenya Posts and Telecommunications Corporation for Kshs.165,000,000. These encumbrances had not been disclosed or cleared by the time of compulsory acquisition.

In the circumstances, I am unable to confirm whether the process of acquisition was procedural and payment of Kshs.1,500,000,000 made to the vendor is a proper charge to public funds.

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

REPORT ON INTERNAL CONTROLS EFFECIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, based on the audit procedures performed, I confirm that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standard requires that I plan and perform the audit to obtain assurance about whether effective

processes and systems of internal control, risk management and governance were operating effectively, in all material respects.

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

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Commission or to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

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

be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue to sustain its services. If I conclude that a

material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Commission to cease to continue to sustain its services.

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

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

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



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

Nairobi

1 March 2019

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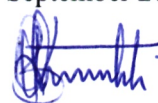
V. STATEMENT OF RECEIPTS AND PAYMENTS

| | Note | 2017-2018 Kshs | 2016-2017 Kshs |
|--|------|-----------------------|-----------------------|
| RECEIPTS | | | |
| Transfers from National Treasury | 1 | 1,080,695,971 | 1,367,400,000 |
| Transfers from Other Government Entities | 2 | 8,973,159,827 | 13,407,675,740 |
| Other Revenues | 3 | 134,247,265 | - |
| TOTAL REVENUES | | 10,188,103,063 | 14,775,075,740 |
| PAYMENTS | | | |
| Compensation of Employees | 4 | 719,883,434 | 712,558,055 |
| Use of goods and services | 5 | 285,672,722 | 477,964,982 |
| Social Security Benefits | 6 | 11,129,796 | - |
| Acquisition of Assets | 7 | 69,919,020 | 126,267,460 |
| Other Expenses | 8 | 8,123,624,327 | 10,389,808,632 |
| Board Expenses | 9 | 13,146,719 | 23,759,003 |
| TOTAL PAYMENTS | | 9,223,376,018 | 11,730,358,132 |
| SURPLUS/DEFICIT | | 964,727,045 | 3,044,717,609 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Commission financial statements were approved on 26th September 2018 and signed by;



Kabale Tache Arero
 Ag. Secretary/CEO




CPA Bernard Kibet Cherutich ICPAK No. 5816
 Ag. Director Finance and Administration


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VI. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

| | Note | 2017-2018 KSh | 2016-2017 KSh |
|--|------|------------------------|----------------------|
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances | 10 | 7,115,620,264 | 6,156,347,839 |
| Total Cash And Cash Equivalents | | 7,115,620,264 | 6,156,347,839 |
| Accounts Receivables - Outstanding Imprest and Clearance Accounts | 11 | 19,611,188 | 14,156,568 |
| TOTAL FINANCIAL ASSETS | | 7,135,231,452 | 6,170,504,407 |
| LESS: FINANCIAL LIABILITIES | | | |
| Accounts Payables - Deposits | 12 | (7,113,280,104) | - |
| NET FINANCIAL ASSETS REPRESENTED BY | | 21,951,348 | 6,170,504,407 |
| Fund balance b/fwd | | 6,170,504,407 | 3,207,863,235 |
| Prior year adjustments | 13 | - | (82,076,437) |
| Adjustments on Deposit Funds | | (7,113,280,104) | - |
| Surplus/Deficit for the year | | 964,727,045 | 3,044,717,609 |
| NET FINANCIAL POSSITION | | 21,951,348 | 6,170,504,407 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Commission financial statements were approved on 26th September 2018 and signed by:


 Kabale Tache Arero
 Ag. Secretary/CEO


 CPA Bernard Kibet Cherutich ICPAK No. 5816
 Ag. Director Finance and Administration

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VII. STATEMENT OF CASHFLOW

| | Note | 2017-2018 Kshs | 2016-2017 Kshs |
|--|------|------------------------|-----------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Receipts for operating income | | | |
| Transfers from National Treasury | 1 | 1,080,695,971 | 1,367,400,000 |
| Transfers from Other Government Entities | 2 | 8,973,159,827 | 13,407,675,740 |
| Other Revenues | 3 | 134,247,265 | - |
| | | 10,188,103,063 | 14,775,075,740 |
| Payments for operating expenses | | | |
| Compensation of Employees | 4 | (719,883,434) | 712,558,055 |
| Use of goods and services | 5 | (285,672,722) | 477,964,982 |
| Social Security Benefits | 6 | (11,129,796) | - |
| Other Expenses | 8 | (8,123,624,327) | 10,389,808,632 |
| Board Expenses | 9 | (13,146,719) | 23,759,003 |
| | | (9,153,456,998) | 11,604,090,672 |
| Adjusted for: | | | |
| Changes in receivables | | (5,454,620) | 297,252 |
| Adjustments during the year | | - | 82,076,437 |
| | | 1,029,191,442 | 3,088,611,379 |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Acquisition of Assets | 7 | (69,919,020) | (126,267,460) |
| Net cash flows from Investing Activities | | (69,919,020) | (126,267,460) |
| CASHFLOW FROM BORROWING ACTIVITIES | | | |
| Net cash flow from financing activities | | - | - |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | 959,272,426 | 2,962,343,920 |
| Cash and cash equivalent at BEGINNING of the year | | 6,156,347,839 | 3,194,003,919 |
| Cash and cash equivalent at END of the year | | 7,115,620,264 | 6,156,347,839 |

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

| Revenue/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilization Difference | % of Utilisation Difference to Final Budget |
|--|-----------------------|----------------------|-----------------------|----------------------------|-------------------------------|---|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| RECEIPTS | | | | | | |
| Exchequer releases | 1,752,000,000 | (444,832,450) | 1,307,167,550 | 1,080,695,971 | 226,471,579 | 83% |
| Transfers from Other Government Entities | 8,973,159,827 | - | 8,973,159,827 | 8,973,159,827 | - | 100% |
| Other Receipts | 134,247,265 | - | 134,247,265 | 134,247,265 | - | 100% |
| Total Receipts | 10,859,407,092 | (444,832,450) | 10,414,574,642 | 10,188,103,063 | 226,471,579 | 99% |
| Payments | | | | | | |
| Compensation of Employees | 372,500,000 | 381,900,000 | 754,400,000 | 719,883,434 | 34,516,566 | 95% |
| Use of goods and services | 276,483,119 | 28,425,653 | 304,908,772 | 285,672,722 | 19,236,050 | 94% |
| Social Security Benefits | 1,017,500 | 16,017,500 | 17,035,000 | 11,129,796 | 5,905,204 | 65% |
| Acquisition of Assets | 241,647,563 | (10,823,785) | 230,823,778 | 69,919,020 | 160,904,758 | 30% |
| Other Expenses | 8,123,624,327 | - | 8,123,624,327 | 8,123,624,327 | - | 100% |
| Board Expenses | 13,146,719 | - | 13,146,719 | 13,146,719 | - | 100% |
| Grand Total | 9,028,419,228 | 415,519,368 | 9,443,938,596 | 9,223,376,018 | 220,562,578 | 98% |
| Surplus/Deficit | | | | 964,727,045 | | |

Note,

(a) Below are commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)

- i. Exchequer releases from the National Treasury are at 83% due to budget reduction during supplementary and unavailability of funds.
- ii. Acquisition of assets was at 30% due to not receiving development exchequers from the National Treasury.

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IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

| Revenue/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization Difference to Final Budget |
|--|-----------------------|----------------------|-----------------------|----------------------------|-------------------------------|---|
| | a | b | c=a+b | d | e=d-c | f=d/c % |
| RECEIPTS | | | | | | |
| Exchequer releases | 1,452,000,000 | (317,832,450) | 1,134,167,550 | 1,064,156,171 | 71,835,647 | 94% |
| Transfers from Other Government Entities | 8,973,159,827 | - | 8,973,159,827 | 8,973,159,827 | - | 100% |
| Other Receipts | 134,247,265 | - | 134,247,265 | 134,247,265 | - | 100% |
| Total Receipts | 10,559,407,092 | (317,832,450) | 10,241,574,642 | 9,206,836,276 | 71,835,647 | 99% |
| PAYMENTS | | | | | | |
| Compensation of Employees | 372,500,000 | 381,900,000 | 754,400,000 | 719,883,434 | 34,516,566 | 95% |
| Use of goods and services | 276,483,119 | 28,425,653 | 304,908,772 | 285,672,722 | 19,236,050 | 94% |
| Social Security Benefits | 1,017,500 | 16,017,500 | 17,035,000 | 11,129,796 | 5,905,204 | 65% |
| Acquisition of Assets | 91,647,563 | (33,823,785) | 57,823,778 | 53,379,278 | 4,444,500 | 92% |
| Board Expenses | 13,146,719 | - | 13,146,719 | 13,146,719 | - | 100% |
| Other Expenses | 8,123,624,327 | - | 8,123,624,327 | 8,123,624,327 | - | 100% |
| Grand Total | 8,878,419,228 | 392,519,368 | 9,270,938,596 | 9,206,836,276 | 64,102,320 | 99% |
| Surplus/Deficit | | | | 964,726,987 | | |

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

| Revenue/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|------------------------|--------------------|----------------------|--------------------|----------------------------|-------------------------------|------------------|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| RECEIPTS | | | | | | |
| Exchequer releases | 300,000,000 | (127,000,000) | 173,000,000 | 16,539,800 | 154,635,932 | 10% |
| Total Receipts | 300,000,000 | (127,000,000) | 173,000,000 | 16,539,800 | 154,635,932 | 10% |
| Payments | | | | | | |
| Acquisition of Assets | 150,000,000 | 23,000,000 | 173,000,000 | 16,539,742 | 156,460,258 | 10% |
| Grand Total | 150,000,000 | 23,000,000 | 173,000,000 | 16,539,742 | 156,460,258 | 10% |
| Surplus/Deficit | 150,000,000 | (150,000,000) | - | 58 | 58 | |

(a) Below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)

- i. Exchequer releases for Development from the National Treasury are at 11% due to budget reduction during supplementary and unavailability of funds.
- ii. Acquisition of assets was at 10% due to not receiving development exchequers from the National Treasury.

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XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

| Program | Sub Program | Description | Approved Budget | Actual Payments | Variance |
|-----------|-------------|---|----------------------|----------------------|--------------------|
| 113000000 | | Land Administration and Management | 212,517,228 | 170,262,904 | 42,254,324 |
| | 113010000 | Land Administration and Management | - | 250,482 | (250,482) |
| | 113020000 | Research and advocacy | 32,108,656 | 25,946,470 | 6,162,186 |
| | 113030000 | Sustainable natural resources | 30,902,615 | 21,138,472 | 9,764,143 |
| | 113040000 | Land tenure security | 109,297,741 | 90,795,178 | 18,502,563 |
| | 113050000 | Valuation taxation and compulsory acquisition | 17,994,553 | 15,344,798 | 2,649,755 |
| | 113060000 | Settlement and adjudication | 2,344,000 | 1,366,905 | 977,095 |
| | 113070000 | School titling | 19,869,663 | 15,420,600 | 4,449,063 |
| 114000000 | | General Administration, Planning & Support Services | 844,095,345 | 837,706,618 | 6,388,727 |
| | 114010000 | General administration | 844,095,345 | 837,706,618 | 6,388,727 |
| 115000000 | | Public Land Information Management System | 52,097,456 | 43,004,763 | 9,092,693 |
| | 115010000 | Land disputes | 52,097,456 | 43,004,763 | 9,092,693 |
| 116000000 | | Land dispute and conflict Resolution | 198,457,521 | 48,777,408 | 149,680,113 |
| | 116010000 | NLIMS | 198,457,521 | 48,777,408 | 149,680,113 |
| | | Grand Total | 1,307,167,550 | 1,099,751,693 | 207,415,857 |

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Commission. The accounting policies adopted have been consistently applied to all the years presented.

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the Commission in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Commission includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

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5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Pending bills

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

9. Budget

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

10. Comparative figures

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

11. Subsequent events

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

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XIII. NOTES TO THE FINANCIAL STATEMENTS

1 EXCHEQUER RELEASES

| | 2017-2018 | 2016-2017 |
|--|----------------------|----------------------|
| | Kshs | Kshs |
| Total Exchequer Releases for quarter 1 | 251,478,771 | 286,500,000 |
| Total Exchequer Releases for quarter 2 | 275,553,700 | 305,600,000 |
| Total Exchequer Releases for quarter 3 | 312,427,500 | 300,500,000 |
| Total Exchequer Releases for quarter 4 | 241,236,000 | 474,800,000 |
| Total | 1,080,695,971 | 1,367,400,000 |

2 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| Description | 2017-2018 | 2016-2017 |
|--|----------------------|-----------------------|
| | Kshs | Kshs |
| Transfers from Central government entities | 8,973,159,827 | 13,407,675,740 |
| | | - |
| TOTAL | 8,973,159,827 | 13,407,675,740 |

The above transfers were received from the following self-reporting entities in the year

2a) TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| Description | 2017-2018 | 2016-2017 |
|--------------------------------|------------------|------------------|
| | Kshs | Kshs |
| KURA | 385,015,569.20 | 3,593,567,239.10 |
| KENHA | 1,162,584,106.00 | 2,169,239,380.00 |
| KENYA PORTS AUTHORITY | | 28,903,268.00 |
| TANATHI | - | 1,001,000,000.00 |
| MINISTRY OF WATER & IRRIGATION | - | 250,000,000.00 |
| KERRA | 22,568,475.00 | 5,124,863.00 |
| KCCC | - | 1,500,000.00 |
| KAA | - | 300,840,000.00 |

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| | | |
|------------------------------|-------------------------|--------------------------|
| KENYA RAILWAY CORPORATION | 1,893,075,633.00 | 4,513,264,775.80 |
| MINISTRY OF TRANSPORT | - | 1,231,501,376.00 |
| MINISTRY OF ENVIROMENT | - | 5,000,000.00 |
| MINISTRY OF WATER | 1,599,748,901.00 | - |
| HOUSING | 85,166,400.00 | 53,000,000.00 |
| FAO REFUND | - | 3,815,777.00 |
| OFFICE OF THE PRESIDENT | - | 25,000,000.00 |
| INTEREST EARNED | - | 134,082,992.25 |
| OTHERS - (NON APPLIED) | | 91,836,069.00 |
| EACC | 1,518,000,000.00 | |
| SBI | 8,000,000.00 | - |
| ATHI WATER SERVICES BOARD | 694,193,106.40 | |
| MINISTRY OF EDUCATION | 1,500,000,000.00 | |
| LAPSSET | 2,000,000.00 | |
| TELKOM | 551,500.00 | |
| COUNTY GOVERNMENT OF KERICHO | 102,256,137.00 | |
| TOTAL | 8,973,159,827.00 | 13,407,675,740.15 |

We have confirmed the above amounts with the disbursing entities.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 OTHER REVENUES

| | 2017-2018 | 2016-2017 |
|--|--------------------|-----------|
| | Kshs | Kshs |
| Interest Received from NBK Compensation Fund | 134,247,265 | |
| TOTAL | 134,247,265 | - |

4 COMPENSATION OF EMPLOYEES

| | 2017-2018 | 2016-2017 |
|---|-----------------------|--------------------|
| | Kshs | Kshs |
| Basic salaries of permanent employees | 464,134,374.00 | 498,207,042 |
| Basic wages of temporary employees | 15,954,225.72 | - |
| Personal allowances paid as part of salary | 238,609,434.54 | 214,351,013 |
| Pension and other social security contributions | 1,185,400.00 | |
| TOTAL | 719,883,434.00 | 712,558,055 |

5 USE OF GOODS AND SERVICES

| | 2017-2018 | 2016-2017 |
|---|------------|-------------|
| | Kshs | Kshs |
| Utilities, Supplies and Services | 362,000 | 629,500 |
| Communication, Supplies and Services | 6,662,143 | 24,193,817 |
| Domestic Travel and Subsistence, and Other Transportation Costs | 88,991,333 | 61,014,066 |
| Foreign Travel and Subsistence, and other transportation costs | 16,156,664 | 12,262,023 |
| Printing , Advertising and Information Supplies and Services | 9,957,279 | 38,440,977 |
| Rentals of Produced Assets | 26,600,476 | 25,281,600 |
| Training Expenses | 2,908,643 | 20,017,218 |
| Hospitality Supplies and Services | 28,157,900 | 199,793,671 |
| Insurance Costs | 62,588,858 | 62,590,613 |

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| | | |
|--|--------------------|--------------------|
| Specialized Materials and Supplies | 133,733 | - |
| Office and General Supplies and Services | 8,778,180 | 9,539,190 |
| Fuel Oil and Lubricants | 17,739,813 | 10,029,153 |
| Other Operating Expenses | 4,662,700 | 8,599,508 |
| Routine Maintenance - Vehicles | 11,833,001 | 3,225,802 |
| Routine Maintenance - Other Assets | 140,000 | 2,347,844 |
| TOTAL | 285,672,722 | 477,964,982 |

6 SOCIAL SECURITY BENEFITS

| | 2017-2018 | 2016-2017 |
|--|-------------------|-----------|
| | Kshs | Kshs |
| Government pension and retirement benefits-Gratuity Civil Servants | 11,129,796 | - |
| TOTAL | 11,129,796 | - |

7 ACQUISITION OF ASSETS

| | 2017-2018 | 2016-2017 |
|--|-------------------|--------------------|
| | Kshs | Kshs |
| Non-Financial Assets | | |
| Purchase of Vehicles and Other Transport Equipment | 20,996,004 | - |
| Purchase of Office Furniture and General Equipment | 13,031,764 | 18,248,780 |
| Purchase of Specialized Plant, Equipment and Machinery | 19,944,092 | 108,018,680 |
| Research, Feasibility Studies, Project Preparation and Design, Project Supervision | 15,947,160 | - |
| TOTAL | 69,919,020 | 126,267,460 |

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8 OTHER EXPENSES

| | 2017-2018 | 2016-2017 |
|--|----------------------|-----------------------|
| | Kshs | Kshs |
| Bank charges -NBK Account Compensation fund | 500,343 | 529,613 |
| Other expenses-Payments on behalf of other govt entities (ANNEX 6) | 8,123,123,984 | 10,389,279,019 |
| TOTAL | 8,123,624,327 | 10,389,808,632 |

9. BOARD EXPENSES

| | 2017-2018 | 2016-2017 |
|--------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Emoluments for Executives | 7,540,379 | 23,759,003 |
| Domestic Travels commissioners | 2,687,100 | - |
| Foreign Travels commissioners | 651,240 | - |
| Airtime for commissions | 2,268,000 | - |
| TOTAL | 13,146,719 | 23,759,003 |

10: Bank Accounts

| Name of Bank, Account No. & currency | Amount in bank account currency | Indicate whether recurrent, Development, deposit e.t.c | 2017-2018 | 2016-2017 |
|--|---------------------------------|--|----------------------|----------------------|
| | | | Kshs | Kshs |
| Central Bank of Kenya, 1000222011 ,KShs | | Recurrent | 3,463,278 | 26,850,500 |
| Central Bank of Kenya, 1000222011 ,KShs | | Development | 58 | |
| National bank of kenya Compensation Fund | | Fund | 6,196,301,854 | 6,129,497,338 |
| Central Bank of Kenya Compensation Fund | | Fund | 915,855,074 | - |
| Total | | | 7,115,620,264 | 6,156,347,839 |

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11: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

| <i>Description</i> | 2017-2018 | 2016-2017 |
|---------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Government Imprests | 9,262,110 | 6,978,432 |
| Salary advances | 10,349,078 | 7,178,136 |
| Total | 19,611,188 | 14,156,568 |

12. ACCOUNTS PAYABLE

| <i>Description of the error</i> | 2017-2018 | 2016-2017 |
|---------------------------------|----------------------|-------------------------|
| | Kshs | Kshs |
| Bank balance bf | 6,129,497,338 | 3,111,630,230.00 |
| Deposits | 9,107,407,092 | 13,407,675,740.00 |
| Payments | (8,123,624,326) | 10,389,808,632.00 |
| Bal c/f | 7,113,280,104 | 6,129,497,338.00 |

13. PRIOR YEAR ADJUSTMENTS

| <i>Description of the error</i> | 2017-2018 | 2016-2017 |
|--------------------------------------|-----------|---------------------|
| | Kshs | Kshs |
| Adjustments on bank account balances | - | (82,076,437) |
| | - | (82,076,437) |

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XIV. OTHER IMPORTANT DISCLOSURES

15a. RELATED PARTY DISCLOSURES

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

The following comprise of related parties to the National Land Commission

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

Related party transactions:

| | 2017-2018 | 2016-2017 |
|--|-------------------------|-----------------------|
| | KShs | KShs |
| Key Management compensation | | |
| Emoluments for Executives | 7,540,379 | 7,515,324 |
| Domestic Travels commissioners | 2,687,100 | 4,080,615 |
| Foreign Travels commissioners | 651,240 | 8,803,064 |
| Airtime for commissions | 2,268,000 | 3,360,000 |
| Sub Total | 13,146,719 | 23,759,003 |
| Transfers from other Ministries Departments and Agencies | 8,870,903,690.60 | 13,407,675,740 |
| Transfers from Counties | 102,256,137 | - |
| Sub Total | 8,973,159,827.60 | 13,407,675,740 |

XV. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

There were no follow up issues related to the financial year 2016/17 audit

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XVI. ANNEXES

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

| S/NO | VOUCHER NO | PAYEE | AMOUNT |
|-------------|-------------------|-----------------|------------------|
| 1 | 1108 | Simeon Tingaa | 66,442 |
| 2 | 1134 | Saida Isak | 100,000 |
| 3 | 310 | Eward Bosire | 1,847,677 |
| 4 | 1217 | Molu Halake | 100,000 |
| 5 | 1199 | Andrew Rotich | 183,205.50 |
| 6 | 1198 | Andrew Rotich | 83,800 |
| 7 | 1200 | Andrew Rotich | 65,475 |
| 8 | 1201 | Andrew Rotich | 95,557.50 |
| 9 | | J G Mule | 109,400 |
| 10 | | J G Mule | 134,573 |
| 12 | | Rading Charles | 74,000 |
| 13 | | G M Nkantha | 100,000 |
| 15 | | Peter Ochuodho | 100,000 |
| 16 | | Henry Ondara | 100,000 |
| 18 | | J G Mule | 100,000 |
| 19 | | Rading Charles | 66,000 |
| 21 | | M M Kasai | 100,000 |
| 22 | | M m Kasai | 100,000 |
| 24 | | Josphat Wasua | 100,000 |
| 26 | | Nobert Wangalwa | 100,000 |
| 28 | | Nobert Wangalwa | 93,000 |
| 29 | | Josephat Wasua | 93,000 |
| 31 | 1327 | CEO-NLIMS | 1,914,500 |
| | | TOTAL | 5,826,630 |

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ANNEX 2 - ANALYSIS OF OTHER PENDING PAYABLES

| SUPPLIER | AMOUNT |
|---|-------------------|
| Dana Clean Care Services Limited | 960,000 |
| Gelian Hotel | 304,200 |
| Gelian Hotel | 463,060 |
| Kenya Safari Lodges and Hotels | 175,000 |
| Nobility Investment | 995,840 |
| Strategic Public Relations And Research Ltd | 840,000 |
| Crown Motors Group LTD | 12,500 |
| Angani Tours and Travel Limited | 1,794,595 |
| Lake Nivasha Simba Lodge | 1,185,000 |
| Postal corporation of Kenya | 1,029,363 |
| Sweet Lake Resort | 362,811 |
| Longrock Tours and Travel | 3,800,000 |
| Kosen Safaris | 799,010 |
| Toyota Kenya | 630,650 |
| CMC Motors group ltd | 42,661 |
| Masada Hotel | 468,000 |
| Sweet Lake Resort | 1,001,000 |
| Longrock Tours and Travel | 2,900,500 |
| Medot Enterprises | 409,750 |
| NW Realite Ltd | 417,600 |
| Yellow Green Hotel | 262,500 |
| Kenya Bankers Investment Ltd | 62,060 |
| Power Groove | 650,000 |
| Cosafiri Enterprises | 181,000 |
| Kenya Bankers Investment Ltd | 62,625 |
| SignCom | 446,700 |
| Tech Source Point Ltd | 8,700,000 |
| Click n Tell ltd | 3,890,000 |
| Clempet Enterprises | 8,718,131 |
| Check point Software Technologies Ltd | 2,600,000 |
| Core Tec Systems & Solutions | 29,184,268 |
| Renaissance Planning Limited | 4,187,020 |
| TOTAL | 77,535,844 |

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| | Supplier | Amount |
|----|--|-----------------------|
| 1 | V.A. Nyamodi & Company Advocates | 3,490,000.00 |
| 2 | Antony Gikaria & Co, Advocate | 3,493,000.00 |
| 3 | Odhiambo & Odhiambo Advocates | 2,146,000.00 |
| 4 | V.A. Nyamodi & Company Advocates | 3,493,000.00 |
| 5 | V.A. Nyamodi & Company Advocates | 3,493,000.00 |
| 6 | V.A. Nyamodi & Company Advocates | 3,493,000.00 |
| 7 | | 21,230,000.00 |
| | V.A. Nyamodi & Company Advocates | |
| 8 | | 3,493,000.00 |
| | V.A. Nyamodi & Company Advocates | |
| 9 | | 5,000,000.00 |
| | V.A. Nyamodi & Company Advocates | |
| 10 | | 835,000.00 |
| | Antony Gikaria & Co, Advocate | |
| 11 | Prof Tom Ojienda & Associates(Nairobi Hcc,Misc Application No 513 of 2016 | 69,000,000.00 |
| | | 119,166,000.00 |
| | Grand Total Pending Bills | 196,701,844.00 |

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ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

| Asset class | Historical Cost b/f (Kshs) | Additions during the period (Kshs) | Disposals during the period (Kshs) | Historical Cost c/f (Kshs) |
|--|----------------------------------|--|--|----------------------------------|
| Land | - | | - | - |
| Buildings and structures | - | - | | - |
| Transport equipment | - | 20,996,004.00 | | 20,996,004.00 |
| Office equipment, furniture and fittings | 98,502,684.00 | 13,031,764.00 | | 111,342,978.00 |
| ICT Equipment, Software and Other ICT Assets | 148,546,070.00 | - | | 148,546,070.00 |
| Other Machinery and Equipment | 127,492,284.64 | 19,944,092.00 | | 147,436,376.64 |
| Heritage and cultural assets | - | | | - |
| Intangible assets | 78,218,006.00 | 15,947,160.00 | | 94,195,166.00 |
| | | | | |
| Total | 452,759,044.64 | 69,919,020.00 | - | 522,516,594.64 |

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the Commission.

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ANNEX 4– OUTSTANDING IMPREST

| EMPLOYEE | Supplier Num | Invoice Date | Invoice Num | Invoice Amount |
|-----------------------------|--------------|--------------|-------------|----------------|
| ABDULKADIR ADAN KHALIF | 150003 | 14-May-18 | IW 3302814 | 72,800.00 |
| ABDULLAHI HUKA JILLO | 420236 | 29-may-18 | IW 3067844 | 100,000.00 |
| ABDULMALIK WASWA NAMACHANJA | 367221 | 22-may-18 | IW 3060294 | 831,500.00 |
| ABDULMALIK WASWA NAMACHANJA | 367221 | 25-May-18 | IW 3060303 | 92,400.00 |
| ABDULMALIK WASWA NAMACHANJA | 367221 | 13-Apr-18 | IMP3229350 | 100,000.00 |
| ADUNGO BRIAN IKOL | 367349 | 12-Jun-18 | IW 3070592 | 75,600.00 |
| belinda akoth akello | 424699 | 29-May-18 | IW 3060399 | 100,000.00 |
| CAROLINE KHASOA | 423708 | 28-May-18 | IMP3070712 | 84,020.00 |
| CATHERINE KAMENE MURUGU | 789706 | 26-Jan-18 | IW 3067931 | 130,000.00 |
| CHARLES LEIYO KEIS | 332387 | 31-May-18 | IMP3070553 | 29,400.00 |
| CHARLES OTIENO RADING | 423655 | 28-May-18 | IMP3070710 | 80,010.00 |
| CHAVANGI AZIZ TOM | 367194 | 22-May-18 | IW 2895790 | 72,800.00 |
| CHAVANGI AZIZ TOM | 367194 | 22-May-18 | IW 3060258 | 141,400.00 |
| CHAVANGI AZIZ TOM | 367194 | 16-Feb-18 | IW 3229313 | 127,400.00 |
| CLEMENT ISAIAH LENACHURU | 150001 | 8-Jun-18 | IW 3070590 | 87,600.00 |
| CLEMENT ISAIAH LENACHURU | 150001 | 25- May-18 | IW 3060309 | 169,300.00 |
| DAUD ABDULLAH OMAR | 420271 | 29- May-18 | IW 3060362 | 100,000.00 |
| DAVID K. RUGUT | 423656 | 29- May-18 | IW 3060386 | 100,000.00 |
| DAVID K. RUGUT | 423656 | 28-May-18 | IMP3070711 | 79,610.00 |
| DENIS NJUGUNA MACHARIA | 367212 | 4- May-18 | IW 3067805 | 60,000.00 |
| DOMITILA GATI | 181197 | 28-May-18 | IMP3070709 | 98,720.00 |
| EDITH SANDERA LUMIRE OLANDO | 179490 | 28-May-18 | IMP3070705 | 252,000.00 |
| ELIZABETH KABURA WANDAKA | 773012 | 17-Apr-18 | IW 3298140 | 74,500.00 |
| FATUMA HOROW ABUBAKAR | 367319 | 29- May-18 | IW 3060363 | 100,000.00 |
| GERALD KIMANI LEPARIYO | 369375 | 29- May-18 | IW 3060287 | 70,000.00 |
| ISAAC KIPLAGAT TANUI | 367224 | 25- May-18 | IW 3060306 | 114,700.00 |
| JACINTA RUTH KATEE | 399239 | 4- May-18 | IW 3067890 | 20,000.00 |
| JENNIFFER ITUMBI WAMBUA | 364746 | 28-May-18 | IMP3070706 | 86,177.00 |
| JOSEPH KIPKAPTO KORIR | 420272 | 29- May-18 | IW 3060383 | 100,000.00 |
| JULIUS KIPLAGAT TARUS | 170631 | 14-Feb-18 | IW 3229312 | 60,000.00 |
| JUSTINE SIANOI KOONYO | 399238 | 26- May-18 | IW 3067843 | 1,492,400.00 |
| JUSTUS KYALO MATHEKA | 181055 | 29- May-18 | IW 3060392 | 100,000.00 |
| KABALE TACHE ARERO | 392326 | 22- May-18 | IW 3060257 | 152,400.00 |
| KABALE TACHE ARERO | 392326 | 17-Apr-18 | IW 3298143 | 122,900.00 |
| KALUME KASHURU NZOVU | 423710 | 29- May-18 | IW 3060400 | 100,000.00 |
| KENNEDY OTIENO ODONGO | 767834 | 28-May-18 | IMP3070719 | 96,600.00 |

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| | | | | |
|----------------------------|--------|------------|------------|---------------------|
| KHALID MASUD SALIM | 405450 | 16-Jan-18 | IW 3067915 | 100,800.00 |
| MARY KAMENE KIMWELE | 796695 | 18- May-18 | IW 2895891 | 30,000.00 |
| MARY KAMENE NGUNDO | 180699 | 28-May-18 | IMP3070707 | 724,000.00 |
| MARY KAMENE NGUNDO | 180699 | 28-May-18 | IW3070724 | 96,600.00 |
| MARY KAMENE NGUNDO | 180699 | 28-May-18 | IW3070728 | 52,000.00 |
| MARY KAMENE NGUNDO | 180699 | 28-May-18 | IW3070716 | 128,350.00 |
| MARY KAMENE NGUNDO | 180699 | 7-Jun-18 | IW 3070727 | 72,000.00 |
| MARY WAKONYO IRUNGU | 797900 | 23-Jan-18 | IW 3067920 | 80,000.00 |
| MAUREEN ACHUNGO TUTI | 181903 | 17-Apr-18 | IW 3298121 | 142,000.00 |
| MERCY MUTHONI NJAMWEA | 178877 | 28-May-18 | IMP3070704 | 252,000.00 |
| MESHACK O ODIMA | 179390 | 28-May-18 | IMP3070715 | 210,006.00 |
| NANCY CHERONO KOSGEY | 778804 | 25- May-18 | IW 3060305 | 125,200.00 |
| PADDY ODERA MAKENE | 767832 | 15-May-18 | IW 3302847 | 184,000.00 |
| PADDY ODERA MAKENE | 767832 | 15-May-18 | IW 3302849 | 49,000.00 |
| PATRICK KIBET WARIONGA | 325389 | 25- May-18 | IW 3060307 | 64,700.00 |
| PATRICK KIPROTICH MALAKWEN | 437792 | 5-Feb-18 | IW 3067950 | 167,620.00 |
| REGINA MUENI MUTISO | 178274 | 22- May-18 | IW 2895959 | 120,000.00 |
| SAMUEL KIPNGETICH TOROREI | 367745 | 25- May-18 | IW 3060301 | 37,800.00 |
| SAMUEL KIPNGETICH TOROREI | 367745 | 8-Jun-18 | IW 3070591 | 87,600.00 |
| SHADRACK MILEWA CHARO | 329149 | 22- May-18 | IW 3060267 | 51,100.00 |
| SILAS KIOGORA MBURUGU | 178931 | 19-Jun-18 | IW 3298087 | 71,000.00 |
| SILVESTER MUSERA OSODO | 178836 | 28-May-18 | IMP3070717 | 210,006.00 |
| SOLOMON NJIHIA MBUTHIA | 367241 | 25- May-18 | IW 3060317 | 56,800.00 |
| SOLOMON NJIHIA MBUTHIA | 367241 | 28-Jun-18 | IMP3070729 | 22,800.00 |
| STELLAMARIS KANGA OGUTU | 767831 | 28-May-18 | IMP3070718 | 168,000.00 |
| STEPHEN MUKOBE ONYINO | 178935 | 29- May-18 | IW 3060312 | 28,000.00 |
| STEPHEN MUKOBE ONYINO | 178935 | 29- May-18 | IW 3060396 | 100,000.00 |
| STEPHEN MUKOBE ONYINO | 178935 | 28-May-18 | IMP3070714 | 26,880.00 |
| THOMAS KIPKEMBOI MAIYO | 423658 | 28-May-18 | IMP3070708 | 29,610.00 |
| UMI KUGULA | 423670 | 29- May-18 | IW 3060398 | 100,000.00 |
| TOTAL | | | | 9,262,110.00 |

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| S/NO | P/NO | NAME | ID | REPAYMENT | BALANCE |
|------|-------------|----------------------------|----------|-----------|--------------|
| 1 | 1999016535 | Ageji Kennedy Otieno | 21871848 | 3,333.40 | 23,333.00 |
| 2 | 1999019541 | Kiwanza Dennis Dulu | 21021276 | 10,000.00 | 15,000.00 |
| 3 | 2001000980 | Mwanasiti Suleiman Bundu | 22189735 | 5,000.00 | 35,000.00 |
| 4 | 2002057304 | A. Evans Getenga | 22265945 | 4,166.70 | 16,666.40 |
| 5 | 2004014310 | Hussein Abdi Hassan | 23825879 | 6,500.00 | 0 |
| 6 | 2005010018 | Kala Abdikadir Habshi | 22615961 | 5,000.00 | 35,000.00 |
| 7 | 2006054308 | Angweye Dominic Agoi | 24092621 | 5,000.00 | 20,000.00 |
| 8 | 2008051885 | Maina Dennis Mamai | 24158282 | 3,500.00 | 26,000.00 |
| 9 | 2012029539 | Achungo Maurine Tuti | 23644250 | 3,000.00 | 3,000.00 |
| 10 | NLC20130002 | Kasaine Amos Parletuan | 23928622 | 83,333.33 | 583,333.35 |
| 11 | NLC20130007 | Kamau Isaac Nganga | 21863185 | 90,000.00 | 90,000.00 |
| 12 | NLC20130011 | Arero Tache Kabale | 12754074 | 55,555.00 | 1,296,231.00 |
| 13 | NLC20140015 | Kibet Benard Cherutich | 20041706 | 50,000.00 | 500,000.00 |
| 14 | NLC20140017 | Abdullah Ali Ibrahim | 10432184 | 34,000.00 | 532,000.00 |
| 15 | NLC20140019 | Gichuru Edmond Kiplagat | 22018369 | 25,000.00 | 175,000.00 |
| 16 | NLC20140022 | Okenyi Samuel Odari | 3285756 | 34,000.00 | 230,000.00 |
| 17 | NLC20140023 | Wairagu Grace Wagaki | 10136903 | 33,333.33 | 366,666.67 |
| 18 | NLC20140034 | Huka Abdullahi Jillo | 21815040 | 93,166.70 | 372,666.40 |
| 19 | NLC20140036 | Bosire Edward Maoncha | 11704098 | 84,916.67 | 84,916.64 |
| 20 | NLC20140046 | Rugut David Kipkemboi | 8591018 | 66,666.67 | 666,666.66 |
| 21 | NLC20140051 | Abdile Shale Ibrahim | 1260252 | 83,000.00 | 917,000.00 |
| 22 | NLC20140052 | Kipchoge David | 10016759 | 5,000.00 | 30,000.00 |
| 23 | NLC20140060 | Lotulya Simeon Ting'aa | 12829874 | 40,000.00 | 40,000.00 |
| 24 | NLC20140090 | Meso Wilkister Jedidah | 9956332 | 34,875.00 | 34,875.00 |
| 25 | NLC20140091 | Chepkoros Selina | 10383950 | 10,833.28 | 0 |
| 26 | NLC20140093 | Liseche Rosemary Khavedza | 10163889 | 14,166.64 | 0 |
| 27 | NLC20140095 | Isak Saida Mohammed | 11660659 | 42,000.00 | 290,000.00 |
| 28 | NLC20140096 | Ibrahim Hassan Alio | 27838297 | 10,000.00 | 235,750.00 |
| 29 | NLC20140099 | Malakwen Patrick Kiprotich | 21173820 | 58,333.34 | 58,333.27 |
| 30 | NLC20150108 | Odhiambo Lameck Omondi | 24614871 | 8,333.40 | 58,333.00 |
| 31 | NLC20150110 | Awiti Nowa Aomo | 8629557 | 11,666.67 | 11,666.64 |
| 32 | NLC20150111 | Ngonyo John Mwaniki | 11016423 | 6,000.00 | 6,000.00 |
| 33 | NLC20150143 | Righa Daniel Mwakio | 11654761 | 56,000.00 | 560,000.00 |

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| | | | | | |
|----|-------------|------------------------------|----------|-----------|------------|
| 34 | NLC20150153 | Kipkoech Vincent Mutai | 23065805 | 8,750.00 | 8,750.00 |
| 35 | NLC20150161 | Ojwang' Patroba Omolo | 22225002 | 17,000.00 | 103,400.00 |
| 36 | NLC20150168 | Ruth Jacinta Katee | 24708287 | 8,333.33 | 91,666.67 |
| 37 | NLC20150173 | Mundati Nelly Waithera | 27247445 | 8,333.33 | 83,333.34 |
| 38 | NLC20150182 | Kadesa Sussy | 24271386 | 15,000.00 | 106,833.00 |
| 39 | NLC20150184 | Odhiambo Silla Ojwang | 26101932 | 6,666.70 | 26,666.40 |
| 40 | NLC20150186 | Musundi Fredrick Mwanza | 10749980 | 21,250.00 | 148,750.00 |
| 41 | NLC20150187 | Njeri Evelyn Manyeki | 23585659 | 10,000.00 | 80,000.00 |
| 42 | NLC20150207 | Kimisik Catherine Chepkemboi | 22171509 | 40,000.00 | 90,000.00 |
| 43 | NLC20150211 | Kamuti Richard Kakai | 20656658 | 10,000.00 | 100,000.00 |
| 44 | NLC20150220 | Onyango Benard Opa | 21704802 | 59,125.00 | 295,625.00 |
| 45 | NLC20150242 | Njane Beatrice Murugi | 22486652 | 8,541.67 | 93,958.33 |
| 46 | NLC20150251 | Chepngeno Betty Bosuben | 22820511 | 8,500.00 | 66,000.00 |
| 47 | NLC20150265 | Kyai Christine Mwinza | 11186212 | 5,000.00 | 35,000.00 |
| 48 | NLC20150287 | Boniface Alfred Ondoro | 33165476 | 8,350.00 | 49,900.00 |
| 49 | NLC20150288 | Kipkemoi Geoffrey Sang | 20992513 | 4,500.00 | 32,000.00 |
| 50 | NLC20150297 | Onyango Dancun Mboga | 30134966 | 3,333.30 | 6,666.90 |
| 51 | NLC20150314 | Maritim Joseph | 20129043 | 4,166.70 | 29,166.50 |
| 52 | NLC20150329 | Moshira Sophie Siaita | 29956022 | 2,083.33 | 22,916.67 |
| 53 | NLC20150340 | Mwarabu Norah Rughanga | 22406531 | 6,666.70 | 26,666.40 |
| 54 | NLC20150348 | Bulle Shake Kudu | 33126887 | 2,500.00 | 7,500.00 |
| 55 | NLC20150357 | Oduory Henry Omondi | 32157942 | 8,758.40 | 61,308.00 |
| 56 | NLC20150394 | Watulo Faith Esther | 29162174 | 3,000.00 | 23,000.00 |
| 57 | NLC20150401 | Sammy Korir | 22724345 | 6,500.00 | 65,000.00 |
| 58 | NLC20150402 | Geoffrey Rono | 26672142 | 1,300.00 | 13,000.00 |
| 59 | NLC20150406 | Abdi Farah Kuno | 29490840 | 8,333.33 | 91,666.67 |
| 60 | NLC20150431 | Kaperur Damaris Chanangat | 22447596 | 11,000.00 | 81,000.00 |
| 61 | NLC20150437 | Kigen Gladys Jepchumba | 25084282 | 5,000.00 | 28,000.00 |
| 62 | NLC20150438 | Too Abigael Jerop | 25644812 | 4,200.00 | 24,800.00 |
| 63 | NLC20150441 | Letara Erick Parteneu | 21983965 | 5,000.00 | 40,000.00 |
| 64 | NLC20170478 | Galgalo Galgalo Kunu | 23818697 | 12,500.00 | 87,500.00 |
| 65 | NLC20140088 | Lepariyo Gerald Kimani | 25073085 | 34,000.00 | 298,000.00 |
| 66 | NLC20150269 | Ketora Bonface Ramaita | 26077770 | 8,500.00 | 74,500.00 |
| 67 | 2011342926 | Kangethe Josphat Njeri | 27875603 | 4,000.00 | 28,000.00 |
| 68 | NLC20150338 | Kabura Elizabeth Wandaka | 31481063 | 4,000.00 | 28,000.00 |
| 69 | NLC20150164 | Mutheo Dorothy Kyembeni | 25887570 | 8,400.00 | 66,400.00 |

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| | | | | | |
|----|-------------|----------------------------|----------|-----------|------------|
| 70 | 1999019541 | Kiwanza Dennis Dulu | 21021276 | 5,000.00 | 35,000.00 |
| 71 | NLC20130004 | Orondo Leonard Omullo | 2774845 | 68,000.00 | 278,000.00 |
| 72 | NLC20150191 | Masindet Raphael Sarinke | 22961567 | 10,700.00 | 74,833.35 |
| 73 | NLC20150250 | Toroitich Nicholas Shonget | 26046936 | 8,333.40 | 58,333.00 |
| 74 | NLC20160469 | Njuguna Agnes Mugure | 5768490 | 8,500.00 | 74,500.00 |

10,349,078.26

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| S/NO | PROJECT | ACQ BODY | AMOUNT |
|------|---|-------------------|----------------|
| 1 | KERICHO INTERCHANGE | KENHA | 4,681,420.00 |
| 2 | KISUMU NYAMASARIA ROAD PROJECT | KENHA | 10,891,066.00 |
| 3 | OLOITOKTOK WATER SUPPLY & SANITATION PROJECT | MINISTRY OF WATER | 52,820,853.00 |
| 4 | AHERO INTERCHANGE | KENHA | 126,830,930.00 |
| 5 | CHEPTERIT BARATON | KENHA | 254,811.50 |
| 6 | DONGO KUNDU(MPARD) | KENHA | 143,025,526.00 |
| 7 | DUNDORI OLKALOU NJAMBINI | KENHA | 15,574,364.00 |
| 8 | EASTRN MISSING LINK | KURA | 114,195,323.40 |
| 9 | ENAISHIARA-CIAKARIGA | KENHA | 1,362,883.00 |
| 10 | GARDEN ESTATE ROAD | KURA | 38,151,152.25 |
| 11 | GITHURAI KIMBO PHASE II | KERRA | 15,014,860.00 |
| 12 | KAINUK BRIDGE | KENHA | 9,462,377.50 |
| 13 | KAMAGAMBO-KENYENYA MOGONGA | KERRA | 3,965,200.00 |
| 14 | KANGEMA GACHARAGE | KENHA | 46,014,016.00 |
| 15 | KARIMENU 2 DAM WATER SUPPLY PROJECT | TANATHI WATER | 1,718,800.00 |
| 16 | KIAMBU LINK ROAD (RIDGE WAYS) | KURA | 35,369,400.00 |
| 17 | KISUMU NORTHERN | KENHA | 56,715,411.00 |
| 18 | KSMU-KAKAMEGA | KENHA | 212,416,035.00 |
| 19 | LAMU PORT ACCESS ROAD | KPA | 28,903,287.00 |
| 20 | LANET NJORO | KENHA | 18,808,800.00 |
| 21 | LONDIANI FORTENAN | KENHA | 13,812,445.00 |
| 22 | LONGROCK TOURS AIR TICKETING MWACHE | MINISTRY OF WATER | 202,935.00 |
| 23 | LOWER NZOIA | MINISTRY OF WATER | 115,929,604.00 |
| 24 | MALINDI AIRPORT PHASE 2 | CAA | 299,068,260.55 |
| 25 | MASARA-SUNA-KEHANCHA ROAD &AWENDO MIRIWA ROAD | KENHA | 2,915,967.00 |
| 26 | MERILLE-MARSABIT-TURBI-MOYALE | KENHA | 5,742,600.00 |
| 27 | MERU EASTERN & WESTERN BY PASS | KURA | 39,179,328.90 |
| 28 | MOMBASA MARIKANI | KENHA | 147,603,126.00 |
| 29 | MWATATE TAVETA | KENHA | 13,810,074.00 |
| 30 | NAIROBI NORTHERN | KURA | 26,829,050.00 |
| 31 | NAIROBI SOUTHERN BYPASS | KENHA | 16,949,850.00 |
| 32 | NGORONGO GITHUNGURI | KERRA | 15,212,620.00 |

NATIONAL LAND COMMISSION
Reports and Financial Statements
For the year ended 30 June 2018

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|--------------|---|----------------------------|-------------------------|
| 33 | OFFICE OF DEPUTY PRESIDENT | OFFICE OF DEPUTY PRESIDENT | 25,000,000.00 |
| 34 | OUTERING ROAD | KURA | 289,317,000.00 |
| 35 | PORT REITZ/MOI INTERNATIONAL | KENHA | 442,676,835.00 |
| 36 | RIRUTA NDUNYI UUPII ROAD | KERRA | 13,670,851.00 |
| 37 | RUARAKA & DRIVE INN SCHOOLS | MINISTRY OF EDUCATION | 1,500,000,000.00 |
| 38 | SANITARY LAND FILL MURANGA | HOUSING | 82,470,000.00 |
| 39 | SGR(NBK) | KENYA RAILWAYS | 1,298,397,422.00 |
| | SGR(CBK) | KENYA RAILWAYS | 966,782,821.00 |
| 40 | SIYOI MURUNY | MINISTRY OF WATER | 17,073,363.50 |
| 41 | KANGUNDO ROAD TALA | HOUSING | 1,921,000.00 |
| 42 | LAPPSET | KPA | 22,348,475.00 |
| 43 | TATTA DAM | MINISTRY OF WATER | 12,988,940.00 |
| 44 | TELKOM KENYA-STAFF PER DIEM | TELKOM | 551,500.00 |
| 45 | THIKA DAM TO KIGORO TREATMENT WORKS TO GIGIRI TANKS | ATHI WATER | 103,732,582.00 |
| 46 | THIKA ROAD | KENHA | 56,179,704.00 |
| 47 | THOGOTO GIKAMBURA | KERRA | 103,964,899.75 |
| 48 | THWake DAM PROJECT | MINISTRY OF WATER | 1,548,089,743.00 |
| | OTHER EXPENDITURE | | 4,025,472.15 |
| | BANK CHARGES | | 500,342.50 |
| TOTAL | | | 8,123,123,327.00 |