

REPUBLIC OF KENYA

PARLIAMENT
OF KENYA
LIBRARY



OAG



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY	
P. D.	
DATE: 13 APR 2023	DAY: THURSDAY
TABLED BY:	THE LEADER OF THE MAJORITY PARTY (Hon. Kimani Ichung'oro)
CLERK-AT-THE-TABLE:	Joyce Lemoreik

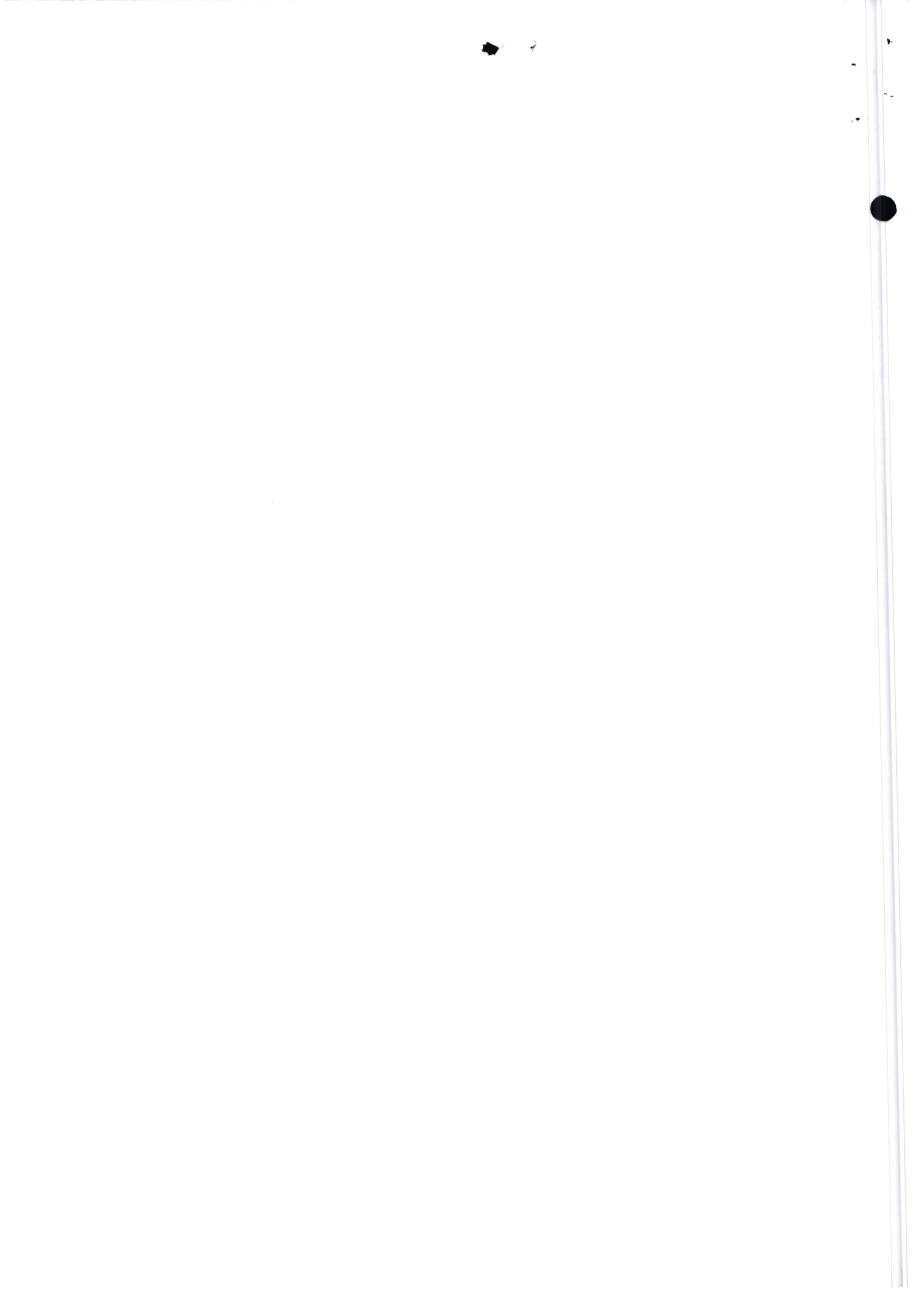
OF

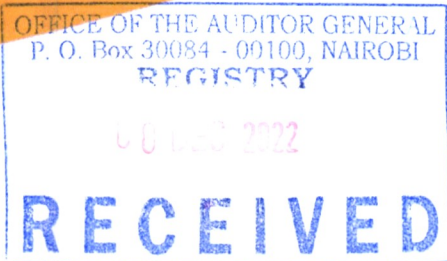
THE AUDITOR-GENERAL

ON

**INDEPENDENT POLICING OVERSIGHT
AUTHORITY**

**FOR THE YEAR ENDED
30 JUNE, 2022**





INDEPENDENT POLICING OVERSIGHT AUTHORITY (IPOA)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2022

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Reports and Financial Statements
For the year ended June 30, 2022

(leave page blank)

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

Table of Contents

Page

1. Key Entity Information and Management.....	iii
2. Statement by The Board Chairperson.....	xix
3. Statement by The Accounting Officer.....	xx
4. Statement of Performance Against Predetermined Objectives for FY2021/22.....	xxiii
5. Environmental and Sustainability Reporting	xxviii
6. Statement of Management Responsibilities	xxxii
7. Report of the Independent Auditors on the Independent Policing Oversight Authority ..	xxxiv
8. Statement of receipts and payments for the year ended 30 th June 2022.....	1
9. Statement of assets and liabilities as at 30 th June 2022	2
10. Statement of cash flows for the year ended 30th June 2022	3
11. Statement of Comparison of budget and Actual Amounts for FY2021/22.....	4
12. Notes to the Financial Statement.....	7
13. Annexes	21

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

1. Key Entity Information and Management

a) Background Information

Mandate

The Independent Policing Oversight Authority (IPOA) was established through Act No. 35 of 2011 to;

- (a) Hold the Police accountable to the public in the performance of their functions;
- (b) Give effect to the provision of Article 244 of the Constitution that the Police shall strive for professionalism and discipline and shall promote and practice transparency and accountability; and
- (c) Ensure independent oversight of the handling of complaints by the National Police Service.

Vision

A transformative civilian oversight Authority that promotes public trust and confidence in the National Police Service.

Mission

To conduct independent and impartial investigations, inspections, audits and monitoring of the National Police Service to enhance professionalism and discipline of the Service.

Core Functions

The principal functions of the Authority are to:

- (a) Investigate any complaints related to disciplinary or criminal offences committed by any member of the National Police Service, whether on its own motion or on receipt of a complaint, and make recommendations to the relevant authorities, including recommendations for prosecution, compensation, internal disciplinary action or any other appropriate relief, and shall make public the response received to these recommendations;
- (b) Receive and investigate complaints by members of the Police Service;
- (c) Monitor and investigate policing operations affecting members of the public;
- (d) Monitor, review and audit investigations and actions taken by the Internal Affairs Unit of the Police Service in response to complaints against the Police and keep a record of all such complaints regardless of where they have been first reported and what action has been taken;
- (e) Conduct inspections of Police premises, including detention facilities under the control of the Service;
- (f) Co-operate with other institutions on issues of Police oversight, including other State organs in relation to services offered by them;
- (g) Review the patterns of Police misconduct and the functioning of the internal disciplinary process;
- (h) Present any information it deems appropriate to an inquest conducted by a court of law;
- (i) Take all reasonable steps to facilitate access to the Authority's services to the public;

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

- (j) Subject to the Constitution and the laws related to freedom of information, publish findings of its investigations, monitoring, reviews and audits as it seems fit, including by means of the electronic or printed media;
- (k) Make recommendations to the Police Service or any State organ;
- (l) Report on all its functions under its Act or any written law; and
- (m) Perform such other functions as may be necessary for promoting the objectives for which the Authority is established.

Core Values

- (a) Independence
- (b) Integrity and Accountability
- (c) Impartiality
- (d) Professionalism
- (e) Accessibility

(a) Key Management

The Independent Policing Oversight Authority's day to day management is under the following key organs; IPOA Board and Management.

i) IPOA Board



Anne Makori, EBS

Chairperson

Mrs. Anne Makori is the Chairperson of the Independent Policing Oversight Authority Board. She holds a Law Degree (LLB Hons) from the University of Nairobi, a Postgraduate Diploma from the Kenya School of Law, and a Postgraduate Diploma in Human Resource Management and a Masters in Leadership. She is a Certified Public Secretary (C.P.S.) K., a Certified Professional Trainer and a certified professional mediator.

Anne has vast experience spanning over 20 years with exposure at both Board and management levels in the government, Media Industry, Finance Sector (Banking), and Legal Practice where she specialized in civil litigation, conveyancing and corporate law. Mrs. Makori has also undertaken Human Resource Consultancy at both local and international level.

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

She is an experienced leader in the areas of Strategy Development and implementation, Company Secretarial, Organizational Review, Performance Management, Culture and Change Management as well as Business Development having previously given oversight and leadership at different levels including serving as a General Manager in charge of Business Development, Legal and Human Resources.

Mrs. Makori is a member of Law Society of Kenya (LSK), Institute of Certified Public Secretaries of Kenya (ICPSK) and the Institute of Human Resource Management (IHRM). She is also actively involved in community service in the areas of education, literacy and language development for small and marginalized community groups as well supporting Churches.



Dr. Jonathan Lodompui,
Vice Chair Person

Dr. Lodompui is the Vice Chairperson at IPOA. He holds a PhD in Political Science and Public Administration with a bias in Conflict Transformation, a master's degree in International Relations and Diplomacy and a bachelor's degree in Public Administration and Political Science biased on Reforms and Transformational Development all from the University of Nairobi. He also holds two Diplomas.

He has management experience in various organizations and in national consultancies in transformative development, peace building, conflict management and security matters. He has presented locally and internationally and contributed in academic journals including; Conflict Analysis and Mapping in Kenya, Impoverishment of the Pastoralists Groups in Kenya, fathers are parents too, the Collapse of the EAC in 1977, the National interest of Tanzania, Samburu Origins, Migrations and Settlement and Internal and external conflict triggers.

He is the immediate former Director for the Enablers and Macros Directorate at the Kenya Vision 2030 Delivery Secretariat, which is charged with coordination of the implementation of infrastructure projects. Previously, he worked with the Military as an Air Force Officer, the Child Fund as a Regional Coordinator, Teachers Service Commission as a Chief Research Officer, and a Director at Kenya Vision 2030 Secretariat. He also taught at various universities including the University of Nairobi, Technical University of Kenya, Africa Nazarene University, and the United States International University.



Dr. Jimmy Mwithi, PhD
Commissioner

Dr. Mwithi is a holder of Doctor of Philosophy (PhD), Leadership and Governance from the Jomo Kenyatta University of Agriculture and Technology. He also holds a master's degree in Business Administration (MBA) Strategic Management – Kenya Methodist University (KeMU) and Bachelor of Arts (Hons) Criminology - Egerton University. He is a fellow at the Kenya Institute of Bankers (FKIB); a full Member of the Kenya Institute of Management (MKIM) and a Certified Fraud Examiner (CFE). He has attended several courses on management, leadership, and governance.

He has served in various capacities in the Public and Private sector for 30 years and has dealt with strategy/ policy formulation, capacity building programs, intelligence collection, investigations and prosecution of criminal & civil cases. He previously worked at the Kenya Police Service, Efficiency Monitoring Unit (Office of the President), Kenya Anti-Corruption Commission, Consolidated Bank of Kenya Limited and a University Lecturer. He has published Journals on Leadership & Governance, Strategy formulation and Security.

He is a former Chairman of the Association of Certified Fraud Examiners (ACFE) Kenya Chapter and former Chairman of the Kenya Bankers Association (KBA), Security Committee. He is a member of the Authority's Risk and Audit Committee.



Fatuma Mohamed
Commissioner

Fatuma is a Gender and Governance Specialist who holds a Masters and Bachelor's Degree in Gender and Development Studies from the University of Nairobi. She has over 20 years' experience in policy-related development issues, policy formulations, dealing with stakeholders, donor organizations and local communities.

She is a trained mediator with experience in fostering peaceful coexistence, conflict management and national cohesion. She founded the Women Centre for Peace and

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

Development, an NGO that empowers marginalized women in peace, security and education through economic and political participation in the Northern Counties of Kenya. She has knowledge of the relevant national and international gender and human rights instruments, convention and legislation.

Fatuma was a Commissioner with the National Cohesion and Integration Commission and also served as a part time lecturer at the Egerton University's Institute of Women Gender and Development Studies. She is a member of the National Women Steering Committee which advocates for the implementation of the two-third constitutional gender rule. She also served at the Barclays Bank (K) Ltd. in several capacities. She is the chairperson of the Communication and Outreach Committee of the IPOA Board.



**Doreen Muthaura, MBS
Commissioner**

Ms. Muthaura is an advocate of the High Court of Kenya, an expert in Legislative Drafting, Law Reform, Policy Formulation and evidence based Regulatory Impact Assessment (RIA).

She holds a Master's Degree in Law (LLM – Distinction) from the University of London, Law Degree (LLB Hons.) from Moi University, a postgraduate Diploma in Legal Studies from the Kenya School of Law, a Postgraduate Diploma in Legislative Drafting from the Royal Institute of Public Administration (RIPA – International) London, a Postgraduate in Evidence Based Policy Formulation and Translating Policy into Legislation from RIPA International London, Certificate in Effective Governance, Leadership and Integrity from the Griffith University, Queensland Australia.

She has served in various capacities in the Public and Private sectors. She was the Vice Chairperson and Commissioner at the Kenya Law Reform Commission, from 2013 to 2018 where she chaired the Committee on Law Reform, Policy Formulation and Legislative Services, spearheaded and drafted the first Legislative Process Guide in Kenya, participated in the drafting of over 60 model laws for County Governments customization and adoption, developed several Government policies and other legal instruments. She is a law lecturer and has trained County Attorneys and other senior Government officers.

She worked for the Commission for the Implementation of the Constitution (CIC) from 2011 where she participated extensively in drafting laws required by the Fourth Schedule to the Constitution. Ms Muthaura was instrumental in drafting the National Police Service Act, National Police Service Commission Act, Independent Policing Oversight Authority Act,

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

Kenya Defence Forces Act, Power of Mercy Act, National Security Council Act, National Intelligence Service Act, amongst others.

She is also a Parliamentary Counsel having worked for the Office of the Attorney-General, State Law Office, and Legislative Drafting Department. At the AG Chambers, she drafted several legal instruments, Bills and subsidiary legislation and offered high profile legal and legislative advice to the Government of Kenya.

She participated in various taskforces and committees including the Taskforce on the Review of the Mandatory Nature of the Death Penalty in Kenya and has also undertaken law reform and legislative drafting consultancies at both local and international levels. She is a Member of the Law Society of Kenya, the East African Law Society, the Commonwealth Association of Lawyers, the Commonwealth Association of Legislative Counsel (CALC), the Chevening Scholars Alumni, the Federation of Women Lawyers Kenya Chapter FIDA-K and an Australian Award Fellow.

She is also actively involved in community service in the areas of human rights, education as well supporting women, churches and other charity organizations. She chairs the Human Resource Committee of the IPOA Board.



Dr. Walter Owen Ogony
Commissioner

Dr. Ogony, a distinguished medical practitioner, is a former Chief Medical Specialist at the Kenyatta National Hospital and Assistant Director of the Surgical Division. He has served in Public Service for 36 years, including 27 at Kenyatta National Hospital where he rose to the Chief Specialist position.

He holds a Master's Degree in Medicine from the University of Nairobi, Postgraduate Diploma from University of London, and Fellowship of the Eastern Africa College of Ophthalmologists. He is a registered and licenced member of the Medical Practitioners and Dentists Board and also a member of the Kenya Medical Association and Ophthalmological Society of Kenya.

He is vastly experienced in medical practice having initially worked as a general practitioner, then later as a specialist, medical education and management. He is conversant with matters pertaining to work injury and benefits. Throughout, Dr. Ogony has upheld professional and personal ethics, integrity and honesty. He chaired and also sat as member of several Taskforces and Committees of the Kenyatta National Hospital while in service.

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

He has attended several courses including, Senior Management Course at the Kenya School of Government, Corporate Governance, BIDE Performance Contracting, Industrial Relations at FKE and Trustee Development Programme Kenya. He is a past Chair and member of the Board of Governors of Sidindi Secondary School and a past member of the Nairobi Health Management Board. In 2012, His Excellency the President awarded Dr. Ogony the Order of the Grand Warrior (OGW) for his exemplary service to the nation.



Dr. Praxedes Tororey
Commissioner

Dr. Tororey holds a Master's degree in Women's Law from the University of Zimbabwe and pursuing another Masters in Diplomacy and Foreign Policy at Moi University. She also holds a Bachelor of Laws (LLB) from the University of Nairobi, Diploma in International Environmental Law-making and Diplomacy from University of Joensuu, Diploma in Women's Law and a Diploma in Law from the Kenya School of Law and Certificates in Management and Strategic Reform of Electoral Processes, Legal Audits, Legislation Drafting, Mediation, Arbitration, Conflict Management and Dispute Resolution, Strategic Leadership Development Programme and Corporate Governance.

Praxedes has twenty-seven years of Public Service experience having worked as Magistrate in Narok, Nanyuki, Karatina and Machakos Law Courts. She participated in the development of the Judiciary Bench Book for Magistrates in criminal proceedings and also developed a training manual on application of Human Rights Instruments in Courts by Judicial Officers.

She served as an in-house General Counsel with State Corporation and Constitutional Commission in Public Sector Management, Constitutional Development, Administration of Justice, Human Rights, Devolution, Policy and Legislative Drafting, Elections management, Management of Forests and Corporate Governance including development of National Anti-corruption frameworks. She was Director, Legal and Public Affairs at Independent Electoral and Boundaries Commission (IEBC). Among other achievements, she supported the transition of Kenya's electoral management body from ECK, IIEC to the IEBC and developed the Referendum Regulations, 2010 together with the Referendum Media Guidelines of the same year.

Ms Tororey also served as the Corporation Secretary and Head of Legal Services at the Kenya Forest Service. At KFS, she helped develop the Board Code of Conduct, Code of Conduct for disciplined officers, four (4) Subsidiary Legislations under the Forest Act and a litigation

strategy for the Service. She also trained Forest Officers in prosecutions and oversaw their Gazettment.

She is a member of the International Commission of Jurists (Kenya Chapter), Law Society of Kenya, FIDA-Kenya and Kenya Women Judges Association, Associate Member of the Chartered Institute of Arbitrators, Member, Consolata Friends Association (Flora Chapel Branch), Vice Chairperson, One More Day for Children and a life member of the Red Cross Society of Kenya.

She has undertaken various leadership responsibilities including; Chairing the Review of Electoral Laws Taskforce and Referendum Technical Committee (IEBC), member to the Taskforce on Review of Legal, Policy and Institutional Framework for fighting Corruption in Kenya, 2015, Secretary, Legal Reforms, Electoral Code of Conduct and Compliance Committee (IEBC), Taskforce Member, National Steering Committee on Devolved Government; Chairperson Court Users Committee, Registrar of Titles, Ministry of Lands, Past Secretary, Jurist of the Year – International Commission of Jurists (ICJ). Ms Tororey is the Chairperson of the Technical Services Committee.



Hon. John Waiganjo
Commissioner

Hon. John Waiganjo is an Advocate of the High Court with a Law Degree from the University of Nairobi and a Postgraduate Diploma in Law from the Kenya School of Law. He was admitted to the Bar in 1996.

He represented the OI Joro Orok Constituency in Parliament between 2013 to 2017, where he was credited for making more than 360 presentations. In Parliament, he was a member of the Departmental Committee on Justice and Legal Affairs where his name is synonymous with the Penal Code (Amendment) Bill and the Criminal Procedure Code (Amendment) Bill which sought to abolish the death penalty. Championing for proper procedures to be followed during drafting and enactment of laws by various State agencies, Hon. Waiganjo supported the Parliamentary Committee on Delegated Legislation's rejection of PSV regulations developed by the National Transport and Safety Authority which had not been tabled in Parliament arguing that it was only Parliament that could make laws.

Hon. Waiganjo is also a Co-Convenor of the Kenya Parliamentary Human Rights caucus and a member of the Law Society of Kenya. He is senior partner at J.M. Waiganjo and Company Advocates, an avid sports fan and a black belt in Shoto Kan martial artist. Hon. Waiganjo is the Chairperson of the Finance and Administration Board Committee.

ii).Senior Management Staff

The Senior Management Staff:



Elema Halake, SS
Director/CEO & Board Secretary

Mr. Elema Halake holds a Master of Arts and a Bachelor of Arts in Development Studies, a Diploma in Wildlife Management, an Advanced Diploma in Social Work and a postgraduate Diploma Certificate in criminal justice from Virginia University, USA.

His Public Service career spans over 28 years including at Kenya Wildlife Service (KWS), where he was a Senior Assistant Director and also sat on the Board of the Kenya School of Leadership and Adventure at Mt. Kenya. At KWS, he was part of the leadership that fronted the 1990's anti-poaching strategy that stabilized wildlife conservation, enhanced security, and management.

Earlier, as IPOA's Director of Investigations, Mr. Halake initiated a series of administrative and operational reforms, expanded the investigation capacity, enhanced performance and contributed towards decentralized regional operations.

At Anti-Counterfeit Authority (ACA), he spearheaded legal and regulatory reforms including the enactment of the Anti-Counterfeit Act 2018, developed and deployed the AIMS project (Anti-Counterfeit Information Management system) and launched a National baseline survey on the magnitude of counterfeiting and illicit trade in Kenya.

His integrity and high-performance track record in Public Service saw him recognized and decorated with the Silver Star (SS) of Kenya by his Excellency, the President of the Republic of Kenya in 2006, with a citation for courage and commitment to duty.



MUNENE M. MUGAMBI
Director, Inspections and Monitoring

Munene holds a Master of Science in Governance, Peace & Security Studies, Bachelors in Criminology and Security Studies and a Diploma in Forensic Criminology. He is also a

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

Certified Fraud Examiner. He has also undertaken several investigations and security related courses.

He is also a trained paramilitary Police having served with GSU, served as a detective at the DCI HQs Investigations Bureau between 2012 and 2017 as he rose through the ranks. He was also a travelling trainer at Kenya Police College and later Head of County Criminal Intelligence before joining IPOA in 2018 where he rapidly rose through the ranks to become the current Director of Inspections, Research and Monitoring. He garnered wide experience as a Criminal Detective with a specialty on crime intelligence.

While serving as a DCI Officer, he was awarded the distinguished Outstanding Police Service Award (OPSA) in 2016.

Munene was credited for the conceptualization and founding of the Professional Criminologists Association of Kenya (PCAK) and the Kenya Professional Society of Criminology (KEPSOC) where he also served as the founding Chairman and Patron respectively. He is also Patron of the PCAK Youth Criminologists Association, PYE in East Africa.

He serves on several school boards and also steadfastly supports community service initiatives.



FESTUS KINOTI

Acting Director Complaints and Legal Services

Festus Kinoti is the Ag. Director Complaints and Legal Services at the Independent Policing Oversight Authority. He has a Master's degree in Law (LL.M) in International Humanitarian Law and Human Rights from the Geneva Academy (CUM LAUDE). He has also a Post-Graduate Diploma in Law from the Kenya School of Law and a Bachelor of laws (LL. B) University of Nairobi (2nd class upper) Before joining IPOA he was the Ag. Head legal services at the Unclaimed Financial Assets Authority where he joined as a Senior Legal Officer. Mr. Kinoti also worked as an Associate at Musyoka Wambua & Katiku Advocates and Orowe & Co. Advocates. He started off as a Legal Officer at ICRC Regional Delegation in Nairobi. He is an Advocate of the High Court of Kenya.

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022



EVANS OKEYO

Acting Director Investigations

Okeyo holds a Master of Science degree in Governance, Peace and Security from African Nazarene University and a Bachelor of Arts Degree in Literature from Moi University. He has also undertaken several professional trainings such as Senior Management Course and SLDP from KSG, Counter violent Extremism (CVE) & Executive Policy Development, International Law Enforcement Academy, New Mexico, USA, Crime Scene Management Federal Bureau of Investigation (FBI), Interview & Interrogation Federal Bureau of Investigation (FBI), Instructor Development Training California Highway Patrol, USA, Internal Affairs Investigation California Highway Patrol, USA and Human Rights United Nations Office on Drugs and Crime (UNODC)



Eunice Juma

Director, Business Services

Eunice Juma's experience spans over fifteen years in finance, project management and human resource management. Prior to joining IPOA she was the Board Secretary of the County Public Service Board of Tana River and a council member of the Murang'a University of Technology for a period of four and a half years and two years respectively. Previously she worked in various positions with ICPSK, National Environment Management Authority, Kenya Red Cross Society and Eldoret Hospital among others. She holds Master of Business Administration (MBA) Finance option, Master of Arts in Project Planning & Management both from the University of Nairobi and a Bachelor of Commerce degree (Accounting option) from the Catholic University of Eastern Africa. She is also a Certified Public Accountant of Kenya (CPAK) and a Certified Secretary (CS). She has undertaken training in corporate governance and performance management.

(b) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

Table 1: Key management personnel in office during the FY ended 30th June 2022

	Name	Designation	Remarks
1	Elema Halake	Director/CEO & Board Secretary	1 st April 2022-30 th June 2022
		Director Investigations / Ag.CEO & Board Secretary	23 rd August 2021- 31 st March 2022
		Director Investigations	1 st August 2021 to 22 nd August 2021-
2	Maina Njoroge	Director/CEO & Board Secretary	1 st July 2021-28 th February 2022
3	Eunice Juma	Director, Business Services	Full year
4	Munene M Mugambi	Director, Inspections Research and Monitoring	8 th November 2021-30 th June 2022
5	Stephen Musau	Director, Inspections Research and Monitoring	1 st July 2021-31 st October 2021
6	Evans Okeyo	Ag. Director, Investigations	8 th November 2021-30 th June 2022
7	Festus Kinoti	Ag. Director Complaints and Legal	Full year
8	Agatha Chepkoech	Chief Accountant	Full year

a) Audit committee activities

The Risk & Audit Committee works closely with the internal audit unit and plays a critical role in reviewing financial information and ensuring that the system of internal controls is effectively administered. It considers significant audit findings identified by the Authority's internal and external auditors. The Committee maintains oversight on internal controls, and makes recommendations on financial information, risk management, policies and audit issues.

Risk and Audit Committee

Irene Cherono (Chair)

Josephine Mandere

Dr. Jimmy Mwithi

Dr. Praxedes Tororey

Daniel Nyaga (The representative of the National Treasury)

b) Public Finance Management Committee

The Authority constituted the Budget implementation Committee at the beginning of FY2021-2022. The key responsibility of the committee was to oversee the budget implementation and advise the Accounting Officer on the performance of the annual budget.

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

Table 2: BIC members in office during the FY ended 30th June 2022

Nos.	Name	Position
1.	Eunice Juma	Chair
2.	Evans Okeyo	Member
3.	Diana Watila	Member
4.	Solomon Lemunen	Member
5.	Festus Kinoti	Member
6.	Fredrick Chabari	Member
7.	Maurice Mugambi	Member
8.	Lucy Wanjahi	Member
9.	Dennis Oketch	Member
10.	Agatha Chepkoech	Secretary

c) Senior Management Committees

The committee oversee the development and implementation of policies and strategies that govern the functions of the Authority as provided under the Constitution of Kenya and other relevant legislation; lead in fostering a corporate culture that promotes ethical practices and good citizenship and liaise and maintain mutually beneficial relationships with various stakeholders in both the public and private sector among other duties.

Table 3: IPOA Management in office during the FY ended 30th June 2022

No	MEMBER	POSITION
1.	Elema Halake	CEO - Chairing
2.	Festus Kinoti	Ag. Director Complaints And Legal Services
3.	Munene Mugambi	Director Inspections, Research & Monitoring
4.	Evans Okeyo	Ag. Director Investigations
5.	Eunice Juma	Director Business Services
6.	Solomon Lemunen	Head of Human Capital
7.	Emmanuel Lagat	Head of Rapid Response
8.	Dennis Oketch	Head of Communication and Outreach
9.	Kennedy Ndire	Head of ICT
10.	Diana Watila	Head of Complaints
11.	Benson Milao	Head Security
12.	Bethuel Sugut	Head of Regions
13.	Enosh Nyabiba	Head Risk and Audit
14.	Fredrick Chabari	Head Procurement
15.	Lucy Wanjahi	Principal Monitoring and Evaluation officer

d) Other oversight activities

The Authority has five standing Board committees which are aligned to the Authority's mandate and functions. The committees have been set up with clear terms of reference to facilitate efficient and effective decision-making in discharging its duties, powers, and authorities as they meet from time to time.

The Finance and Administration Committee reviews annual budgets and procurement plans, quarterly and annual financial reports. The Committee also provides oversight on ICT and administration issues within the Authority.

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

The Technical Services Committee provides oversight over the Authority's core functions i.e. complaints management, legal services, investigations, inspections, research, and monitoring functions.

The Human Resource Committee is responsible for organizational structure, recruitment of staff, development of human resource policy, staff training and development, review of salaries and benefit packages. The Committee also makes recommendations for broad guidelines that promote operational efficiency.

The Communication and Outreach Committee is charged with the Authority's communication and outreach function and programs.

Finance & Administration Committee

Hon. John Waiganjo (Chair)
Fatuma Mohamed
Dr. Jonathan Lodompui (Co-Convener)
Doreen Muthaura, MBS

Technical Services Committee:

Dr. Walter Ogony (Chair)
Dr. Praxedes Tororey
Dr. Jonathan Lodompui
Doreen Muthaura, MBS

Human Resource Committee:

Doreen Muthaura, MBS (Chair)
Dr. Praxedes Tororey
Hon. John Waiganjo
Fatuma Mohamed

Communications & Outreach Committee:

Fatuma Mohamed (Chair)
Dr. Praxedes Tororey
Dr. Jonathan Lodompui
Doreen Muthaura, MBS

e). Entity

IPOA Headquarters

ACK Garden Annex,
2nd/3rd Floor,
1st Ngong Avenue,
P O Box 23035-00100 GPO,
NAIROBI.

IPOA Contacts

Telephone: (+254) 20 4906 000
E-mail: info@ipoa.go.ke
Website: www.ipoa.go.ke

IPOA Regional Offices

Garissa:

Mohamud H. Mohamed House,
Off Kismayu Road,
Behind Texas Petrol Station,

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

P.O Box 1261-70100, Garissa,
Tel: 0777 040400.
E-mail: garissa@ipoa.go.ke

Mombasa:

Jubilee Insurance Building (Arcade) along Moi Avenue,
P.O Box 99758- 80107 Kilindini, Mombasa,
Tel: 0799 019998.
E-mail: mombasa@ipoa.go.ke

Kisumu:

Central Square Building, Opposite Barclays Bank,
P.O Box 3560-40100, Kisumu
Tel: 0799 862244.
E-mail: kisumu@ipoa.go.ke

Kakamega:

Daaron Foundation Trust Building, Opposite Nala Community Hospital,
P.O. Box 1642-50100, Kakamega,
Telephone: 020 440 3549.
Email: kakamega@ipoa.go.ke

Nakuru:

Assumption Centre, Opposite St. Paul University,
P.O. Box 2400-20100, Nakuru,
Telephone: 020 440 1076.
Email: nakuru@ipoa.go.ke

Meru:

Ntara Place,
P.O. Box 203-60200, Meru,
Telephone: 020 201 7237.
Email: meru@ipoa.go.ke

Nyeri:

County Mall, Next to Veterinary Department,
P.O. Box 30-10100, Nyeri,
Telephone: 020 200 4664.
Email: nyeri@ipoa.go.ke

Eldoret:

Kerio Valley Development Authority (KVDA) Annex Plaza,
P.O. Box 109-30100, Eldoret,
Telephone: 020 440 3548.

Email: eldoret@ipoa.go.ke

f). IPOA Bankers

The Central Bank of Kenya,
Haile Selassie Avenue Street,
P O Box 60000, 00200 City Square,
Tel: 2860 000,
NAIROBI, KENYA

The National Bank of Kenya,
Hill Branch,
NHIF Building,
NAIROBI, KENYA

The Co-operative Bank of Kenya Ltd
Co-operative House Branch,
Haile Selassie Avenue,
P.O. Box 48231 -00100 GPO,
NAIROBI, KENYA

g). Independent Auditors

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

h). Principal Legal Adviser

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

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Reports and Financial Statements
For the year ended June 30, 2022

2. Statement by The Board Chairperson

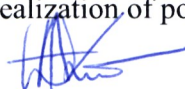
On behalf of the Board, Management and Staff, I am pleased to present the Independent Policing Oversight Authority's Financial Statements for the year ended 30th June 2022.

During the period under review, the Authority received Kshs. **879,932,079** (95%) from the exchequer out of the Kshs. **929,347,472** approved revised budget estimates for FY2021/22 and recorded a total expenditure of Kshs. **879,668,913** representing an absorption of 95% of the total budget, as compared to 98% recorded during the FY2020/21. The Authority's asset base grew from Kshs. **388,250,124** in FY2020/21 to Kshs. **401,194,930** in FY2021/22.

The Authority's current five-year Strategic Plan 2019-2024 became operational in July 2019 and as at 31st December 2021, two and a half years (2^{1/2}) had been implemented necessitating a mid-term review to assess progress of its implementation. This coupled with the emergence of COVID -19 pandemic created the need for a comprehensive evaluation of the Authority's five-year Strategic Plan. The main objective of the mid-term evaluation was to assess the mid-term implementation of the Strategic Plan (2019-2024), document lessons learnt and identify sustainable strategies for the remaining period. The findings of the mid-term review revealed that the overall mid-term achievement of the Strategic Plan (2019-2024) was 67%. The average scores for each of the Key Results Areas was as follows: Police accountability 53%; Stakeholder cooperation and complementarity 149%; Research and information management 67% and Institutional capacity at 62%.

The key challenges faced by the Authority in implementing its targets during this period were inadequate funding and non-cooperation from some of the key stakeholders in provision of crucial information. To address the above challenges, the Authority will continue to sensitize members of the public and the National police service on the mandate of the Authority and also engage the National Assembly, Cabinet and National Treasury to consider enhancing IPOA's budget for effective and efficient service delivery.

IPOA recognizes its key stakeholders including; the Ministry of Interior and Coordination of National Government, the Office of Director of Public Prosecutions, the Judiciary, Kenya National Commission on Human Rights, Ethics and Anti-Corruption Commission, Commission on Administrative Justice, National Police Service, National Police Service Commission, Witness Protection Agency, and non-state actors for the continued support and cooperation. Lastly, the Authority acknowledges the support and role played by its development partners towards the realization of policing oversight and police reform agenda in Kenya.



Anne Makori, EBS
Chairperson IPOA

3.Statement by The Accounting Officer

The Independent Policing Oversight Authority received Kshs. **879,932,079** (95%) from the exchequer out of the Kshs. **929,347,472** approved revised budget estimates for FY2021-22 and recorded a total expenditure of Kshs. **879,668,913** representing an absorption of 95% of the total budget, as compared to 98% recorded during the 2020/21 financial year. Included in the total expenditure of Kshs. **879,668,913** is Kshs. **500,088,755** (95%) on compensation of employees; Kshs. **297,988,890** (94%) on use goods and services; Kshs. **38,646,462** (95%) on social security benefits; and Kshs. **42,944,806** (93%) on acquisition of assets as illustrated below.

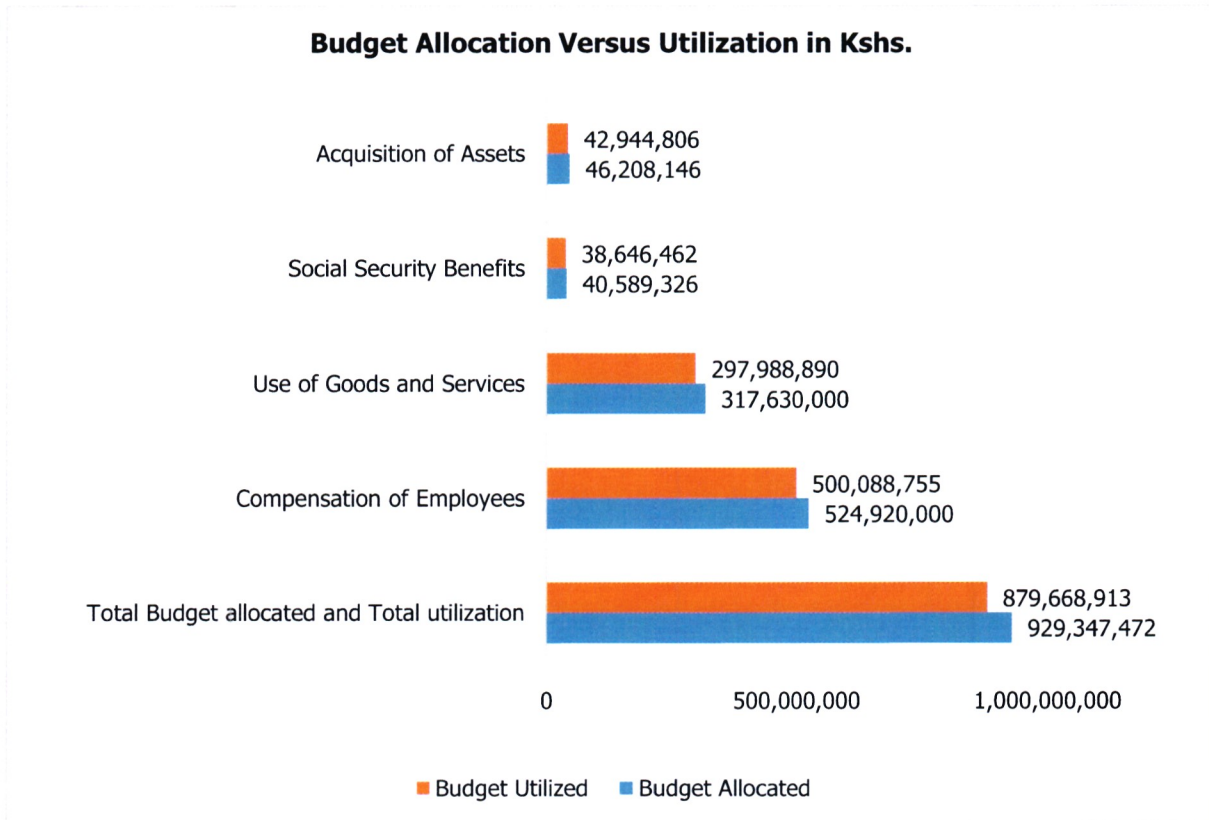


Figure 1: FY 2021/22 Budget Allocation Vs Actual Expenditure in kshs.

During the reporting period, the Authority received and processed **3302** complaints and completed **862** investigations. **135** case files were forwarded to the ODPP for action. As at 30th June 2022, **170** case files were before courts. IPOA conducted inspections of police premises, including detention facilities under the control of the National Police Service. **615** inspections were conducted in various police premises, including detention facilities and **70** Police operations monitored. Based on the findings, the Authority made recommendations to the Service and other state organs for implementation or any other appropriate action.

The Authority, in partnership with the US Government, through UNOPS and INFOGAIN consultants, rolled out the Enterprise Content Management (ECM) Phase II initiative in order to

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

enhance and fully automate business processes. Part of the milestones for the project implementation include successful setup of Disaster Recovery Site at Nakuru Regional office.

Below is the graphical presentation of the projected performance against actual achievement based on the key performance indicators for the period under review.

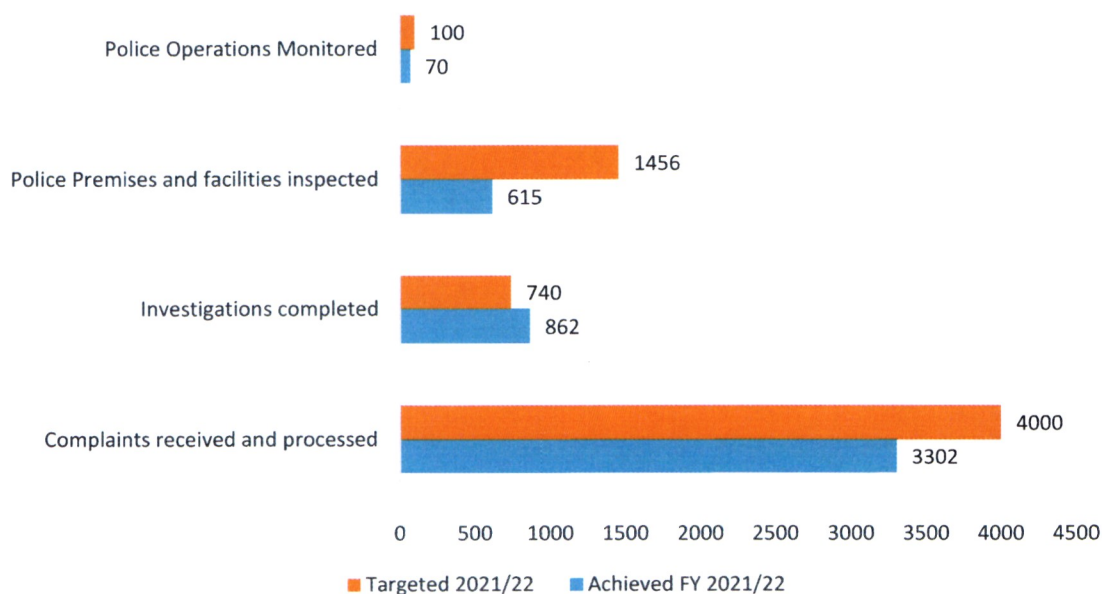


Figure 2: FY2021/22 Projected Performance Against Actual Achievement

Enterprise risk management (ERM) is the process of identifying and addressing methodically the potential events that represent risks to the achievement of strategic objectives or opportunities in order to gain competitive advantage. The Authority ensured the risk management process is in line with the requirements of the public sector guidelines. The Authority has effective documentation of risk management protocols, training and monitoring on risks enhances awareness about the risks facing the organisation and the ability to adequately respond to the risks including acceptance or tolerance of a risk; termination of a risk; risk transfer or sharing through insurance and mitigation of risk by having internal control procedures applied by the entity. The risk management framework enables to meet the needed compliance with legal, regulatory and reporting requirements. The entity’s governance mechanism that includes the measurement and reporting of risk gives the ability to manage outcomes, ensuring transparency and accountability. To meet the requirements of different stakeholders and oversight all risks responses and controls are effectively monitored, communicated and timely reported by the entity.


INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

The Authority launched a monitoring strategy for police operations before, during and after the August 2022 elections. The overall objective of the monitoring exercise was to ensure that Police comply to constitutional standards of human rights and fundamental freedoms and conduct themselves professionally. The Authority will prioritize investigations relating to police misconduct in the 2022 electioneering period.

The Authority conducted a survey aimed at tracking of the recommendations made to the NPS. The average overall baseline score for implementation of recommendations made by IPOA as at January 2022 stood at 59% which is a positive indication of the impact the Authority is making in enhancing professionalism of the service through its function of Inspections of Police Premises and detention facilities and monitoring of police operations. To further improve the index, the Authority will among other initiatives; prioritize dialogue sessions with Police Commanders at the County Level to discuss the importance of addressing the recommendations made to the Service at the Station Level and maintain recommendations files in all police stations to ensure continuity of implementation even after the Officers Commanding Stations have been transferred.

Some of the challenges faced by the Authority during the period under review include; inadequate budgetary allocation; non-co-operation from witnesses and complainants who have already reported their cases derailing investigations, Low number of technical personnel leading, and insecurity in terror and banditry prone areas. To address the above challenges, the Authority will continue to sensitize members of the public and the National police service on the mandate of the Authority and also engage the National Assembly, Cabinet and National Treasury to consider enhancing IPOA's budget for effective and efficient service delivery.



Elema Malake
Director/Chief Executive Officer

29th September 2022

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

4. Statement of Performance Against Predetermined Objectives for FY2021/22

Introduction

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

The accomplishments reported herein are in line with the Authority's five-year strategic plan for 2019 -2024 whose overall objective is to promote public trust and confidence in the National Police Service by conducting independent and impartial investigations, inspections, audits and monitoring of the National Police Service to enhance professionalism and discipline of the Service.

The following are the strategic objectives in the Strategic Plan;

- a) Build public confidence and trust in policing - prevention of police misconduct, effective complaints management, enhance compliance with legal framework, and enhance monitoring, review and audit the functions of the Internal Affairs Unit of the National Police Service;
- b) Enhance compliance with human rights standards and fundamental freedoms - investigations of police misconduct, and strengthen inspection of police premises and detention facilities;
- c) Strengthen cooperation with and complement state and non-state actors - enhance cooperation, and complementarity;
- d) Generate knowledge for evidence-based policy, strategy and decision making - strengthen research and enhance sharing of research outputs;
- e) Facilitate utilization of knowledge for evidence-based, strategy and decision making - enhance uptake of research findings and recommendations, and institutionalize information management;
- f) Promote corporate governance - enhance Board and management capacity, visibility and corporate image, and improve the level of service delivery to the public, and enhance risk management and audit;
- g) Strengthen human resource capacity - align HR practice to policy, legal framework and best practice, strengthen organizational learning and development, enhance employee performance management system, improve and support employee welfare, and enhance work environment; and
- h) Ensure institutional financial sustainability - enhance resource mobilization, and resource management.

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

Progress on attainment of Strategic Objectives

The table below highlights the progress on attainment of targets during the reporting period;

Progress on attainment of Strategic Objectives

The table below highlights the progress on attainment of targets during the reporting period;

MDA Program	Objective	Outcome	Indicator	Target	Actual Performance FY 2021/22	Variance	Comments
Police oversight services	To promote public trust and confidence in the National Police Service.	Enhanced police accountability	Number of complaints received and processed.	100%	3,302	NIL	A total of 3302 complaints were received and processed through internal complaints handling mechanism and others through referral to other agencies for further action
			Number of investigations completed.	740	862	122	The Authority investigated and finalized 122 more cases than planned due to priority on backlog cases. Recommendations including prosecution, disciplinary action among others.
			Number of files submitted to the ODPP for further action.	100%	135	NIL	135 investigation files were forwarded to the ODPP for action.
			Cases before courts	100%	170	NIL	As at 30 th June 2022 170 case files were before courts
			Convictions made in	100%	6	NIL	Six convictions were made in the

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

			favour of IPOA				FY 2021/22
			Number of police facilities and premises inspected.	1456	615	(841)	There was a variance of (841) inspections mainly due to inadequate funding. Recommendations were made to the NPS and other state actors for improvement of the service.
			Number of police operations monitored.	100	70	(30)	There was a variance of (30) Police operations including government operations, traffic control, public order management, beats and patrol and election monitoring were conducted. The variance was as a result of inadequate funding
	Stakeholder Cooperation and Complementarity strengthened.	Number of consultative meetings held with external stakeholders.	8	14 ¹	6		The variance was as a result of donor support on the stakeholder forums

¹ Police reforms working group, Bail and bonds implementation committee to develop bail and bonds training manual and training of TOT, National Commission on Administrative Justice (NCAJ) - Enhance criminal justice system , Development of the Standard Operating Procedures on Investigation and Prosecution of Serious Human Rights Violations by Police Officers organised by ODPP, Staff training on victim empowerment supported by APCOF , Consultative meetings with US Embassy led to donation of ICT, investigation and inspection Equipment, Consultative meetings with GIZ led to donation of ICT equipment and technical training, Consultative meetings with Coffey International led to facilitation to develop and print IEC materials. Other stakeholder engagements included various outreach activities targeting the public and police officers to enhance Authority's visibility were held in various Counties.

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

							As captured in footnote 1
		Enhanced Research and Information Management.	Publish IPOA performance reports and other thematic reports.	3	2 bi-annual, 1 annual report were published and disseminated to the various stakeholders	NIL	2 bi-annual, 1 annual report were published and disseminated to the various stakeholders
			Conduct studies on thematic issues.	4	3 studies conducted	(1)	Conducted three (3) studies on; 1. Thematic inspections on police infrastructure and detainee welfare - a case for a National Government – Police Infrastructure Development Fund 2. Analysis on Murders and Suicides in the National Police Service. 3. Tracking of all the recommendations made by IPOA to the NPS. Inadequacy of funds and delay hampered the realization of the activity. The variance was as a result of inadequate funding on research.

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

		Institutional capacity strengthened.	Proportion of funds absorbed.	100%	Absorbed Kshs. 879,668,913 (95%) of the approved budget of Kshs. 929,347,472 for the FY 2021/22.	(5%)	The Authority absorption declined from a proportion of 98 % in FY 2020/21 to 95% in the FY 2021/22 due to some pending bills in recruitment to replacement of officers and delay in Q3 budget
--	--	--------------------------------------	-------------------------------	------	--	------	---

Below is the trend analysis on progress on attainment key performance indicators for the FY 2020/21 and 2021/22.

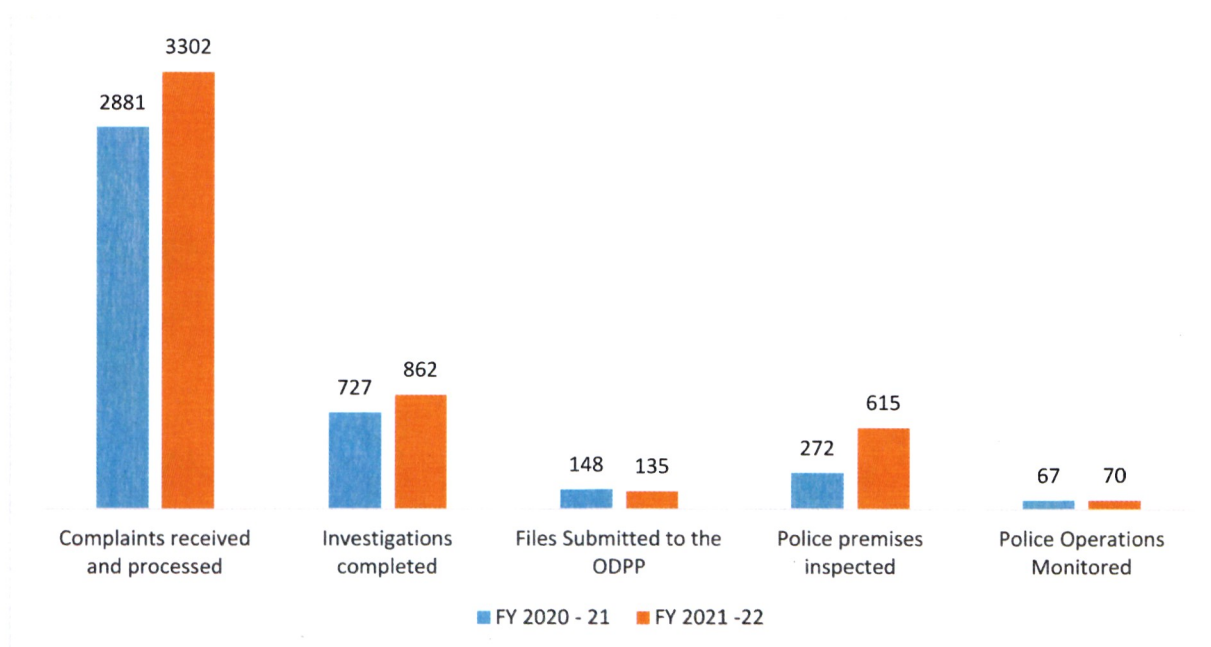


Figure3: Graphical presentation of key performance indicators for FY 2020/21 and 2021/2022

5. Environmental and Sustainability Reporting

Below is a highlight of the sustainability activities conducted during the Financial Year:

a) Sustainability strategy and profile

The Authority has continued to make sustainable and business continuity efforts to ensure that the institution remains a going concern by implementing the strategies in the SP (2019-2024). Such efforts have included reaching out to the National Assembly and the National Treasury for enhanced annual budgets to sustain operations, and implementation of its mandate. Further, the Authority has engaged development partners to provide technical support in form of ICT equipment and training. IPOA envisions an increased budgetary allocation and enhanced resource mobilization to sustain its strategic objectives.

IPOA's Strategic Plan prioritizes institutional capacity as a critical key result area. This seeks to promote corporate governance, strengthen human resource capacity and ensure institutional financial sustainability. It also aims at strengthening business systems and internal processes to ensure quality and sustainable focus of all its programmes and activities on professional policing.

In five consecutive financial years, the Authority has received Financial Reporting (FiRe) Award in the Constitutional Commissions and Independent under IPSAs cash accounting category.

To serve the public effectively, the Authority has established 8 regional offices in Mombasa, Kisumu, Garissa, Meru, Nyeri, Nakuru, Eldoret and Kakamega with over **100** officers deployed across these stations to enable them execute the Authority's mandate at the local level. The Authority plans to establish additional regional offices and is also exploring the option of deploying its services at the Huduma Centres across the country.

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

The Authority is guided by the Environmental Management and Co-ordination Act No. 8 of 1999 (EMCA). Most of its processes are automated through the robust Enterprise Content Management (ECM) system with connectivity to all the Authority's eight regional offices to maintain a paperless office. In addition, the Authority ensures safe disposal of waste by depositing all waste material including e-waste.

c) Employee Welfare

The Authority's recruitment process is guided by PSC HR guidelines and its internal Human Resource Policies and Procedures Manual. The basis of appointments and promotions is through fair competition and merit while considering representation of Kenya's diverse communities, regional balance and marginalized groups in particular women and persons with disability. The Authority's current establishment has employees from nearly all ethnic groups in Kenya and the

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

gender representation is compliant to the 2/3 requirement. The Authority has also recruited Persons with Disabilities (PWDs).

The Authority has continued to support the established IPOA Staff Welfare Schemes which includes pension scheme, the IPOA Sacco Cooperative Society, the IPOA staff Welfare Association and IPOAs staff car loan and mortgage through monthly check off deductions from the employee's payroll. In the current financial year, employees were facilitated with car loans and mortgages. The scheme is managed by the Cooperative bank of Kenya, and currently has a fund of Kshs.54 million as at 30th June 2022. The Authority is engaging with the National Assembly and National Treasury for enhancement of the Scheme's fund in order to benefit a large number of employees. The Authority also has a comprehensive staff medical scheme and a group life cover and WIBA insurance for its employees.

The Authority provides psycho- social services to its employees, particularly the investigators who attend crime scenes and postmortem examinations to manage stress and trauma associated with their work. The Authority has thus established a counselling unit with counsellors who brief and debrief the officers before and after such strenuous and stressful activities.

IPOA recognizes and commits itself to the achievement of the highest practical standards of healthy working environment at the workplace. The Authority has established a Safety, Health and Environment Committee and registered all its workplaces with the Directorate of Occupational Health and Safety. In addition, the Authority has installed first aid facilities in all its offices and offered officers training on first aid. The Authority has further installed fire-fighting equipment within all its offices, and trained fire marshals.

d) Operational Practices

Responsible Supply Chain and supplier relations

Maintaining good business practices

The Authority ensures free and fair competition by adhering to the government procurement laws and procedures provided in the Public Procurement and Asset Disposal Act 2015 and Public Procurement and Asset Disposal Regulations 2020 as follows;

- i) All goods and services are procured openly, and contracts are awarded to the most responsive bidder
- ii) When using Request for Quotations (RFQ) procurement method, the Authority ensures suppliers in the prequalified and registered lists are rotated, as necessary, so that each supplier gets a chance to do business with the Authority
- iii) The Authority reserved 30% of the procurement budget for procurable goods and services to Youth, Women and People with Disability and report the same to PPRA as required under section 157 (12) & (13), of the public procurement and Asset Disposal Act, 2015

- iv) All suppliers tendering for goods and services at IPOA must complete and sign Tender Self Declaration Forms – SD1 & SD2, as required under Regulation 47 of Public Procurement Regulation 2020 to state that they (Suppliers) are not barred from participating in public procurement and that they will not engage in any corruption malpractices and
- v) Must all complete and sign the Tender Securing Declaration Form as required under Regulation 146 & 155(2) of the Public Procurement Regulations 2020, to confirm their commitment to the procurement entity and to adhere to the procurement laws and rules.
- vi) The Accounting Officer appoints Tender Opening & Tender Evaluation Committees for each procurement in total compliance to sections 78(1) and 46(1) of the public procurement and asset disposal Act 2015 to ensure tenders are processed as per the criteria specified in the tender documents and the procurement process is free and fair.

Treating suppliers responsibly by honouring contracts and respecting payment practices

The Authority maintains responsible supply chain and supplier relations by ensuring that procurement of goods and services is done in a fair, equitable, transparent, competitive and cost-effective manner as required by Article 227 (1) of the Constitution and also ensures that contracts are signed between the Authority and the suppliers after a complete procurement process has been conducted and executed as required without any delay.

The Authority inspects all supplies for goods, works and services on delivery and once accepted are paid for promptly within 30 days from the date of acceptance. The Authority maintains a cordial business relationship with all its suppliers and service providers, and engages them frequently to review performance and update on payments. For instance, where due to unavoidable circumstances the Authority is not able to pay within the agreed credit period for instance due to IFMIS challenges or delay in exchequer release by the National Treasury, the circumstances are made known to the suppliers. So far, the Authority has had no legal dispute with any of its suppliers since inception Authority's pending bills for the reporting period were 0.0067% of the approved budget compared to 5% allowed by the PFM Act.

e). Community Engagements

To enhance community engagements, the Authority has developed a robust communication and outreach strategy that seeks to empower the public with information and education about their rights as envisioned in the constitutional bill of rights. To date, IPOA has visited over 90% of the counties in Kenya promoting cordial police/public social relationships and professional policing practice through capacity building of police officers on responsible and lawful policing. During these engagements, IPOA gave out information, education and communication (IEC) materials for sustained messaging. The impact of these community social investment programmes has seen increased police professionalism, police accountability and responsible citizenry.

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

The Authority has established a counselling unit which offers free psycho-socio services to the complainants who have gone through traumatic experiences in the hands of the police. This support assists the complainants in recovery. It also enables them to record quality statements to facilitate investigations.


In addition, the Authority conducted participatory community outreach to educate the public and police officers on their policing rights and to collect public feedback for decision-making, policy formulation and to enhance operations.

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

Approval of the financial statements

The Authority's financial statements were approved and signed by the Accounting Officer on **29th September 2022**.


.....
Elma Halake Harbale
Accounting Officer/CEO


.....
Agatha Chepkoech
Ag. Director Business Services
ICPAK M/No. 10017

6. Statement of Management Responsibilities

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

The Accounting Officer in charge of the Independent Policing Oversight Authority (IPOA) is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) Safeguarding the assets of the entity;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the IPOA accepts responsibility for the Authority's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Authority's financial statements give a true and fair view of the state of IPOA's transactions during the financial year ended June 30, 2022, and of the Authority's financial position as at that date. The Accounting Officer in charge of the Independent Policing Oversight Authority further confirms the completeness of the accounting records maintained for the Authority, which have been relied upon in the preparation of the Authority's financial statements as well as the adequacy of the systems of internal financial control.

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

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

Approval of the financial statements

The Authority's financial statements were approved and signed by the Accounting Officer on **29th September 2022**.



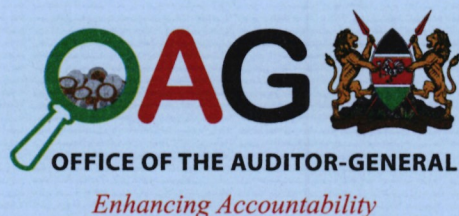
Elema Halake Harbale
Accounting Officer/CEO



Agatha Chepkoech
Ag. Director Business Services
ICPAK M/No. 10017

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON INDEPENDENT POLICING OVERSIGHT AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Independent Policing Oversight Authority set out on pages 1 to 20, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Independent Policing Oversight Authority as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Opinion

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is 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 Authority's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 controls 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 controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Authority 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 Authority to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Authority to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

01 December, 2022

INDEPENDENT POLICING OVERSIGHT AUTHORITY


Annual Report and Financial Statements for the year ended 30th June 2022


8. Statement of receipts and payments for the year ended 30th June 2022

Description	Note	2021/2022	2020/2021
		Kshs.	Kshs.
Receipts			
Proceeds from Domestic and Foreign Grants	1	-	1,045,209
Exchequer Releases	2	879,932,079	775,021,985
Total Receipts		879,932,079	776,067,194
Payments			
Compensation of Employees	3	500,088,755	487,897,590
Use of Goods and Services	4	297,988,890	249,683,031
Social Security Benefits	5	38,646,462	11,226,328
Acquisition of Assets	6	42,944,806	26,144,508
Total Payments		879,668,913	774,951,457
Surplus/(Deficit)		263,166	1,115,737

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Authority's financial statements were approved on **29th September 2022** and signed by:


.....
Elema Halake Harbale
Accounting Officer/CEO



.....
Agatha Chepkoech
Ag. Director Business
Services
ICPAK M/No. 10017

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022


9. Statement of assets and liabilities as at 30th June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial assets			
Cash and cash equivalents			
Bank balances	7	3,603,968	6,128,978
Total cash and cash equivalent		3,603,968	6,128,978
Imprests and advances	8	97,126	1,000,000
Total financial assets		3,701,094	7,128,978
Financial liabilities			
Third party deposits and retention	9	3,437,928	6,013,241
Net financial assets		263,166	1,115,737
Represented by			
Fund balance b/fwd.	10	1,115,737	1,292,614
Prior year adjustment	11	(1,115,737)	(1,292,614)
Surplus/Deficit for the year		263,166	1,115,737
Net financial position		263,166	1,115,737

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Authority's financial statements were approved on **29th September 2022** and signed by:



Elema Halake Harbate
Accounting Officer/CEO



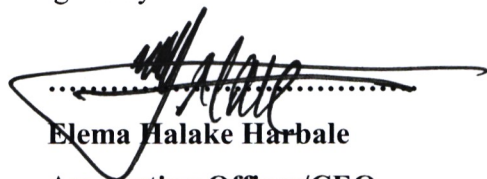
Agatha Chepkoech
Ag. Director Business
Services
ICPAK M/No. 10017


INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

10. Statement of cash flows for the year ended 30th June 2022

Description		2021/2022	2020/2021
	Note	Kshs.	Kshs.
Receipts for Operating Income			
Proceeds From Domestic and Foreign Grants	1	-	1,045,209
Exchequer Releases from The National Treasury	2	879,932,079	775,021,985
Total Receipts for Operating Income		879,932,079	776,067,194
Payments for Operating Expenses			
Compensation of Employees	3	(500,088,755)	(487,897,590)
Use of Goods and Services	4	(297,988,890)	(249,683,031)
Social Security Benefits	5	(38,646,462)	(11,226,328)
Adjusted For:			
Prior year adjustments	11	(1,115,737)	(1,292,614)
Decrease/(Increase) in accounts receivable	12	902,874	(1000,000)
Increase/(Decrease) in deposits and retention	13	(2,575,313)	(23,265,557)
Net Cash Flow from Operating Activities		40,419,796	1,702,074
Cash Flow from Investing Activities			
Acquisition of Assets	6	(42,944,806)	(26,144,508)
Net Cash Flows from Investing Activities		(42,944,806)	(26,144,508)
Net Increase in Cash & Cash Equivalent		(2,525,010)	(24,442,434)
Cash and Cash Equivalent at Start of The Year		6,128,978	30,571,412
Cash And Cash Equivalent At End Of The Year		3,603,968	6,128,978

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Authority's financial statements were approved on **29th September 2022** and signed by:


Elema Halake Harbale
Accounting Officer/CEO


.....
Agatha Chepkoech
Ag. Director Business Services

ICPAK M/No. 10017

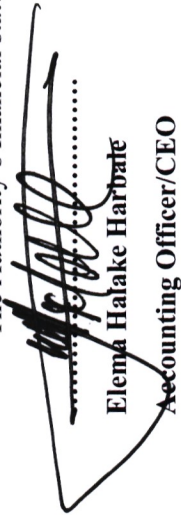
INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

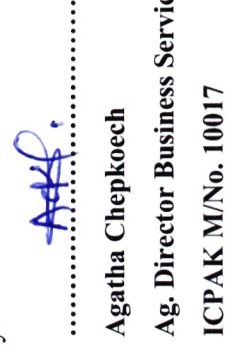
11. Statement of Comparison of budget and Actual Amounts for FY2021/22

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	Kshs a	Kshs b	Kshs C = a+b	Kshs d	Kshs e = c - d	f = d/c %
Receipts						
Exchequer Releases	949,758,146	20,410,674	929,347,472	879,932,079	49,415,393	95%
Total Receipts	949,758,146	20,410,674	929,347,472	879,932,079	49,415,393	95%
Payments						
Compensation of Employees	550,920,000	(26,000,000)	524,920,000	500,088,755	24,831,245	95%
Use of Goods and Services	311,230,000	6,400,000	317,630,000	297,988,890	19,641,110	94%
Social Security Benefits	35,000,000	5,589,326	40,589,326	38,646,462	1,942,864	95%
Acquisition of Assets	52,608,146	(6,400,000)	46,208,146	42,944,806	3,263,340	93%
Totals Payments	949,758,146	(20,410,674)	929,347,472	879,668,913	49,678,559	95%
Surplus/Deficit	-	-	-	263,166	263,166	

- a) **Variance analysis:** The Authority's overall absorption rate was 95%. There was no significant underutilization of the budget below 90%.
- b) **Reallocations within the year:** The changes of Kshs. 20,410,674 between the original budget and the final budget resulted from budget cuts and reallocations in the budget Supplementary Estimates 1 and 11

The Authority's financial statements were approved on **29th September 2022** and signed by:


Elena Halake Harbate
Accounting Officer/CEO


Agatha Chepkoech
Ag. Director Business Services
ICPAK M/No. 10017

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

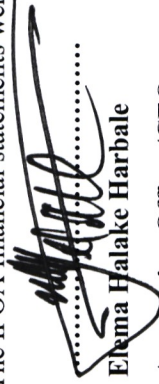
11 (a) Summary Statement of Appropriation: Recurrent for FY2021/22


Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	Kshs a	Kshs b	Kshs C = a+b	Kshs d	Kshs e = c - d	f = d/c %
Receipts						
Exchequer Releases	949,758,146	20,410,674	929,347,472	879,932,079	49,415,393	95%
Total Receipts	949,758,146	20,410,674	929,347,472	879,932,079	49,415,393	95%
Payments						
Compensation of Employees	550,920,000	(26,000,000)	524,920,000	500,088,755	24,831,245	95%
Use Of Goods and Services	311,230,000	6,400,000	317,630,000	297,988,890	19,641,110	94%
Social Security Benefits	35,000,000	5,589,326	40,589,326	38,646,462	1,942,864	95%
Acquisition of Assets	52,608,146	(6,400,000)	46,208,146	42,944,806	3,263,340	93%
Totals Payments	949,758,146	(20,410,674)	929,347,472	879,668,913	49,678,559	95%
Surplus/Deficit	-	-	-	263,166	263,166	

(a) **Variance analysis:** The Authority's overall absorption rate was 95%. There was no significant underutilization of the budget below 90%.

(b) **Reallocations within the year:** The changes of Kshs. 20,410,674 between the original budget and the final budget resulted from budget cuts and reallocations in the budget Supplementary Estimates 1 and 11

The IPOA financial statements were approved on **29th September 2022** and signed by:

.....

Etima Halake Harbale
Accounting Officer/CEO

.....

Agatha Chepkoech
Ag. Director Business Services
ICPAK M/No. 10017

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

11 (b) Summary Statement of Appropriation: Development for FY2021/22

The Authority did not have a development budget in the reporting period.


11 (c) Budget Execution by Programmes and Sub-Programmes for FY2021/22


Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2022			2022	
	Kshs	Kshs	Kshs	Kshs	Kshs
Programme 1: Policing Oversight Services					
Sub-Programme 1: Policing Oversight Services	949,758,146	(20,410,674)	929,347,472	879,668,913	49,678,559
Total	949,758,146	(20,410,674)	929,347,472	879,668,913	49,678,559

Notes:

- a) The Authority has only one Programme - Policing Oversight Services.
- b) The Authority's original approved GOK budget was Kshs. 949,758,146. However, the budget was revised downwards by Kshs. 20,410,674 to Kshs. 929,347,472 during Supplementary Estimates I & II.
- c) The total expenditure during the period amounted to Kshs. 879,668,913 and only Kshs. 49,678,559 (5% of the total revised budget) was not utilised mainly due to delay in recruitment of replacement officers and also delayed access to quarter 3 other recurrent budget.

The IPOA financial statements were approved on **29th September 2022** and signed by:


Elema Malake Harbale
Accounting Officer/CEO


Agatha Chepkoech
Ag. Director Business Services
ICPAK M/No. 10017

12. Notes to the Financial Statement

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the Independent Policing Oversight Authority (IPOA). The financial statements encompass the reporting entity as specified under Section 81 of the PFM Act 2012.

The Authority did not implement any development projects during the reporting period.

3. Reporting Currency

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

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by Independent Policing Oversight Authority (IPOA) for all the years presented.

Significant Accounting Policies (Continued)

a) Recognition of Receipts

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

(i) Transfers from the Exchequer

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

(ii) External Assistance

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

During the year ended 30th June 2022, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

The Authority did not receive external assistance through grants from multilateral and bilateral development partners during the period under review

(iii) Other receipts

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

Significant Accounting Policies (Continued)

b) Recognition of payments

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

i) Compensation of Employees

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

ii) Use of Goods and Services

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

iii) Interest on Borrowing

The Authority has no loans.

iv) Principal on borrowing

The Authority has no loans.

v) Acquisition of Fixed Assets

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

A fixed asset register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as an annexure three (3) to the financial statements.

vi) In-kind contributions

In-kind contributions are donations that are made to the Authority 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.

Significant Accounting Policies (Continued)

vii) Third Party Payments

The Authority has no loans.

c) Cash and Cash Equivalents

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

A bank account register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as note 7A to the financial statements.

Restriction on Cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2022, this amounted to Kshs. 3,437,928 compared to Kshs. 6,013,241 in prior period as indicated on note 9. There were no other restrictions on cash during the year.

d) Imprests and advances

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

Significant Accounting Policies (Continued)

e) Third party deposits and retention

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies.

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

f) Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

g) Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2022 for the period 1st July 2021 to 30th June 2022 as required by Law and there were two number of supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

h) Comparative Figures

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

i) Subsequent Events

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

Significant Accounting Policies (Continued)

j) Prior Period Adjustment

During the year, there were no prior year errors corrected.

k) Related Party Transactions

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

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

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

l) Contingent Liabilities

A contingent liability is:

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

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, The Authority does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. There were no contingent liabilities in the financial year.

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements

1 Proceeds from Domestic and Foreign Grants

Name of Donor	Date received	Indicate whether it was a direct payment	Amount in foreign currency	2021-2022	2020-2021
				Kshs	Kshs
Grants Received from Multilateral Donors					
Danish Institute of Human rights	04/02/2021	-	-	-	1,045,209
Total		-	-	-	1,045,209

The Authority received a donation from the Danish Institute of Human rights in 2020-2021. The funds were meant to train the technical officers on witness empowerment training.

2. Exchequer Releases

	2021/2022	2020/2021
	Kshs.	Kshs.
Total Exchequer Releases for Quarter 1	251,114,941	224,967,665
Total Exchequer Releases for Quarter 2	210,518,099	185,632,170
Total Exchequer Releases for Quarter 3	190,061,532	158,890,481
Total Exchequer Releases for Quarter 4	228,237,507	205,531,669
Total	879,932,079	775,021,985

The initial budgeted exchequer was Kshs. 949,758,146. However, it was reduced downwards by Kshs. 20,410,674 in supplementary estimates I & II to Kshs. 929,347,472 and the actual exchequer received during the financial year amounted to Kshs. 879,932,078. The difference of Kshs. 49,415,394 was not requisitioned from exchequer due to controlled access of the other recurrent budget in third quarter and early closure of the e-procurement module.

The exchequer releases in the FY 2021/22 increased by Kshs. 104,910,093 compared to FY 2020/21 mainly because there were no major budget cuts. This is mainly because the Authority's mandate of investigations, inspections and monitoring of police operations is mainly field based. The approved budget in the FY 2021/22 was Kshs. 929,347,472 compared to Kshs. 787,728,000 in FY 2020/21.

INDEPENDENT POLICING OVERSIGHT AUTHORITY*Annual Report and Financial Statements for the year ended 30th June 2022***Notes to the Financial Statements (Continued)****3.Compensation to Employees**

	2021-2022	2020-2021
	Kshs	Kshs
Basic salaries of permanent employees	345,270,609	331,092,907
Basic wages of temporary employees	219,300	2,633,660
Personal allowances paid as part of salary	107,238,624	106,151,277
Employer Contributions Compulsory National Social Security Schemes	-	1,124,800
Employer Contributions Compulsory national health insurance schemes	-	4,482,600
Staff Pension and other social security contribution	47,360,222	42,412,346
Total	500,088,755	487,897,590

Expenditure on compensation of employees increased by Kshs. 12,191,165 in FY 2021/22 due to annual salary increment and recruitment of some of the replacement technical officers who exited the Authority.

4. Use of Goods and Services

	2021/22	2020/21
	Kshs.	Kshs.
Utilities	1,650,896	1,295,102
Communication, supplies and services	12,365,497	12,214,208
Domestic travel and subsistence	41,960,743	29,012,748
Foreign travel and subsistence	5,376,405	-
Printing, advertising/inform supplies & services	5,993,991	3,191,140
Rentals of produced assets	63,571,347	68,494,029
Training expenses	5,260,352	2,606,466
Hospitality supplies and Services	17,047,763	6,990,718
Insurance costs	66,797,059	74,284,740
Office and general supplies and services	9,356,302	5,113,614
Other operating expenses	31,453,089	26,779,929
Routine maintenance – motor vehicles	13,133,479	10,428,717
Fuel oil and lubricants	18,935,073	7,803,359
Routine maintenance – other assets	5,086,894	1,468,261
Total	297,988,890	249,683,031

Expenditure on use of goods increased by Kshs. 48,305,859 in FY 2021/22 mainly due to increase in domestic travel, witness expense and fuel oil and lubricants expenditure. This is mainly because

INDEPENDENT POLICING OVERSIGHT AUTHORITY

Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements(Continued)

the Authority's mandate of Investigations, inspections and monitoring of police operations is mainly field based. The Authority did not receive grants from multilateral donors in FY2021/22.

5. Social Security Benefits

	2021/22	2020/21
	Kshs.	Kshs.
Government pension and retirement benefits - Gratuity	38,646,462	11,226,328
Total	38,646,462	11,226,328

The social security benefits indicated above is gratuity paid to officers in Grade 1-3 whose contracts expired and were due for renewal and those who exited before expiry of their contracts. In FY 2021-22 and Fy2020-21 we paid twelve and four officers respectively.

6.Acquisition of Assets

Non -Financial Assets	2021-2022	2020-2021
	Kshs	Kshs
Refurbishment of Buildings	4,923,967	25,128,888
Purchase of Motor Vehicles and Other Transport Equipment	-	-
Purchase of Office Furniture and General Equipment	6,325,931	1,015,620
Purchase of Specialized Plant, Equipment and Machinery	1,694,908	-
Sub-total	12,944,806	26,144,508
Financial Assets		
Housing Loans to Public Servants (Staff Mortgage and car loan)	30,000,000	-
Sub-total	30,000,000	-
Total	42,944,806	26,144,508

In FY 2021/22, the cost for acquisition of non-financial assets reduced downwards by Kshs. 13,199,702 mainly because there were no major payments made to the contractors for partitioning IPOA Nakuru and Eldoret officers compared to the previous financial year.

During the period under review, the financial assets budget was enhanced by additional Kshs.30Million to cater for staff mortgage and car loans.

INDEPENDENT POLICING OVERSIGHT AUTHORITY*Annual Report and Financial Statements for the year ended 30th June 2022***Notes to the Financial Statements (Continued)****7. Cash and Bank Accounts****7A: Bank Accounts**

Name of Bank, Account No. & currency	Amount in Bank account currency	Type of Account	2021/22	2020/21
			Kshs.	Kshs.
Central Bank of Kenya, Account No. 1000181559	Kshs.	Recurrent	166,040	115,737
Central Bank of Kenya 165, Account No. 1000182717	Kshs.	CBK165	-	-
Central Bank of Kenya, Account No. 1000182393	Kshs.	Deposit	3,437,928	6,013,241
National Bank of Kenya, Account No. 001094661400	Kshs.	Current	-	-
Total	Kshs.		3,603,968	6,128,978

7B: Cash on hand

The Authority did not maintain cash in the year under review.

8. Imprests and Advances

Description	2021-2022	2020-2021
	Kshs	Kshs
Salary advances	97,126	1,000,000
Total	97,126	1,000,000

Include a breakdown of the outstanding advances

Name of Officer or Institution	Date Advance Taken	Amount Taken	Amount Recovered	Balance
		Kshs	Kshs	Kshs
Judith Kawira	30/08/2021	327,126	230,000	97,126
Total		327,126	230,000	97,126

9. Third party deposits and retention

Description	2021/2022	2020/2021
	Kshs.	Kshs.
Retention – Office Refurbishment	3,130,110	5,203,441
Deposits – IPOA Staff Welfare	-	809,800
Retention-Gratuity	307,818	-
Total	3,437,928	6,013,241

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

IPOA Staff Welfare opened its bank account in FY2021-22. The Authority transferred Kshs. 849,200 welfare balance held at IPOA deposit account for the welfare scheme.

10. Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank accounts	6,128,978	30,571,412
Accounts Receivables	1,000,000	-
Accounts Payables	(6,013,241)	(29,278,798)
Total	1,115,737	1,292,614

11. Prior Year Adjustments

Description	2021-22	2020-21
	Kshs.	Kshs.
Adjustments on bank account balances	1,115,737	1,292,614

The prior year adjustments related to fund balances brought forward from the previous period and surrendered back to the Exchequer during the subsequent financial year.

12.(Increase)/ Decrease in Advances and Imprests

	2021-2022	2020-2021
	KShs	KShs
Receivables as at 1 st July (a)		-
Receivables as at 30 th June 2022(b)	97,126	1,000,000
Increase)/ Decrease in Receivables (c=(b-a))	902,874	(1,000,000)

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

	2021-2022	2020-2021
	Kshs	Kshs
Payables as at 1 st July 2021	6,013,241	29,278,798
Payables as at 30 th June 2022	3,437,928	6,013,241
Increase/ (Decrease) in payables	(2,575,313)	(23,265,557)

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

14. 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 Independent Policing Oversight Authority:

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

15. Other Important Disclosures

15.1 Related party transactions:

	2021-2022	2020-2021
	Kshs	Kshs
Key Management Compensation		
Key Management Salaries (CEO & Directors)	23,505,745	25,385,479
Board Salaries	61,182,256	63,782,256
Total Key Management Compensation	84,688,001	89,167,735

15.2 Pending Accounts Payable (See Annex 1)

	Balance b/f FY 2020/2021	Additions for the period	Paid during the year	Balance c/f FY 2021/2022
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings-Office partitioning project	-	-		-
Supply of goods	-	-		-
Supply of services	526,725	454,979	526,725	454,979
Total	526,725	454,979	526,725	454,979

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

15.3: Pending Staff Payables (See Annex 2)

	Balance b/f FY 2020/2021	Additions for the period	Paid during the year	Balance c/f FY 2021/2022
Description	Kshs	Kshs	Kshs	Kshs
Others	23,887	-	23,887	-
Middle Management	-	25,200	-	25,200
Total	23,887	25,200	23,887	25,200

16. External Assistance

	FY 2021/2022	FY 2020/2021
Description	Kshs	Kshs
External assistance received in cash from Danish Institute of Human Rights	-	1,045,209
Total	-	1,045,209

Purpose and Use of External Assistance

	FY 2021/2022	FY 2020/2021
	Kshs	Kshs
Use of goods and services-Witness empowerment training	-	1,045,209
Total	-	1,045,209

INDEPENDENT POLICING OVERSIGHT AUTHORITY


Annual Report and Financial Statements for the year ended 30th June 2022


Notes to the Financial Statements (Continued)

28.7 Progress on follow up of Prior Years Auditor-General's recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Other Matter	N/A	The Authority did not have any other matter	N/A	N/A

.....

 Elema Halake Harbate
 Accounting Officer/CEO

.....

 Agatha Chepkoech
 Ag. Director Business Services
 ICPAK M/No. 10017

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Reports and Financial Statements
For the year ended June 30, 2022

13. Annexes

Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
	A	B	C	D=A-C		
Supply of services						
Cedol Coolers	28,000	21/02/2022	-	28,000	-	Servicing of Water dispensers and Fridges
Cedol Coolers	31,500	24/02/2022	-	31,500	-	Servicing of Water dispensers and Fridges
Ephronex technologies	33,060	24/02/2022	-	33,060	-	Apple IPAD LCD screen replacement
Kenya Institute of Curriculum Development	27,000	21/06/2022	-	27,000	-	Full conference package for technical officers doing report writing.
Isuzu East Africa	303,419	9/05/2022	-	303,419	-	Servicing/Maintenance of IPOA motor vehicles
Events Zone	32,000	4/5/2022	-	32,000	-	Decoration and branding services of the venue for used to launch the Elections Monitoring Strategy
Grand Total	454,979		-	454,979		

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Reports and Financial Statements
For the year ended June 30, 2022

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
		a	b	c	d = a-c		
Middle Management							
1. Humphrey Khaunya	4	25,200	06/06/2022	-	25,200	-	Field expense processed but failed to reach IB at Uploading stage
Grand Total		25,200			25,200		

INDEPENDENT POLICING OVERSIGHT AUTHORITY
Annual Reports and Financial Statements
For the year ended June 30, 2022

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during the Year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) 2021/2022
Office refurbishment (2 nd , 3 rd and 4 th Floors, ACK Garden Annex, 1 st Ngong Avenue, Nairobi, and regional offices)	134,939,382	4,923,967	-	-	139,863,349
Motor vehicles	195,954,980	-	-	-	195,954,980
Office equipment, furniture and fittings	45,448,577	6,325,931	-	-	51,774,508
ICT equipment, software and other ICT assets	11,907,185	1,694,908	-	-	13,602,093
Total	388,250,124	12,944,806	-	-	401,194,930