

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	2 MAY 2024
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PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

NATIONAL COUNCIL FOR LAW REPORTING

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





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

25 MAR 2024

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NATIONAL COUNCIL FOR LAW REPORTING

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30TH JUNE 2023**

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

**National Council for Law Reporting
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1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

BeTA	Bottom-up Economic Transformation Agenda
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
CLD	Case Law Database
DCEO	Deputy Chief Executive Officer
FY	Financial Year
GOK	Government of the Republic of Kenya
HELB	Higher Education Loans Board
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
ICT	Information and Communications Technology
ICTAK	ICT association of Kenya
IEEE	Institute of Electrical and Electronics Engineer - Computer Society
ILO	International Labour Organisation
ISO	International Standards Organization
KLD	Kenya Legislation Database
KLR	Kenya Law Reports
KPI	Key Performance Indicator
KFS	Kenya Forestry Service
LoK	Laws of Kenya Department
MDAs	Ministries, Departments, Agencies
MTP	Medium Term Plan
MTEF	Medium Term Expenditure Framework
NCAJ	National Council on Administrative Justice
NCLR	National Council for Law Reporting
NHIF	National Hospital Insurance Fund
NSSF	National Social Security Fund

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OAG	Office of the Auditor General
OAG & DoJ	Office of the Attorney General and Department of Justice
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
PAYE	Pay as You Earn
R&D	Research and Development
SAGAs	Semi-Autonomous Government Agencies
SCAC	State Corporations Advisory Committee
SDGs	Sustainable Development Goals
SLO & DoJ	State Law Office and Department of Justice
UK	United Kingdom
UON	University of Nairobi
VAT	Value Added Tax
WIP	Work in Progress

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B: Glossary of Terms

Council Members - Members of the Council / Board directly entrusted with the responsibility of giving the strategic direction of the organisation.

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

Comparative Year - Means the prior period or financial year.

2. Key Entity Information and Management

(a) Background information

The National Council for Law Reporting (NCLR) is a state corporation in the Office of the Attorney General and Department of Justice. The brand name of the National Council for Law Reporting is Kenya Law. Kenya Law was established under the National Council for Law Reporting Act (Act No. 11 of 1994). It is domiciled in Kenya and is based in Nairobi with no other branches in the Country. Kenya Law is governed by a Council; the body that is responsible for the general policy and strategic direction of the institution. The Council has 12 statutory and 2 Co-opted members. It is chaired by the Chief Justice of the Republic of Kenya.

(b) Principal Activities

The principal mandate of the National Council for Law Reporting (NCLR) is as follows;

The Council shall;

- i) Be responsible for the preparation and publication of the reports to be known as the Kenya Law Reports, which shall contain judgments, rulings and opinions of the superior courts of record;
- ii) Undertake such other publications as in the opinion of the Council are reasonably related to or connected with the preparation and publication of the Kenya Law Reports; and
- iii) Perform any other functions conferred on the Council by or under the provisions of any other written law.

The overall mandate of Kenya Law is:

- i) To monitor and report on the development of Kenyan jurisprudence through the publication of the Kenya Law Reports;
- ii) Revise, consolidate and publish the Laws of Kenya, a mandate delegated to NCLR by the Attorney General through Legal Notice No. 29 of 2009, in line with sections 7 and 8 of the Revision of Laws Act; and
- iii) To undertake such other related publications and perform such other functions as may be conferred by law.

On the Council's website - www.kenyalaw.org- you will find Case Law, the Laws of Kenya, the Parliamentary Hansards, the Kenya Gazette, and the Daily Cause List from various courts, Legal Notices and other publications.

Kenya Law's vision is to be the lead provider of public legal information towards an enlightened society.

Kenya Law's mission is to provide universal access to public legal information by monitoring and reporting on the development of jurisprudence for the promotion of the rule of law.

Kenya Law's core values are Integrity, Professionalism, Transparency and Accountability, Innovation and creativity, Reliability and Citizen/Customer Focus.

Kenya Law is focusing on three (3) strategic themes / core objectives as indicated below:

- i) Access to public legal information
- ii) Organizational sustainability
- iii) Corporate identity and Brand visibility

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(c) Key Management

Kenya Law's day-to-day management is executed by the following key organs:

- i) Council Members
- ii) Editor / CEO/ Accounting Officer
- iii) Key Management

(d) Fiduciary Management

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

	Name of the Officer	Responsibility
1	Editor/CEO	Prof. Busalile Jack Mwimali
2	Snr. Assistant Editor/ DCEO	Ms. Janet Munywoki
3	Head of Human Resource and Administration	Ms. Janette Watila
4	Head of Finance	Mr. Pascal Othieno
5	Head of Laws of Kenya	Ms. Wambui Kamau
6	Head of Law Reporting	Ms. Njeri Githanga
7	Head of Research and Development	Mr. Andrew Halonyere
8	Head of Strategy, Quality and Assurance and Performance Evaluation	Ms. Edna Muthaura
9	Head of Sales Marketing and Customer Care	Ms. Emily Nakhungu
10	Head of Information Communications and Technology (ICT)	Mr. Martin Andago
11	Head of Internal Audit	Mr. Bornface Odero
12	Head of Procurement	Mr. John Paul Mutugi

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(e) Fiduciary Oversight Arrangements

The oversight responsibility of the Council is delivered through various Committee activities. The Council has four (4) committees through which various oversight roles are executed as shown below:

Audit & Risk Management Committee activities;

- i) To monitor and report on the effectiveness of Kenya Law’s internal financial controls and risk management systems.
- ii) To monitor and review the effectiveness of Kenya Law’s internal audit function and follow up on the implementation of audit recommendations.
- iii) To monitor compliance with the legal framework in Kenya Law’s procurement and financial management practices.
- iv) To review and monitor the external auditor’s independence and objectivity and the effectiveness of audits, taking into account relevant professional and regulatory requirements.
- v) To develop and implement a policy on Kenya Law’s engagement with the office of the Auditor General (OAG).

Membership of the Audit & Risk Management Committee of the Council includes:

Name of the Committee	Members
Audit and Risk Management Committee	i) Ms. Jennifer Gitiri - Chairperson ii) Prof. Winifred Kamau iii) Hon. Justice James Rika iv) Mr. Dudley Ochiel

Finance & General Purposes (F&GP) Committee activities;

- i) To guide in the development and approval of Kenya Law’s finance policies and procedures.
- ii) To guide in the development and periodic reviews of adequate internal controls in Kenya Law’s finance and accounting systems.
- iii) To monitor the integrity and reliability of Kenya Law’s periodic Financial Reports and Annual Financial statements in reporting of Kenya Law’s financial performance.
- iv) To review significant judgments made by management in the financial statements.
- v) To review and approve Kenya Law’s Quarterly / Annual Reports and Financial Statements.
- vi) To guide in the preparation and approval of Kenya Law’s budget, Annual work plan and procurement plan to promote timely delivery of the Kenya Law strategic plan.

Membership of the Finance & General Purposes Committee of the Council includes:

Name of the Committee	Members
Finance and General Purposes Committee	i) Ms. Eva Kimeiywo - Chairperson ii) Hon. Lady Justice Fatuma Sichale iii) Ms. Linda Murila iv) Ms. Sarah Nyoike v) Mr. Jona Wala

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Technical Committee activities;

- i) To guide in the development, approval and evaluation of the level of implementation of Kenya Law's Strategic plan.
- ii) To guide in the development and approval of policies and procedures of workflows for the technical / core departments.
- iii) To monitor the quality and timeliness of Kenya Law's publications and the provision of Public legal information to the public.
- iv) To monitor the level of accessibility to public legal information by the public and advice on continuous improvement.

Membership of the Technical Committee of the Council includes:

Name of the Committee	Members
Technical Committee	<ol style="list-style-type: none"> i) Ms. Linda Murila - Chairperson ii) Hon. Justice James Rika iii) Ms. Eva Kimeiywo iv) Mr. Dudley Ochiel v) Mr. Samuel Njoroge

Human Resources Committee activities;

- i) To guide in the development and approval of Kenya Law's Human resource instruments.
- ii) To guide in the development and approval of Kenya Law's remuneration, compensation and benefits structure;
- iii) To guide in the development and approval of policies and procedures for management of Kenya Law's Human resources.
- iv) To guide in the development and approval of policies and procedures for Kenya Law staff development and motivation programmes.
- v) To guide in the development and approval of policies and procedures for Kenya Law staff welfare programmes.
- vi) To guide in the development and approval of policies and procedures for Kenya Law staff relations, discipline and dispute resolution.

Membership of the Human Resources Committee of the Council includes:

Name of the Committee	Members
Human Resources Committee	<ol style="list-style-type: none"> i) Hon. Lady Justice Fatuma Sichale - Chairperson ii) Prof. Winifred Kamau iii) Ms. Jennifer Gitiri iv) Ms. Sarah Nyoike

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In addition to internal oversight structures executed by the Council, the National Assembly also exercises oversight over Ministries Departments and Agencies (MDAs) as follows;

- i) Parliamentary committees investigate specific matters of national policy, government administration, budget execution, government performance of all MDAs.
- ii) The Parliamentary Committees execute assignments that parliament would not be able to undertake in the large, formal environment of house sittings, such as finding out the facts of a case or issue, gathering evidence from expert groups or individuals, sifting through evidence and drawing up reasoned conclusions.
- iii) The Budget and Appropriations Committee provides oversight in the Medium Term Expenditure Framework (MTEF) budget process especially in the appropriation of budgets to MDAs. The Council being a government agency therefore is subject to this budget process and oversight.
- iv) The Public Accounts and the Public Investment Committees specifically provide oversight (watchdogs) into the use of public funds by scrutinizing audited financial statements and specifically audit queries flagged by the Office of the Auditor General. The Council, being a State Corporation, is therefore subject to these oversight arrangements.

Kenya Law also receives conditional grants from various development partners to fund specific activities from time to time. The utilization of these funds is always subject to specific conditions from the partners. In such cases, development partners provide the following oversight activities;

- i) To Monitor and review progress of projects in relation to the pre-set performance agreements, contracts or expected outputs.
- ii) To provide recommendations regarding strategic directions, new opportunities for investment/collaborations and efficiency in performance.
- iii) To approve the budget proposals for development projects and interrogate the periodic performance reports for the same.
- iv) To provide projects monitoring and evaluation arrangements, both operational and financial.

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(f) Kenya Law's Head Office

ACK Garden Annex, Fifth Floor
1st Ngong Avenue,
P.O. Box 10443 – 00100,
Nairobi, Kenya.

(g) Kenya Law's Contacts

Telephone: 020 2712767
E-mail: info@kenyalaw.org
Website: www.kenyalaw.org

(h) Kenya Law's Bankers

- i. Kenya Commercial Bank,
Capitol Hill Branch,
P.O Box 69695 – 00400,
Nairobi, Kenya.
- ii. ABSA Bank Kenya Limited,
Hurlingham Branch,
P.O Box 34974 – 00100,
Nairobi, Kenya.



(i) Kenya Law's Independent Auditor



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



(j) Kenya Law's Principal Legal Adviser

The Attorney General,
Office of the Attorney General & Department of Justice,
Harambee Avenue,
P.O. Box 40112 - 00200
Nairobi, Kenya.

3. The Council Members

REF	DIRECTORS	DETAILS
1.	 <p>Hon. Justice Martha K. Koome, EGH The Chief Justice & President of the Supreme Court of Kenya. Chairperson, National Council for Law Reporting Date of Appointment - May 2021</p>	<p>Date of Birth: 3rd June, 1960 Key Qualifications: i) Master of Laws (LLM) Degree from the University of London ii) A Bachelor of Laws (LLB) Degree from the University of Nairobi iii) A Post Graduate Diploma in Legal practice.</p> <p>Work Experience: i) Chief Justice & President of the Supreme Court ii) Chairperson of the National Council on the Administration of Justice (NCAJ) iii) Judge of the Court of Appeal for over nine years iv) Various divisions of the High Court of Kenya for over eight years and headed the Environment and Land Division v) Resident Judge at Kitale Law Courts vi) Judge at the Milimani Commercial Court vii) Judge of the Family Division viii) Legal practitioner for fifteen (15) years in the areas of Family Law and public interest litigation.</p> <p>The Hon. Chief Justice has also been the chairperson of; the NCAJ special taskforce on Children matters; the Kenya Magistrate and Judges Association (KMJA); Federation of Women Lawyers (FIDA) and is a founding member of the League of Women voters. Before joining the Judiciary,</p>
2.	 <p>Hon. Lady Justice Fatuma Sichale Judge - Court of Appeal Date of Appointment - April 2017 Date of Re-appointment - April 2021</p>	<p>Date of Birth: 2nd August, 1958 Key Qualifications: i) Bachelor of Laws (LLB) degree from the University of Nairobi ii) a Post -Graduate Diploma in Law from the Kenya School of Law</p> <p>Work Experience: i) Judge, Court of Appeal ii) Assistant Director, Kenya Anti-Corruption Authority (KACA) – 2009 iii) Private Practise - Kitale and Nairobi iv) Magistrate & Resident Magistrate v) Council Member – Law Society of Kenya vi) Council Member – FIDA (K)</p> <p>Executive/Independent/Alternate: Independent Council Committee Membership: i) Chairperson - Human Resource and Administration Committee ii) Member - Finance & General Purposes Committee</p> <p>Hon. Sichale was admitted to the Roll of Advocates in 1983.</p>


<p>3.</p>	 <p>Hon Justice James Rika Judge - High Court of Kenya</p> <p>Date of Appointment - November 2021</p>	<p>Date of Birth: 16th October, 1967</p> <p>Key Qualifications:</p> <ul style="list-style-type: none"> i) Bachelor of Laws (LLB) from UoN ii) LL.M from the University of London, specializing in international dispute resolution iii) Post Graduate Diploma in Law from the Kenya School of Law. <p>Work Experience:</p> <ul style="list-style-type: none"> i) Judge of the Employment & Labor Relations Court ii) Joined the Industrial Court of Kenya as Judge in 2006 iii) Reappointed as a Judge in 2012 when the Court moved from Ministry of Labour to the Judiciary. iv) Justice Rika served on: <ul style="list-style-type: none"> a. The committee that operationalized Labour laws of 2007/2008 b. Member of the Kenyan Delegation to ILO 100th session which adopted 189th ILO Convention (2011) c. Concerning Decent Work for Domestic Servants at Geneva Switzerland d. Participated in other initiatives of the ILO regionally at Dar es Salaam and Arusha. <p>Executive/Independent/Alternate: Independent</p> <p>Council Committee Membership:</p> <ul style="list-style-type: none"> i) Member - Audit & Risk Committee ii) Member - Technical Committee
<p>4.</p>	 <p>Ms. Linda Murila Chief State Counsel, OAG&DOJ Representing Hon. Justin Muturi – Attorney General</p> <p>Date of Appointment - November 2016</p>	<p>Date of Birth: 1st January, 1963</p> <p>Key Qualifications:</p> <ul style="list-style-type: none"> i) Bachelor of Laws (LLB) degree from the University of Nairobi ii) Post -Graduate Diploma in Law from the Kenya School of Law <p>Work Experience: Chief State Counsel in the Office of the Attorney General and Department of Justice</p> <p>Executive/Independent/Alternate: Alternate to the Attorney General</p> <p>Council Committee Membership:</p> <ul style="list-style-type: none"> i) Chairperson - Technical Committee. ii) Member – Finance & General Purposes Committee <p>Ms. Murila is a was admitted to the Bar in 1989.</p>

<p>5.</p>	 <p>Mr. Dudley Ochiel Advocate of the High Court of Kenya Date of Appointment - February 2022</p>	<p>Date of Birth: 17th September, 1986 Key Qualifications: i) Bachelor of Laws University of Nairobi ii) Master of Laws (Law, Governance, and Democracy) University of Nairobi iii) Trained in trial advocacy by the Inns of Court College of Advocacy (UK) and the National Institute of Trial Advocacy (NITA, USA). Work Experience: i) Senior Litigation and Research Counsel - Katiba Institute ii) 2018 Public Interest Jurist of the Year Award. iii) Certified Professional Mediator (MTI) iv) Member of the Chartered Institute of Arbitrators (CIArb) v) Member International Commission of Jurists (ICJ). Dudley has Executive/Independent/Alternate: Independent Council Committee Membership: i) Member - Audit & Risk Committee ii) Member - Technical Committee He is a member of the Law Society of Kenya admitted to the Roll of Advocates in 2012</p>
<p>6.</p>	 <p>Ms. Jennifer Gitiri Senior State Counsel, OAG&DOJ Date of Appointment - January 2017 Date of Re-appointment – July 2020 Date of exit – July 2023</p>	<p>Date of Birth: 7th February, 1984 Key Qualifications: i) Master of Laws (LL.M) degree from the University of Nairobi ii) Master of Laws (LL.M) degrees from the Central European University iii) Bachelor of Laws (LLB) degree from the University of Nairobi iv) Post Graduate Diploma in Law from the Kenya School of Law Work Experience: i) Senior State Counsel at the Office of the Attorney General and Department of Justice. ii) Corporation Secretary & Head of Legal - Asset Recovery Authority Executive/Independent/Alternate: Independent Council Committee Membership: a) Chairperson - Audit & Risk Committee. b) Member - HR & Administration Committee Ms. Gitiri is an Advocate of the High Court of Kenya</p>

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<p>7.</p>	 <p>Ms. Eva Kimeiywo, Senior Printer Representing Mr. Abdi Hassan Ali, Government Printer</p> <p>Date of Appointment - July 2014</p>	<p>Date of Birth: 4th April, 1975 Key Qualifications: i) Bachelor of Communications (Publishing) ii) Diploma in Printing Technology</p> <p>Work Experience: Principal Printer at the Government Press Executive/Independent/Alternate: Alternate to the Government Printer Council Committee Membership: a) Chairperson - Finance & General Purposes Committee. b) Member - Technical Committee</p> <p>Ms. Kimeiywo is in charge of Kenya Gazette and its Subsidiary Legislations.</p>
<p>8.</p>	 <p>Ms. Sarah Nyoike Advocate of the High Court</p> <p>Date of appointment- February 2022</p>	<p>Date of Birth: 17th January, 1982 Key Qualifications: LLB – University of Nairobi Post Graduate Diploma in Law – Kenya School of Law</p> <p>Work Experience: i) Advocate of the High Court of Kenya with twelve (12) years’ experience ii) Private legal practitioner iii) a Law lecturer at the Kenya Institute of Management (KIM) iv) Law Clerk for the Kenya Court of Appeal</p> <p>Executive/Independent/Alternate: Independent Council Committee Membership: a) Member - Finance & General Purposes Committee b) Member - HR & Admin Committee</p> <p>Ms. Nyoike is also a Member of the Law Society of Kenya</p>

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<p>9.</p>	 <p>Prof. Winifred Kamau Dean, School of Law, University of Nairobi</p> <p>Date of Appointment - June 2021</p>	<p>Date of Birth: 8th March, 1964</p> <p>Key Qualifications:</p> <ul style="list-style-type: none"> i) PhD from Osgoode Hall Law School, York University in Canada ii) LLM from the University of Nairobi iii) Bachelor of Laws (LLB) degree <p>Work Experience:</p> <ul style="list-style-type: none"> i) Law lecturer, trainer and researcher in Kenya and Canada ii) Advocate of the High Court of Kenya of more than twenty years' standing iii) Certified Public Secretary (CS) iv) Qualified for Associate of the Chartered Institute of Arbitrators (ACI Arb). <p>Executive/Independent/Alternate: Independent</p> <p>Council Committee Membership:</p> <ul style="list-style-type: none"> i) Member - Audit & Risk Committee ii) Member - HR & Administration Committee
<p>10.</p>	 <p>Mr. Michael Karuru Representing Mr. Samuel Njoroge Clerk of the National Assembly</p> <p>Date of Appointment - January 2022</p>	<p>Date of Birth: 14th August, 1977</p> <p>Key Qualifications:</p> <ul style="list-style-type: none"> i) Master of Laws (LL.M) Degree from the University of Nairobi ii) Post-graduate diploma in law from the Kenya School of Law iii) Bachelor of Laws (LL. B) Degree from Moi University <p>Work Experience:</p> <ul style="list-style-type: none"> i) Parliamentary Counsel (legislative drafting counsel), ii) Office of the Attorney-General (2004-2008); iii) Legal Officer, Kenya Power (2008-2009); iv) Legal Counsel, Parliamentary Service Commission (2009 to date). <p>Currently serve as the Deputy-Director, Legal Service at the National Assembly.</p> <p>Executive/Independent/Alternate: Alternate Co-opted</p> <p>Council Committee Membership: Member - Technical Committee</p> <p>Mr. Karuru is an Advocate of the High Court of Kenya. Admitted to the Bar on 12th June, 2003.</p>

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<p>11.</p>	 <p>Hon. Ann Amadi Chief Registrar of the Judiciary Date of appointment- 2014</p>	<p>Date of Birth: 29th September, 1965 Key Qualifications: i) Bachelor of Laws University of Nairobi ii) Post Graduate Diploma from the Kenya School of Law. iii) Post Graduate Diploma in Alternative Dispute Resolution iv) Post Graduate Diploma Law of Internal Displacement San Remo, Italy.</p> <p>Work Experience: i) Chief Registrar of the Judiciary ii) Federation of Women Lawyers iii) The National Legal Aid and Awareness Programme (NALEAP) iv) Ministry of Justice National Cohesion and Constitutional Affairs v) Private legal practice vi) Resident Magistrate vii) District Magistrate II</p> <p>Executive/Independent/Alternate: Co-opted Member</p> <p>Ms. Anne Atieno Amadi is an advocate of the High Court of Kenya.</p>
<p>12.</p>	 <p>Prof. Busalile Jack Mwimali, Editor/ Chief Executive Officer Date of Appointment -January 2022</p>	<p>Date of Birth: 25th January, 1977 Key Qualifications: i) PhD (Birmingham, UK) ii) L.L.M (Lund, Sweden), iii) LL. B (Mysore, India), iv) B.A.L. (Mysore, India)</p> <p>Work Experience: i) Associate Professor at the School of Law, Jomo Kenyatta University of Agriculture and Technology ii) Lecturer - Jomo Kenyatta University of Agriculture and Technology (JKUAT); the University of Nairobi; Kenyatta University; Catholic University of Eastern Africa; Birmingham Law School; Riara Law School; KCA University; and Nazarene University iii) Consulting Associate with Odokel Opolot Advocates iv) Director at Centre for Applied Research in Law and Policy (CARLP)</p> <p>Executive/Independent/Alternate: Executive Council Committee Membership: i) Member Technical Committee ii) Member Finance & general Purposes Committee iii) Member HR & Administration Committee</p> <p>Prof. Mwimali is an Advocate of the High Court of Kenya and a Member of the Law Society of Kenya</p>

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4. Key Management Team

	Management	Details
1.	 <p>Prof. Busalile Jack Mwimali, PhD (Birmingham, UK) L.L.M (Lund, Sweden), LL. B (Mysore, India), B.A.L. (Mysore, India) Advocate of the High Court of Kenya & Member of the Law Society of Kenya</p>	<p>Date of Appointment -January 2022 Editor/ Chief Executive Officer Charged with overall delivery of Kenya Law’s mandate. i) He leads the implementation of Council’s strategic plan. ii) As Editor, is responsible for ensuring that all Kenya Law’s legal publications are of quality and meets the expectations of the Kenyan public. iii) As Accounting Officer/CEO, he has overall responsibility for the day to day administrative duties of Kenya Law.</p>
2.	 <p>Ms. Janet Munywoki M.A.(Int. Studies) – University of Nairobi; LL.B., B.S.L – University of Pune; Post-Graduate Diploma in Law – Kenya School of Law; Advocate – High Court of Kenya; Certified Secretary – ICS Kenya; Certified Professional Mediator – MTI East Africa.</p>	<p>Senior Asst. Editor / Deputy Chief Executive Officer Date of Appointment - August 2018 Charged with the following key responsibilities; i) Lead, technical functions - Law reporting, Laws of Kenya, Research and Development. ii) Assisting Corporate governance functions iii) Deputy to the Editor/CEO and day to day administrative duties of Kenya Law.</p>
3.	 <p>Ms. Janette Lunyolo Watila Msc. Human Resource Management(JKUAT) BBA (Africa Nazarene University) Certified Human Resource Professional (K)(HRMPEB) Higher Dip Human Resource Management(KNEC) Certified Human Resource Auditor (ACHRP) Counseling (CHRM)</p>	<p>Head of Human Resource & Administration Date of Appointment - January 2014 Charged with the following key responsibilities; i) Hiring and Recruitment ii) Development and Implementation of Human Resource Policies and Procedures iii) Training and Development iv) Talent Management</p>

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<p>4.</p>	 <p>Ms. Edna Kuria Muthaura MSc. Organizational Development - USIU, LLB - University of Nairobi; Post-Graduate Diploma in Law – Kenya School of Law Advocate of the High Court of Kenya, Commissioner of Oaths & Notary Public – LSK Certified Secretary (CS) – Institute of Certified Secretaries</p>	<p>Head of Strategy, Quality & Performance Evaluation Date of Appointment – October 2013 Charged with the following key responsibilities; i) Strategy ii) Quality Assurance (QMS) iii) Organizational Performance Evaluation iv) Legal v) Corporate Secretarial</p>
<p>5.</p>	 <p>Mr. Pascal Othieno Oluoch MSc. Finance - UoN, MBA (Exec) – Moi University; BBM – Moi University; Certified Public Accountant of Kenya (CPA-K) Member – Institute of Certified Public Accountants of Kenya (ICPAK)</p>	<p>Head of Finance & Accounting Date of Appointment - January 2012 Charged with the following key responsibilities; i) Budgeting and Budget Control ii) Financial Management iii) Revenue and Expenditure Management iv) Financial Accounting v) Financial Reporting vi) Facilitation of Audits</p>
<p>6.</p>	 <p>Ms. Njeri Githang'a Post-Graduate Diploma in Law – Kenya School of Law LLB – Moi University; Advocate of the High Court of Kenya</p>	<p>Head of Law Reporting Date of Appointment – July 2020 Charged with the following key responsibilities; i) Preparation of Kenya Law Reports and Specialized Law Reports ii) Collection and Publishing of Judicial Decisions iii) Monitoring and reporting on the development of jurisprudence iv) Maintenance of Case Law Database (Content) v) Development of law reporting strategies, policies and manuals; vi) Collection and online publishing of the Cause Lists</p>

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<p>7.</p>	 <p>LLB – Catholic University of Eastern Africa, Post-Graduate Diploma in Law – Kenya School of Law Advocate of the High Court of Kenya,</p>	<p>Head of Laws of Kenya Date of Appointment – April 2014 Charged with the following key responsibilities;</p> <ul style="list-style-type: none"> i) Law Revision and Consolidation ii) Annual Supplement iii) Specialized Publications on the Laws of Kenya iv) Legislative Reform v) Processing of County Legislation vi) International Laws and Treaties vii) Artificial Intelligence and the Law
<p>8.</p>	 <p>Mr Andrew Halonyere, LLB – NGP University India Post-Graduate Diploma in Law – Kenya School of Law Advocate of the High Court of Kenya SLDP – Kenya School of Government SMC – Kenya School of Government</p>	<p>Head of Research & Development Date of Appointment – July 2020 Charged with the following key responsibilities;</p> <ul style="list-style-type: none"> i) Legal Research & Development ii) Knowledge Management iii) Law Reporting iv) Specialized Publications – Legal Journals and Digests
<p>9.</p>	 <p>Mr. Martin Andago Bachelor’s Degree in Business Information Systems BSc. Information Systems Oracle PL/SQL Certification - Oracle Strategic Leadership Development Program - KSG Organizational Performance Index - KIM Member - ICTAK & IEEE Computer Society</p>	<p>Head of Information, Communication & Technology Date of Appointment – October 2015 Charged with the following key responsibilities;</p> <ul style="list-style-type: none"> i) Kenya Law Website Management ii) ICT Hardware Management iii) ICT Software Management iv) Development of ICT Solutions v) ICT Systems Security

<p>10.</p>	 <p>Ms. Emily A. Nakhungu B.A Communication and Media-Egerton Univerity Certified Member-Public Relations Society of Kenya- PRSK Associate Member-Marketing Society of Kenya</p>	<p>Head of Sales, Marketing & Customer Care Date of Appointment – July 2013 Charged with the following key responsibilities; i) Sales ii) Marketing iii) Customer Service iv) Corporate Communication v) Brand Management vi) Media Relations</p>
<p>11.</p>	 <p>Mr. Bornface Otieno Odera MSc Finance BCom (Finance) Member of the Institute of Certified Public Accountants of Kenya (ICPAK).</p>	<p>Head of Internal Audit Date of Appointment – April 2020 Charged with the following key responsibilities; i) Governance, Internal Controls ii) Internal Audits iii) Risk Management iv) Quality Assurance v) Value addition to systems and processes</p>
<p>12.</p>	 <p>Mr. John Paul Mutugi Bachelor of Arts degree Member - Kenya Institute of Supplies Management (KISM).</p>	<p>Head of Procurement Date of Appointment – January 2014 Charged with the following key responsibilities; i) Procurement Planning ii) Procurement of goods, services and works iii) Disposal of obsolete and excess stores iv) Stores management v) Receipts and Issues of Stores supplies</p>

5. Chairperson's Statement



The mandate of the National Council for Law Reporting (Kenya Law) is outlined in the National Council for Law Reporting Act as the preparation and publication of the reports known as the Kenya Law Reports, which shall contain judgments, rulings and opinions of the superior courts of record; undertake such other publications as in the opinion of the Council are reasonably related to the preparation and publication of the Kenya Law Reports; and perform any other functions conferred on the Council by or under the provisions of any other written law. In addition to this, the Hon. Attorney General delegated the powers of law revision conferred on him by the Revision of Laws Act (Cap. 1) to Kenya Law by virtue of Legal Notice No. 29 of 2009. The core functions of Kenya Law are therefore to publish the Kenya Law Reports and related publications and to revise, update and publish the Laws of Kenya.

In this last year of its Strategic Plan 2018-2022 Kenya Law set out to fulfil the three key result areas, which were the road map for the provision of its services. These are:

- i) Access to public legal information;
- ii) Organizational sustainability;
- iii) Corporate identity and Brand visibility.

Kenya Law is privileged to publish this 2022/2023 Annual Report detailing the strategic objectives and performance highlights for this period. This annual report documents the various initiatives undertaken towards the attainment of its mandate. The notable achievements for the period include the development of the 24th Annual Supplement through the delegated mandate of revision and consolidation of Laws;

- a) Completion of the Case Law Database (CLD) through which 24,795 judicial decisions were received and published within an average of 48 hours for each judicial decision;
- b) Completion of the Kenya Legislation Database (KLD) through 20 Acts, 221 Legal Notices and 43 Bills at the national level; and 24 pieces of County Legislation were prepared and published within an average of 48 hours for each piece of legislation;
- c) Development of four Law Reports out of which four were printed being: KLR 2021 Vol 1, KLR 2019 Vol 2, KLR 2018 Vol 2 and A Compendium of Decisions by Hon. Maraga 2021;
- d) Publication of two volumes of the Laws of Kenya i.e. the Grey Book 2022, and the Electoral Laws 2022; and
- e) Re-certification of the organization management system under the ISO 9001:2015 International Standard.

Due to the robust leadership and the effectiveness of the organization's processes, Kenya Law has continued to excel in the publication of public legal information and utilized the revenues allocated by the exchequer towards its planned activities and implementation of its mandate.

With the current Strategic Plan coming to an end, it was necessary to develop a new Strategic Plan to chart the way forward for the next five years. In preparing the 2023/2024-2027/2028 Strategic Plan, Kenya Law has taken cognizance of the government's aspirations of enhancing access to public legal information, acknowledging the "One Government Policy" and the government's aspirations towards a paperless and automated service delivery system.

The Strategic Plan has been aligned with the Constitution of Kenya 2010, the national development agenda and other blueprint policy documents including the Bottom-up Economic Transformation Agenda (BeTA), the Medium-term Plan IV of Vision 2030, Vision 2030, Judiciary Strategic Plan (2019/20 – 2023/24) and Social Transformation through Access to Justice (STAJ) (2022 – 2032). It has also been aligned to the Office of the Attorney General and Department of Justice

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(OAG & DoJ) Strategic Plan (2018/19 – 2022/23), African Union’s agenda 2063 and the Sustainable Development Goals (SDGs), among others.

In developing the next Strategic Plan, a review of the vision, mission and core values and situational analysis were undertaken, which entailed an evaluation of past performance and an environmental scan of the internal and external operating environments.

While we celebrate the milestones accomplished so far, we understand that the needs and expectations of the people are ever changing and increasing and that it is our responsibility to keep satisfying and even exceeding those expectations. We remain committed to achieving our mandate in an accountable and result-oriented manner in order to realize the government’s commitment in MTP IV and BeTA, which is a transformation plan geared towards economic turnaround for inclusive growth by creation of a conducive business environment for socio-economic transformation.



*Hon. Justice Martha Karambu Koome, EGH
Chief Justice & President of the Supreme Court,
Chairperson, National Council for Law Reporting.*

6. Report of the Chief Executive Officer



In the year under review great strides were made to actualize the targets set out in the Annual Work plan 2022/2023. In this financial year ended 30th June 2023, I am glad to note that we are at the tail-end in the implementation of the Kenya Law Strategic Plan 2018 – 2022 and as such we plan to undertake a terminal evaluation of the strategic plan in the coming financial year. This Annual Report highlights the organizational activities undertaken in the financial reporting period 2022-2023, which is the final year of the implementation of Kenya Law's Strategic Plan 2018-2022. The Constitution of Kenya, 2010, the Kenya Vision 2030 and the Judiciary Transformation Framework and Strategic Plan informed the formulation of that plan. Along the way, we incorporated other fundamental framework documents such as the Social Transformation through Access to Justice (STAJ), whose major thrust is putting in place a people centred justice system by removing barriers that have hindered access to justice for the excluded.

Pursuant to its mandate, Kenya Law continued to collect, compile and disseminate public legal information through www.kenyalaw.org in a timely manner. Below is a synopsis of Kenya Law's performance in the financial year ended 30th June 2023.

On the thematic area of Access to Public Legal Information Kenya Law printed four (4) Kenya Law Reports being, KLR 2015 Vol. 2, KLR 2017 Vol. 1, KLR 2018 Vol. 1 and KLR 2019 Vol. 1. Seven (7) other Law Reports were at various stages of the workflow process namely: KLR 2020 Vol. 2; KLR 2021 Vol. 1; KLR 2021 Vol. 2; KLR Devolution Vol. 2; KLR Devolution Law Report Vol. 2; Tribunal Law Report; and Presidential Election Law Report. Together with various development partners, Kenya Law undertook the development of specialized digests namely: Ethics & Anti-Corruption Case Digest; Devolution Case digest; and the Legal Education Case digest.

Further, a total of 24,795 decisions were collected and uploaded on to www.kenyalaw.org. This was an increase in collection by 4,460 judicial opinions compared to the previous financial year, where 17,018 decisions were collected. Of these, 4,297 cases were sent to judicial officers under the Case Back service. The uploading of the judicial opinions was done within 48 hours of receipt.

Further, in the same period, Kenya Law updated, consolidated and revised a total of five hundred and eight (508) Laws of Kenya, culminating in a 100% revision status.

The preparation of the 24th Annual Supplement was concluded and presented to the Hon. Attorney General and the Council who commissioned the sensitisation of key stakeholders on the content of the Supplement. This work was a culmination of our collaboration with the Office of the Attorney General. Kenya's first Annual Supplement was published in the year 1963 vide Legal Notice No. 683 of 1963. This was followed by 22 subsequent editions, running up to the year 1995, when the 23rd edition was issued. Since 1995, no other Annual Supplement has been issued. The long hiatus in the preparation of the Annual Supplement was occasioned by dearth in the capacity and resources to carry out the process. Therefore, in 2009, through Legal Notice Number 29 of 2009, the Hon. The Attorney-General delegated the powers of revision to the National Council for Law Reporting (Kenya Law), a body established under the National Council for Law Reporting Act, No. 11 of 1994.

For the first time in 28 years the Annual Supplement was completed containing:

- i) The Constitution of Kenya, which has been featured for the first time since its promulgation in 2010;
- ii) Two hundred and fifty-nine (259) statutes that have been enacted or come into force together with subsidiary legislation since the year 1995 have been included in the Annual Supplement;
- iii) One hundred and twenty-six (126) revised editions of statutes, which have been substantially amended since the year 1995;
- iv) A new revised edition of the accumulative index, which provides an alphabetical tabulation of all Acts of the Laws of Kenya;

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- v) A table of contents which features a list of East African Community Legislation; and
- vi) The Supplement to the Chronological Table (the tabulation of statutes that have been enacted since the last supplement that is from the year 1995 to 31st December, 2022 and results in the listing of statutes that were repealed pre-1995).

In addition, Kenya Law prepared and transmitted reports identifying law reform issues from Case Law and divergence in judicial reasoning to the Office of the Attorney General & Department of Justice, the Office of the Chief Registrar of the Judiciary and the Kenya Law Reform Commission. A total of 13 statutes that required legislative reform were identified and shared with the Kenya Law Reform Commission and a total of thirty-six (36) Law Reform issues from case law were identified and transmitted to the Office of the Attorney General & Department of Justice and the Kenya Law Reform.

Sixty-two (62) cases on international jurisprudence from different international courts on emerging areas were also tracked and reported.

In the same period, the Kenya Law repository of public legal information increased by eighteen thousand and seventy-seven (18,077) pieces of legal information, which were collected, automated and archived. Issues 57, 58, 59 and 60 of the Bench Bulletin were prepared and published. Concurrently, a total of forty-five (45) weekly newsletters were sent out to 26,857 online subscribers.

Kenya Law developed organizational performance targets and negotiated them with the Office of the Attorney General through the FY 22/23 Performance Contract. We fully implemented the performance contract and a successful evaluation led to a score of 3.152 being "Very Good" performance.

Kenya Law continued to implement a Quality Management System certified against ISO 9001:2015 International Standard and was re-certified for an additional three (3) year term through its certification body Kenya Bureau of Standard (KEBS).

To enhance its corporate identity and brand visibility, Kenya Law entered into various partnerships, including with ForumCiv, a Swedish organization supporting the effective formulation of public policy and legislation in counties; and with Barefoot Law, a non-governmental organization based in Uganda that primarily uses technology to provide free legal information in simplified formats, which was done through tracking of website analytics and use of social media to understand areas of public interest, package user friendly legal information and disseminated through outreach programs. The partnership with Haki FM, a contemporary radio station that addresses legal needs, enabled the sharing of public legal information on various topics, while the partnership with Oraro & Company advocates and Justice Defenders took legal aid and awareness closer to inmates incarcerated in various prisons across the country. Kenya law also undertook a revision of its logo to align it with the Government's requirements.

All this was underpinned by Kenya Law's robust ICT system that include the Case Law Database (CLD), the Kenya Legislation Database (KLD), the Kenya Law Blog, and the rest of the Kenya Law data bases. Kenya Law's website analytics showed an increase in the number of users accessing our site with the caselaw database being visited by over one million users. The re-development of the Kenya Law website commenced in this period and we look forward to the finalization and roll out of a revised front end to enhance the experience of users and improve the sites performance. The supply, installation and commissioning of Kenya Law's Modular Data Center was also completed in the period with operationalized our objective of transforming the existing server room into a Data Centre in line with ICT Authority Data Centre Standards (ICTA-2.002:2019).

Kenya Law's participated in over twenty-four (24) promotional activities in the period under review to showcase the organizations products and services and engage the public on public legal information. Kenya Laws efforts and achievements in the period were evident to our various stakeholders with the organization being nominated for various awards and honors and being feted in among others the Nairobi Legal Awards' Outstanding Tech Awards Category 2022.

All the activities and achievements highlighted was dependent on Kenya Laws funding by the National Treasury, as negotiated in the GJLOs budget sector meetings in the year. Kenya Law received Kshs.355.09 million being 100% of its

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revenues from the Government grants in the period under review. The total of revenues earned by Kenya Law increased by 2.22% to Kshs. 372.82 Million in the period while total assets increased by 2.73%.

The achievement of the above milestones would not have been possible without the vibrant and committed team that is Kenya Law and our partnerships with various stakeholders. I immensely thank the Council that made this past five-year strategic vision a reality.

Now let us move forward in strength and commitment.



Prof. Busalile Jack Mwimali

Editor / Chief Executive Officer

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7. Statement of Performance against Predetermined Objectives for FY 2022/2023

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statements, a statement of the national government entity's performance against predetermined objectives.

National Council for Law Reporting has three (3) strategic pillars and objectives within the current Strategic Plan for the FY 2018/2019- 2022/2023. These strategic pillars are as follows:

Pillar 1: Provision of Access to Public Legal Information

Pillar 2: Organizational Sustainability

Pillar 3: Corporate Identity and Brand Visibility

Kenya Law develops its annual work plans based on the above three pillars. Assessment of the Council's performance against its annual work plan is done on a quarterly basis. Kenya Law achieved its performance targets set for the FY 2022/2023 period for its three strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Access to Public Legal Information	Publishing Kenya Law Reports, the Laws of Kenya and other Related Publications to aid the efficient and timely delivery of Justice.	a) Number of Bench Bulletins published.	To Print 6 publications:	i) Published 500 copies of the Electoral Laws Digest.
		b) Number of special digests published.	a) Publish 4 issues of Bench Bulletins	ii) Published 2,000 copies of the Public Finance Management Act.
		c) Publish 2 Vols. (@500) Kenya Law Review Journal printed.	Publish 5,000 copies of special digests	iii) Published 10,000 copies Constitution of Kenya Pocket Size publication iv) Published 4,000 copies of Devolution Laws Vols. 1&2 v) National Assembly Induction Books 500 copies vi) Published 1,000 copies of the Asset Recovery Agency case digest on economic crimes. vii) Published 6,000 copies of the Asset Recovery Agency Laws. viii) Published 4,500 copies of Issues 56, 57 & 58 of the Bench Bulletins were published. ix) Published 1,010 copies of the Children's Act. x) At total of Seven (7) Publications were at various stages of preparation; 2019 Vol 2; 2020 Vol. 1; 2018 Vol. 2; Devolution Law Report Vol. 2; 2021 Vol. 1 and 2 and 2020 Vol. 2.
		Annual supplement @10 Nos. printed.	To Print the annual supplement @10 Nos.	All 508 laws were revised and updated, leading to a 100% revision status. Prepared the 508 statutes forming the 24th

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				Annual Supplement and submitted to the Attorney General.
		Percentage of Revision and updating of the Laws of Kenya.	To Collect, upload, consolidate and update / revise 95% of all the Laws of Kenya collected on the laws of Kenya database.	Uploaded to the Kenya Law website 100% of all of the supplements received within 48 hours of receipt. Uploaded all the Laws received (19 Acts, 156 Legal notices and 55 Bills).
Enhancing the provision of online legal content through the Kenya law website to aid the efficient and timely delivery of Justice.		Percentage of case law updated to Kenya Law website. Online newsletters prepared and published. 100% of the cause lists received uploaded online.	-To Collect decisions of the superior courts of record and a select subordinate courts and ensure 100% upload of the collected decisions within 48 hours. -To Prepare and publish fifty (50) online newsletters. To upload 100% of the cause lists received online.	The uploading of the judicial opinions was done within 48 hours of receipt. A total of 24,119 and 1,698 judicial decisions from the superior courts and tribunals and subordinate courts respectively were collected and uploaded. Reviewed a total of 18,667 judicial decisions and identified 130 as reportable. Prepared and published fifty (45) online newsletters, and Uploaded all 8,803 Cause lists received online. Kenya Law was able to send back 4,705 cases to Judicial officers under the Case Back service.
		Development of system for publishing judicial decisions developed.	To develop ICT systems for publishing judicial decisions and update the Laws of Kenya at 100% level of completion.	Both the Kenyan Legislation Database (KLD) and Case Law Database (CLD) systems were 100% complete as at 30 th June 2023. A total of 7,244 cases were processed through the Case Law Database (CLD) system.
		Number of Reports on emerging issues in jurisprudence.	To prepare 4 Quarterly reports to the Attorney General and the Kenya Law Reform Commission on Law Reform issues from Case-Law and statutes in need of legislative reform.	Four (4) reports were done and submitted. Thirty Six (36) Law Reform issues and 13 (Thirteen) statutes in need of legislative reforms were identified.
Established training, research, benchmarking continuous learning, mentoring and peer review	Number of Reports on divergence in judicial reasoning.	To prepare 4 Quarterly reports to the Judiciary on divergence in judicial reasoning.	Four (4) reports were done and submitted. One (1) case of divergence in judicial reasoning was identified and reported in the year. Tracked and reported 62 cases of international jurisprudence from different international courts.	

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	programmes.			
		The number of Law Reports, legal supplements, legal texts, Bills, Circulars, Policies and Native Tribunal decisions, online journals and management textbooks.	To maintain a one stop repository and digital archive of all public legal information.	A total of 18,077 (100%) Kenya Gazette Volumes, Kenya gazette supplements, County legislation, Copies of Parliamentary Hansard, Sessional Papers, Government policies and Commission reports etc. were acquired, digitized and archived in the online repository of public legal information.

Pillar 2: Organizational Sustainability	Culture change and skills development to enhance staff capacity and skill sets at Kenya Law.	Number of officers trained on leadership, management and skill development programmes.	To train at least 50% of Kenya Law staff on leadership, National Values, management and technical and skills development and to Implement recommendations of the Kenya Law Training plan.	A total of (80%) 59/74 officers were trained in a total of 31 different trainings as per the Training plan.
	Modernized Human Resource Management and Development.	Level of facilitation for staff compensation, welfare and benefits.	a) To 20 legal interns and apprentices.	Two (2) interns and nineteen (19) apprentices were engaged
			b) To Compensate the staff members.	Staff benefits and statutory deductions were remitted as required.
			To develop and implement staff welfare activities, organizational Development/Retreats /Teambuilding activities.	One (1) organizational retreat and one (1) departmental retreat were done.
	MTEF Budgeting and Annual work plans	To prepare MTEF Budget proposals and work plans.	Budget workshops attended and Kenya Law allocated Kshs. 365.09 M in the Financial Year 2022/23.	
Reliable ICT Infrastructure and applications established and strengthened.	Enhanced access to public legal information facilitated by acquisition / renewal of Software's and licenses.	To Acquire/Renew existing licenses and contracts to facilitate online access to public legal information.	i) The Case law database recorded 1,101,041 users and 11,213,287 - page views in the year ended June 2023. The average length of a session was 6 minutes 53 seconds.	
			ii) Top five countries that recorded the most access were: Kenya with 931,466 users (84.08%); the United States of America with 45,100 users (4.07%), Uganda with 16,938 users (1.53%), the United Kingdom with 14,403 users (1.30%) and Tanzania with 9,781 users (0.88%).	

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				<p>i) Laws of Kenya database recorded 528,544 users and 3,481,075 - page views in the year ended June 2023. The average length of a session was 2 minutes 54 seconds.</p> <p>ii) Top five countries from where the Laws of Kenya database was accessed were; Kenya with 472,030 users (88.17%); the United Kingdom with 13,943 users (2.60%); United State of America 8,688 users (1.62%); Uganda with 3,721 users (0.70%); and Germany with 3,314 users (0.62%).</p> <p>i) Kenya Gazette Database had 255,327 users who viewed a total of 2,214,201 -pages in the year ended June 2023. The average length of a session was 4 minutes 52 seconds.</p> <p>ii) Top five countries from where the Kenya Gazette Database was accessed were; Kenya with 204,785 users (79.26%); United State of America 26,650 users (10.31%); the United Kingdom 3,249 users (1.26%); India with 1,993 users (0.77%); and Netherlands with 1.986 users (0.77%).</p> <p>i) Kenya Law blog had 76,562 users who viewed a total of 287,117-pages in the year ended June 2023. The average length of a session was 1 minute 01 seconds.</p> <p>ii) Top five countries from where the Kenya Law blog was accessed were; Kenya 50,354 users (64.56%), France 11,359 users (14.56%), Germany 5,135 users (6.58%), United State of America 1,899 users (2.43%) and Tanzania 962 users (1.23%).</p> <p>i) The rest of the Kenya Law website had 294,122 users who viewed a total of 1,412,669- pages in the year ended June 2023. The average length of a session was 1 minute 17 seconds.</p> <p>ii) Top five countries from where the rest of the Kenya Law website was accessed were; Kenya 74,460 users (86.73%), USA 1,896 users (2.21%), UK 827 users (2.21%), Philippines 700 users (0.82%) and South Africa 579 users (0.67%).</p>
	<p>Quarterly maintenance of Computers, printers and other ICT</p>	<p>To carry out 4 Quarterly Preventive Maintenance (including</p>	<p>4 Quarterly Preventative maintenance on all Kenya Law equipment was undertaken at the scheduled times.</p>	

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		hardware carried out	upgrades, etc.)	
	Establish transparency, accountability and integrity mechanisms.	1. No. of Council members and staff trained on corporate governance and leadership. 2. No. of Council and Council Committee meetings convened.	To train 11 Council members on programmes in corporate governance and leadership. To conduct 5 full Council meetings and 23 Council Committee meetings.	6 Council members trained. 28 Council and Committee meetings were held.
	Performance management and accountability institutionalized.	Annual evaluation of the Council and departmental PCs carried out and Annual report Printed.	To carry out annual evaluation of the Council and departmental PCs.	Council Evaluation training done. Kenya Law Performance Contract was signed. 4 Quarterly reports done and sent to the Office of the Attorney General.
Pillar 3: Corporate Identity and Brand Visibility	To continuously enhance Corporate Identity and Brand visibility.	Number of promotional programs implemented to enhance brand visibility.	i) To undertake 28 promotional programmes including LSK CPDs & Annual Conference, Legal Awareness Programmes, ASK Shows, Moot Court Competitions, Research Fairs and conferences. ii) To maintain a robust social media presence.	Undertook 19 promotional programmes in the year. Distributed 3 issues of the Bench Bulletin to Kenya Law stakeholders across the 47 counties. Total 4,500 copies. 145 posts were uploaded on twitter and 125 Facebook, totaling 270. Kenya Law had a total of 5,400 new online followers acquired in the period under review, with 2,700 followers being on Facebook and 2,700 on Twitter. A total of 19,000 fans in Facebook and 45,000 on Twitter.
	Corporate Social Responsibility events done.	Number of CSR activities undertaken.	To undertake 3 CSR activities (Tree Planting, Social Marathon, Donation Drive).	3 CSR activities was done in the year. Tree planting at Kenya Forestry Service in Maseno, StanChart Marathon and the Mater Heart Run.

8. Corporate Governance Statement

Kenya Law recognizes the importance of corporate governance to the success of the organization. We view governance not simply as a set of rules but the framework supporting core values which define the acceptable practices in the management of public institutions. It is an expression of the way we want to conduct ourselves, which informs our actions and decisions, defines and supports our culture as an institution.

The operations of Kenya Law are conducted in accordance with the best practices anchored in principles of accountability and transparency as espoused in the Constitution and in compliance with relevant laws and regulations as espoused in the Mwongozo code. The Council has also embraced the international principles and best practices in corporate governance. The institution discharges its mandate based on strong corporate governance principles and consistently applies high ethical standards.

Council Charter

The Council has a Charter that guides its operations and facilitates efficient decision making in discharging its duties and responsibilities. The Charter offers guidance on matters including but not limited to the following; The separation of the roles, functions, responsibilities and powers of the Council and its individual members; Powers delegated to the Council committees; Matters reserved for final decision-making and approval by the full Council; Policies and practices of the Council on matters of corporate governance, directors' declarations and conflict of interest, conduct of full Council and Council committee meetings; and Nomination, appointment, induction, on-going training and performance evaluation of the full Council and its committees.

The governance framework, the corporate culture and human relationships that underpin all governance frameworks, are operating as expected. The roles and functions of the Chairman and the Editor/CEO are distinct and their respective responsibilities clearly defined within the institution.

Council size, Composition and appointments

The Council comprises of ten (10) Council members, nine (9) of whom are non-executive members of the Council including the Chairman. The Council also co-opts members with diverse expertise in areas of Financial Management, Human Resource management and audit to complement its capacity. In the financial year ended 30th June 2023, the Council had four (4) Co-opted members.

In the period ended 30th June 2023, the terms of two Council members came to an end and their appointing authorities were duly notified to take the necessary action.

Council Committees

The Council has set up the following Committees, which meet at least quarterly under well-defined terms of reference:

- i) Technical Committee
- ii) Human Resources Committee
- iii) Finance and General Purposes Committee
- iv) Audit and Risk Management Committee

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A summary of Council meetings and attendance is shown below;

Overall number of Council meetings: Members attendance for 2022/2023

The Council held five (5) Council meetings, one (1) Council evaluation meeting and nineteen (19) committee meetings in the Financial Year 2022/2023 with over 95% attendance rate.

Council Member	Position	Full Council	Technical Committee	Finance & General Purposes	Human Resources	Audit Committee
Hon. Justice Martha Koome	Chairperson	5	0	0	0	0
Hon. Justice Paul Kihara / Alternate, Ms. Linda Murila	Member, Representing the Office of Attorney General	5	7	5	0	0
Hon. Justice Fatuma Sichale	Member, Representing the Court of Appeal	5	0	5	3	0
Hon. Justice James Rika	Member, Representing the High Court	5	6	0	0	4
Hon. Anne Amadi	Co-opted Member, Chief Registrar, Judiciary of Kenya	2	0	0	0	0
Prof. Winfred Kamau	Member, Representing The University of Nairobi Law School	5	0	0	3	4
Ms. Jennifer Gitiri	Member, Representing the Public	5	0	0	3	4
Ms. Janet Kimeu	Member, Representing the Law Society of Kenya	5	2	2	0	0
Mr. Michael Muchemi	Member, Representing the Law Society of Kenya	3	0	0	2	2
Mr. Mwenda Njoka / Alternate, Ms. Eva Kimeiywo	Member, Representing the Government Printer	5	7	5	0	0
Amb. Ukur Yattani / Alternate, Mr. Jona Wala	Member, Representing the National Treasury	0	0	5	0	0
Mr. Dudley Ochiel	Member, Representing the Law Society of Kenya	4	7	0	0	1
Ms. Sarah Nyoike	Member, Representing the Law Society of Kenya	4	0	3	1	0
Prof. Jack Busalile	Secretary/ CEO	5	7	5	3	4

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Induction and training of Council and member performance

The National Council for Law Reporting (Kenya Law), through the development and implementation of its Corporate Governance Plan, undertakes the following activities towards skills enhancement and skills diversification of its Council Members:

- i) Council member induction - Newly appointed Council Members are inducted to the organization formally in preparation of the discharge of their functions as members of the Council. The induction process included a review of organizational documents (NCLR Act of 1994, Strategic Plan, Annual Reports, organizational policies and procedures and the Council Charter). The induction process is further undertaken through training on the Mwongozo Code of Conduct by the Institute of Certified Public Secretaries.
- ii) Council Training on Corporate Governance - Council members are regularly trained on Corporate Governance as facilitated by qualified professionals.
- iii) Council Technical Training - Council members undertake training on technical skills required in their role including financial management, human resources and administration, internal audit among others. The trainings are targeted to Council Committees who receive reports from various departments.
- iv) Council Appraisal - The Council's as required by the Mwongozo Code of Conduct and as ascribed to within the Council Charter undertakes an annual evaluation.

In the year ending June 2023, a total 6 (Six) Council Members were trained in various areas. Three attended trainings on the new systems of publishing Case Law and the Laws of Kenya while another three attended courses on Corporate Governance.

The Council Evaluation for the FY 2021/2022 was undertaken with the facilitation of the State Corporations Advisory Committee (SCAC) on 26th July, 2023.

Conflict of Interest

A conflict of interest may arise where a Council member, employee or close family member such as a spouse, child, parent or sibling has private interests that could improperly influence the performance of the Council member or employee's official duties and responsibilities.

Conflict may also arise where a Council member or employee uses their office for personal gain.

A real conflict of interest exists at the present time. An apparent conflict of interest could be perceived by a reasonable observer to exist, whether or not it is the case, and a potential conflict of interest could reasonably be foreseen to exist in the future.

To prevent of Conflict of Interest, Council members and Kenya Law employees are expected to maintain public confidence in the objectivity of their service by preventing and avoiding situations that could give the appearance of a conflict of interest or result in a potential or actual conflict of interest.

Kenya Law Council members and employees are required to observe the Mwongozo code of conduct and any specific conduct requirements contained in the statutes governing ethical behaviour in their profession, where applicable.

It is not possible to foresee every situation that could give rise to real, apparent or potential conflict of interest, however, where conflict arises, the Council members or Kenya Law employees are required to excuse themselves, or anyone who works for them, from any decision-making that may create a conflict of interest with their private interests and record the same in the Kenya Law Conflict of interest register. They are also required to observe section 3.1 of the Mwongozo code in the disclosure and management of conflict of interest.

9. Management Discussion and Analysis

Section A

Operational and Financial Performance

Operational Performance

Kenya Law's operational performance in the period ended 30th June 2023 was impressive. We continued to collect, process and disseminate public legal information through our web site (www.kenyalaw.org) in a timely manner.

Kenya Law achieved very good results in the area of online reporting, collection and uploading and dissemination of public legal information as well as printing of specialized publications.

Below is a narrative expounding on Kenya Law's operational performance in the period ended 30th June 2023:

- i) Published 500 copies of the Electoral Laws Digest.
- ii) Published 2,000 copies of the Public Finance Management Act.
- iii) Published 10,000 copies Constitution of Kenya Pocket Size publication
- iv) Published 4,000 copies of Devolution Laws Vols. 1&2.
- v) Published 500 copies of the National Assembly Induction Booklets.
- vi) Published 1,010 copies of the Children's Act.
- vii) Published 1,000 copies of the Asset Recovery Agency case digest on economic crimes.
- viii) Published 6,000 copies of the Asset Recovery Agency Laws.
- ix) Published 4,500 copies of Issues 56, 57 & 58 of the Bench Bulletins were published.
- x) At total of Seven (7) Publications were prepared at various stages of preparation; 2019 Vol 2; 2020 Vol. 1; 2018 Vol. 2; Devolution Law Report Vol. 2; 2021 Vol. 1 and 2 and 2020 Vol. 2.
- xi) Reviewed 18,667 cases during case review meetings of which a total of 130 cases were selected for reporting.
- xii) Compiled and disseminated 45 weekly newsletters on Case law updates to our 26,841 online subscribers as at the end of the period.
- xiii) A total of 4,705 decisions were sent out to judicial officers as part of the Case-back service as the end of the period.
- xiv) Collected, processed and disseminated on the Kenya law website (case law database) 100% of the collected i.e. 24,119 judicial decisions from the superior courts of record: Supreme Court 111, Court of Appeal 1,445, High Court 12,440, Environment and Land Court 6,771, Employment and Labour Relations Court 3,253 and 1,698 decisions from the Tribunals and subordinate courts.
- xv) A total of 8,803 daily, weekly and monthly cause lists received from superior and subordinate court stations were uploaded online in time.
- xvi) A total of 7,244 cases were processed through the new Case Law Database.
- xvii) Collected, processed and uploaded on the Kenya Law website (Laws of Kenya database) 100% of all Acts, Bills, Legal notices, Amendments Acts and regulations that were received.
- xviii) Identified 13 statutes that required legislative reform and shared with the Kenya Law Reform Commission.
- xix) Uploaded 19 Acts, 156 Legal Notices and 55 bills from both Senate and National Assembly.
- xx) Data Migration was completed 100% with 508 statutes migrated into the Kenyan Legislation Database.
- xxi) Prepared and transmitted 4 report identifying thirty-six (36) Law Reform issues from Case-Law to the Office

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of the Attorney General & Department of Justice and the Kenya Law Reform.

- xxii) Prepared and transmitted 4 reports to the Office of the Chief Registrar. There was 1 (one) issue that was identified on differences in Judicial reasoning.
- xxiii) Tracked and reported sixty-two (62) cases of international jurisprudence from different international courts on emerging areas for purposes of comparative analysis and research.
- xxiv) Collected, digitized and uploaded on the Kenya Law website 100% (18,077 documents) of all other public legal information received i.e. Kenya Gazette Volumes, Kenya gazette supplements, County legislation, Copies of Parliamentary Hansard, Sessional Papers, Government policies and Commission reports etc.
- xxv) All five hundred and eight (508) Laws of Kenya were revised and updated, making a 100% revision status.

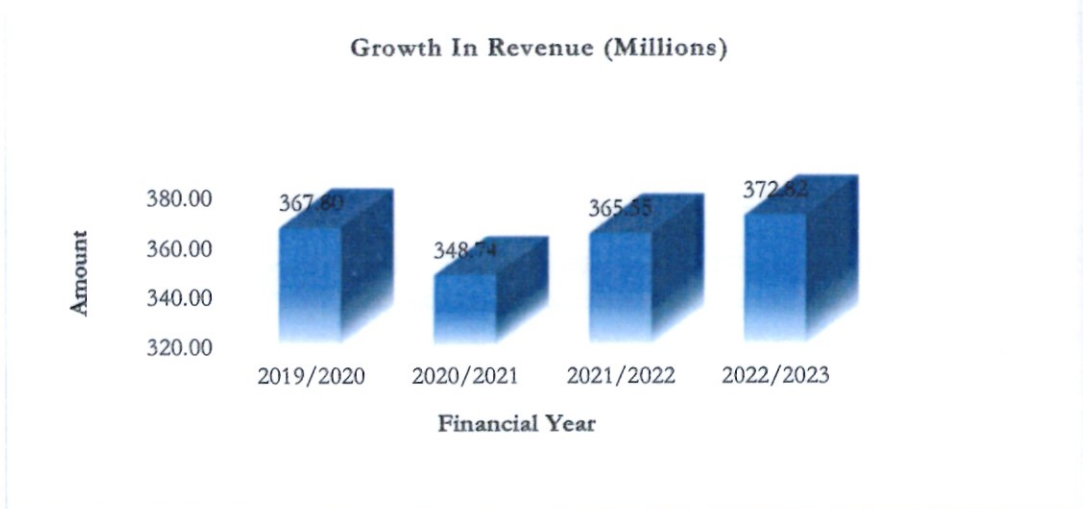
The website analytics showed an increase in the number of users accessing Kenya Law website compared to the previous year. These were:

- a) Case Law Database – This contains rulings and judgments from the Superior Courts of record. The database had 1,101,041 users who viewed a total of 11,213,287 – pages in the financial year 2022/2023. The average length of a session was 6 minutes 53 seconds with the top five countries accessing it being: Kenya with 931,466 users (84.08%); the United States of America with 45,100 users (4.07%), Uganda with 16,938 users (1.53%), the United Kingdom with 14,403 users (1.30%) and Tanzania with 9,781 users (0.88%).
- b) Laws of Kenya Database – This contains all the Acts of Parliament and corresponding subsidiary legislation. The database had 528,544 users who viewed a total of 3,481,075 pages in the financial year 2022/2023. The average length of a session was 2 minutes 54 seconds. The top five countries from where the Laws of Kenya database was accessed were; Kenya with 472,030 users (88.17%); the United Kingdom with 13,943 users (2.60%); United State of America 8,688 users (1.62%); Uganda with 3,721 users (0.70%); and Germany with 3,314 users (0.62%).
- c) Kenya Gazette Database – This contains all the Acts of Parliament and corresponding subsidiary legislation. The database had 255,327 users who viewed a total of 2,214,201 pages in the financial year 2022/2023. The average length of a session was 4 minutes 52 seconds. The top five countries from where the Laws of Kenya database was accessed were; Kenya with 204,785 users (79.26%); United State of America 26,650 users (10.31%); the United Kingdom 3,249 users (1.26%); India with 1,993 users (0.77%); and Netherlands with 1,986 users (0.77%).
- d) Kenya Law Blog – This contains various reading materials such as case summaries from Kenya and other commonwealth countries, conference papers, speeches and Kenya Law news. 76,562 users viewed the blog. Top five countries that accessed Kenya Law blog were; Kenya 50,354 users (64.56%), France 11,359 users (14.56%), Germany 5,135 users (6.58%), United State of America 1,899 users (2.43%) and Tanzania 962 users (1.23%).
- e) Rest of Kenya Law Website – This contains assorted material such as Cause Lists, Treaties and Agreements, Commission Reports among others. In FY 2022/2023 there were 294,122 users visiting the database. This was an increase from the previous FY 21/22, which had 262,766 viewers. The most viewed statutes were the Constitution of Kenya 2010, Civil Procedure Act; Law of succession, the Children’s Law and the Evidence Act. Kenya Law’s website had a 97% daily uptime and was secured by up to date security hardware and software.

Financial Performance

Kenya Law’s financial performance was good in the year ending 30th June 2023. Kenya Law made a surplus and continued to maintain a healthy balance sheet position at the close of the year. The details of Kenya Law’s financial performance are indicated below;

- a) Total of Revenues earned by Kenya Law increased by 2.22% to Kshs. 372.82 Million in the period ending 30th June, 2023 as compared to the Kshs. 365.55 Million earned in the period ending 30th June, 2022. This was also a higher performance in revenue earnings as compared to the Kshs. 348.74 Million earned in the period ending 30th June, 2021 but better as compared to Kshs. 367.80 Million in the period ending 30th June 2020.



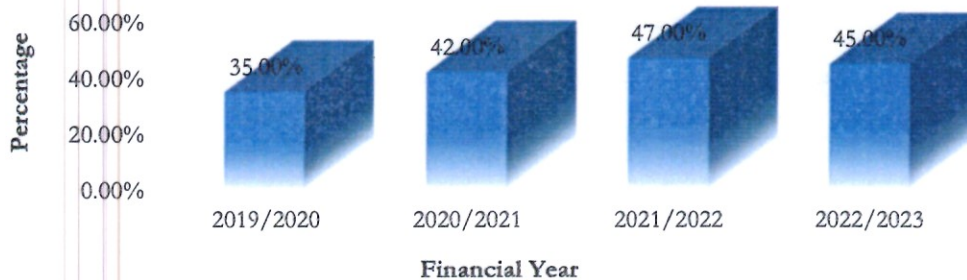
- b) The percentage of expenditure in Personnel Emoluments as compared to Total Revenues earned was 45%. This means that 45% of all Kenya Law revenues were utilized in paying salaries, wages and pension expenses in the year ended 30th June 2023 as compared to 44% for the year ended 30th June 2022, and still above the recommended 35%. The amount was higher than the 39% in the financial year 2020/2021 and the 36% recorded in the 2019/2020 financial year. This was due to the annual salary increments and additional staff costs for temporary staff working on the Annual Supplement.



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- c) The percentage of expenditure in Personnel Emoluments as compared to Total Expenditure decreased to 45% in the year ending 30th June 2023 from 47% in the year ending 30th June 2022. This indicates that 45% of all Kenya Law recurrent expenditures in the year ending 30th June, 2023 were salaries, wages and pension expenses as compared to the recommended 35%. The expenditure was also an increase in spending as compared to 42% in the FY 2020/2021 and also higher than the 35% recorded in the FY 2019/2020. This was due to the annual salary increments and additional staff costs for temporary staff working on the Annual Supplement. Even though there was an increase in the PE expenditures, the total expenditures in the financial year ended 30th June 2022 were lower as compared to the year ended 30th June 2023, hence the decrease.

PE To Total Expenditure



- d) Kenya Law had a healthy Balance sheet in the year ending 30th June, 2023. Total Assets however increased by 2.73% in the period ending 30th June, 2023 as compared to a decrease of 10.64% in the year ending 30th June 2022. This was however better in comparison to the marginal increase of 0.65% recorded in the FY2020/2021 and the decrease of 11.20% recorded in the FY 2019/2020. This asset growth was due to additional stocks of publications that were printed in the year.

Growth In Assets



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- e) Total Liabilities increased by 6.09% in the period ending 30th June, 2023 as compared to the 21.53% reduction recorded in the FY ending June 30th, 2022. This was due to the marginal increase in Kenya Law’s commitments and obligations to third parties. This was not a good performance as compared than the reduction of 11.95% in the year 2020/2021. It was however much better than the 27% increase recorded in the year 2019/2020. The increment in FY 2022/ 2023 was due to uncompleted ICT interventions had been contracted but were still ongoing at the end of the financial year.

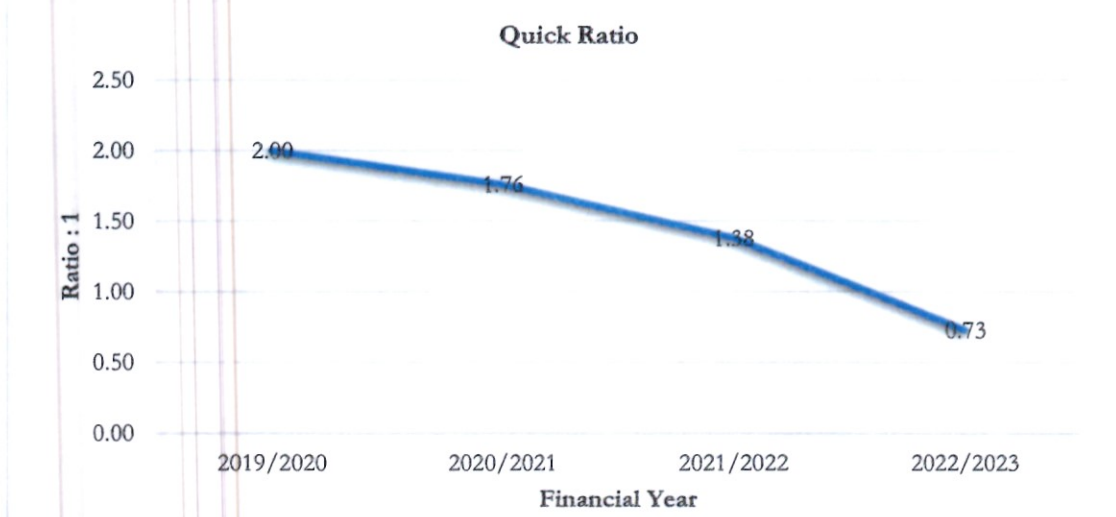


- f) The liquidity of Kenya Law was also healthy. The Current ratio as at 30th June, 2023 decreased to 9.61:1 as compared to 15.97:1 as at 30th June 2022. This indicates that Kenya Law had Kshs. 9.61 worth of Assets available to pay Kshs. 1 worth of Liabilities as at 30th June, 2023. This was higher as compared to 6.3:1 in the FY 2020/2021 and as compared to 5.0:1 in the FY 2019/2020. The slight reduction in FY 2022/ 2023 ratio was due to the increase investments in stock of publications and its slow conversion ratio to cash and cash equivalents in the financial year.



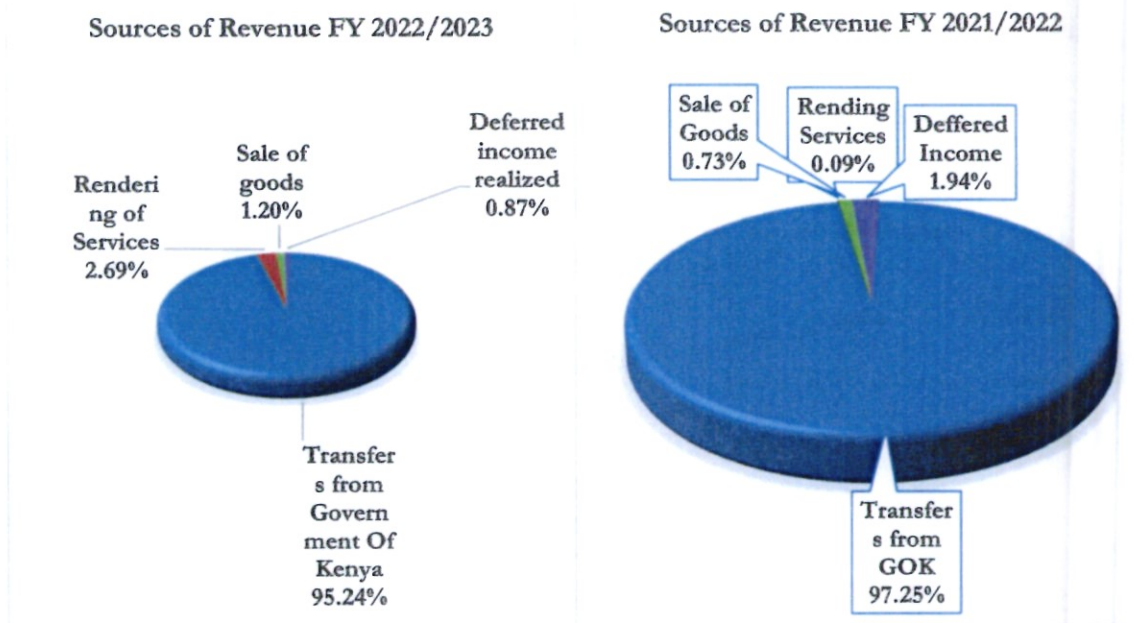
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- g) The Quick (Acid Test) ratio as at 30th June, 2023 reduced to 0.73:1 as compared to 1.38:1 as at 30th June 2022. This indicates that Kenya Law had Kshs. 0.73 worth of Quick Assets available to pay Kshs. 1 worth of Liabilities as at 30th June, 2023. This was however lower as compared to Kshs. 1.76:1 in the FY 2020/2021 and Kshs 2.0 in the FY 2019/2020. This is a ratio that determines the liquidity exclusive of the current asset item of stocks i.e. it is determinant on the quick and readily convertible assets. Even though there was an increase in stocks, this did not have an impact on the Quick ratio hence it reduced in the year 2022/2023 due the slow stock conversion ratio.



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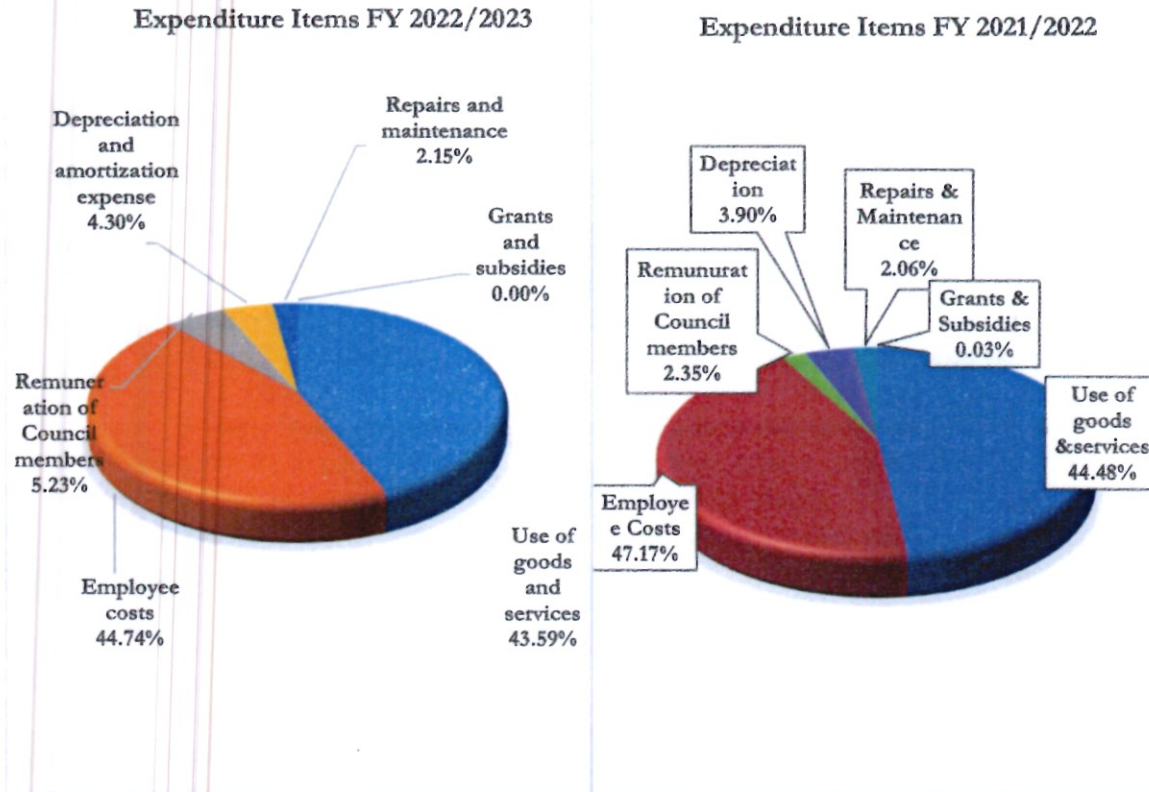
h) Comparison of the Sources of Revenues for the FY 2022/2023 and FY 2021/2022 were as follows;



Kenya Law received 95% of its revenues from the Government grants in the FY 2022/2023 as compared to 97% in the FY 2021/2022. This shows that Kenya Law is still highly dependent on Government of Kenya support in financing of its operations. Kenya Law received Kshs.355.09 Million in each of the two FYs 2022/2023 and 2021/2022 respectively from the GOK. Rendering of services, sale of goods and deferred income recorded 2.69%, 1.20% and 0.87% respectively.

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i) Comparison of Expenditure items for the FY 2022/2023 and FY 2021/2022 was as follows;



There use of goods and services reduced to 43.59% in FY 2022/2023 as compared to 44.48% in FY 2021/2022 because due to budget realignments. Remuneration to Council members increased to 5.23% due to additional trainings in the year, Employee costs, Depreciation, repairs and maintenance and grants and subsidies recorded 44.74%, 4.30%, 2.15% and 0% respectively and therefore remained more or less unchanged in the year.

Section B

Growth and Strategies

I) Deployment and Commercialization of ICT systems for legal publishing

Kenya Law is in the process of finalizing the development of the ICT systems for publishing of Public legal information. The systems have advanced capabilities for processing legal information with value addition that can be commercialized:

Kenya Law Database (KLD)

This is an ICT system that allows for a higher efficiency in real time publication of the laws on the online portal.

The Kenya Legislation Database will have the following website enabled functionalities;

- i) Ability to enrich the online platform and still preserves the legislative tradition of Print publications.
- ii) Automatic comparison between amended versions to highlight differences.
- iii) Hyperlinking functionality.
- iv) Ability to have associated documents attached to the particular instrument of law
- v) Scalability of the system to enable partnership across sectors (e.g.) Non-Tariff Measures Project.
- vi) Ability to scale up to a premium service.
- vii) Clarity in communication of legislative history, i.e. addresses the 'legalese' challenge in terms of language used in presentation of the law online. Availability of tools to help in understanding and navigation.
- viii) Supports the generation of charts to aid research and convey information quickly.

Case Law Database (CLD)

The Case Law Database (CLD) will increase efficiencies within the organization and enable the capturing, structuring, researching, analyzing and publishing of case law and its derivative products.

The Case Law Database will have the following functionalities;

- a) Ability to aggregate Case Law/Law Reports according to thematic areas
- b) Standardization of online and print content- online content (front end) will look and feel similar to the print publications.
- c) Draft volumes can be produced at any time in the course of the year.
- d) Ability to relate cases based on the data captured. (Rulings, orders, judgments, appeals).
- e) Improved efficiency significantly reduces the time needed to manage case law and produce publications. Reduction in the time taken to review publications. (No back and forth with publishing).
- f) Automated generation of Law Reform Issues.
- g) Improved Workflow Process Management that has enabled the tracking of life cycle of case law workflow; availing of escalation notes based on Key Performance Indicators; and tracking of changes.

II) Law Revision

Revision of County Legislation in line with Office of the County Attorneys Act No.14 of 2020 and is an area of collaboration with the County Governments.

III) New Human Resource Instruments

Kenya Law has developed new Human Resource Instruments that have been presented for approval to the State Corporations Advisory Committee. The new instruments provide for a robust Human Resource establishment of 252 officers that will be more in tune with the new institutional requirements and be critical to deliver on our mandate.

Opportunities

a) **Updated ICT systems for Legal Publishing**

There is opportunity to upscale Kenya Law ICT systems to enrich the user experience through leveraging on partnerships in the generation and dissemination of Public Legal Information through joint researches, trainings, memoranda of understanding.

b) **Improvement of Revenue Collections**

With the two systems KLD & CLD, Kenya Law will be able to identify value added services and content that can be accessed at a fee.

c) **Increased digitization**

The digitization in the judiciary will enable Kenya Law to receive Judicial decisions in real time as and when delivered. This also provides an opportunity to integrate and link the case law database with the case management in the judiciary for efficient submissions of judicial decisions and cause lists.

d) **Enhanced Legal Framework**

Kenya Law is in the process of reviewing its founding law (National Council for Law Reporting Act, Act No. 11 of 1994) with the objective of providing an enhanced legal framework for the operations of the organization.

Challenges

i) **Insufficient budgetary allocations** have limited Kenya Law's ability to deliver on its mandate as per the strategic plan. The current funding consists of only 70% of its most realistic annual budgetary requirements and this necessitated the organization to cut back on its programmes and activities to fit into the available funding.

ii) **Insufficient Human Resources:** Kenya Law is operating at 44% of its staff establishment which has primarily been caused by the limited budgetary allocations. Out of the current staff establishment of 167, Kenya Law only has 72 officers in post, leading to work overload that affects the timely production of quality outputs. This may be put in context, in one way, by considering the growth that has occurred in the Judiciary in the last 10 years. There has been a 200% increment in the number of judges from 58 in 2010 to 174 in the year 2021; there has been a 135% increase in the number of court stations from the year 2010 to date; there has been a 342% increase in the number of judicial decisions collected from the year 2010 to date while the number of Law Reporters has increased by only 36% from 7 to 11 officers in the same period. Kenya Law requires additional funding to recruit 20 additional law reporters and 20 legal researchers to cope with the increased number of judicial decisions delivered daily. There has also been growth in the volume of legislation received at Kenya Law. In addition to national legislation, county legislation is now received and uploaded in the Kenya Law website. A total of 2,346 pieces of County Legislation from the 47 counties have been collected and uploaded and awaiting revision. This work is done by a team of 12 officers, 5 of whom are lawyers. Kenya Law requires additional funding to recruit 20 additional law reporters and 40 legal researchers to cope with the increased number of judicial decisions delivered daily and especially the validation of legacy content (about 200,000 legacy cases) for the CLD & KLD systems. More training is also required on the new systems.

iii) With an expanded staff capacity is required increased finances, human resources, space and supporting infrastructure. These requires the support and authorization of the various stakeholders with the requisite mandates to enable Kenya Law meet these requirements.

iv) Kenya Law has not optimally upgraded and improved its ICT infrastructure to the required standards due to fund shortages. Kenya Law relies heavily on current ICT systems to ensure the proper processing, storage and dissemination of legal information. It currently holds 55 TB worth of public legal information. The inability to upgrade and improve hardware and software systems has a negative impact on its core mandate – the provision of and access to public legal information in terms of enhancing data integrity and safety to the most optimum levels. The challenges included;

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- Obsolescence of computer hardware and technology. Hardware related issues have led to break down of machines. Software challenges e.g. few Adobe Pro applications on Machines and limited space on Google -email has caused work delays.
 - Dynamic nature of ICT systems which require constant upgrades at a cost. The ever increasing volumes of data require constant planning for additional database space and data security.
 - Insufficient Bandwidth to support access to the Cause lists, Kenya Gazettes and the LOK database.
 - Intermittent internet leading to the need to increase Internet bandwidth requirements, with limited financing.
 - Judicial decisions and other public legal information published on the Kenya law website contain personal information not exempt from the data protection Act therefore exposes the organization to the risk of litigation.
- v) Receipt of judicial decisions in incompatible formats; unavailability of hard copies of legislative supplements and collection of other public legal information from the Government printer and other state agencies.

Section C

Compliance with statutory requirements

Kenya Law published judicial decisions received from the superior courts of record online and published the Kenya Law Reports in compliance with the National Council for Law Reporting Act (No.11 of 1994). Kenya Law also updated all the Laws of Kenya ensuring compliance with the Revision of Laws Act (CAP 1).

Kenya Law adhered to the Legal and regulatory frameworks issued by the Government of Kenya to ensure compliance with the statutory requirements under the Constitution, the Public Finance Management Act 2012 and Public Procurement and Disposal of Assets Act 2015 and the Employment Act No.11 of 2007.

In addition, Kenya Law endeavored to fulfill its corporate governance obligations with the guidance of the Mwongozo code.

Key projects and investment decisions Kenya Law is planning / implementing

Kenya Law has procured an ICT system for processing, storage and dissemination of Public legal information (both Case Law and Laws of Kenya). The acquisition and implementation of these systems was phased commencing in the financial year 2019/2020. They were both at implementation and data migration stage.

Major risks facing Kenya Law

Financial risk

Kenya Law requires additional funds to ensure that it can fully discharge its mandate. The organizational approved budget is about 75% of the ideal budget.

Further, Kenya Law's Human Resource costs constituted 44% (compared to the recommended level of 35%) of the total budget. This has deprived Kenya Law of additional funds to deliver on its core mandate and other critical activities. The limited financial resources have meant that Kenya Law has not fully discharged all its activities as envisaged in the Strategic Plan 2018-2022 due to constant reorganization of activities to fit within the available resource ceilings.

Operational risk

Kenya Law is operating at 43% of its staff compliment (74 officers as compared to a new approved staff establishment of 167) and this has negatively impacted on its ability to discharge its mandate in a timely manner as staff have to multitask and work long hours. The turnaround time for production of time bound publications has therefore increased and there is a rolling backlog of publications for print. The timely preparation and dissemination of public legal information through the website has also been negatively affected.

Kenya Law collects revenue through the sale of its publications. The collection of debts from debtors of the organization has posed a challenge especially in relation to public sector agencies that may not prioritize payment of their obligations

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to Kenya Law for products already sold to them. There is a risk that the debts from public institutions, which are more than 3 years old, may not be paid thus negatively affecting the operations of the organization.

Material arrears in statutory/financial obligations

Kenya Law had no material arrears in statutory/ financial obligations. There was a total of Kshs. 25,134,374 due as payroll deductions for PAYE, HELB, NSSF, NHIF, Sacco deductions, Insurances deductions, mortgage, staff pension, welfare obligations and withholding VAT payments for the month ended 30th June 2023.

Financial probity and serious governance issues

The Council is responsible for the policy framework in relation to the institution's risk management and internal controls. The Finance and General Purposes Committee of the Council is responsible for the policy framework to ensure proper financial planning and execution of the financial management function while the Audit & Risk Management Committee of the Council regularly reviews the effectiveness of the internal controls and provides assurance on the implementation of financial plans by regular reporting to the full Council.

The Internal Audit and Risk Department implements Kenya Law's risk management framework in all business processes and reports regularly to the Editor and the Audit & Risk Management Committee.

In addition, the OAG performs systems audits to independently review the effectiveness of the institutional risk management framework. It also does financial audits at the end of the financial period to provide assurance on the credibility of the annual financial statements.

There were no serious governance issues in the Council, any Council member, the top management in relation to conflict of interest, financial impropriety or Council composition in the execution of its functions.

10. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

Kenya Law has had many positive developments in this financial year. We operate in a dynamic, resource scarce environment influenced by a host of socio-economic, legal and political factors that impinge on our operations and impact the realization of our objectives. The achievement of our objectives largely depends on how well we have leveraged internal strengths to exploit external opportunities as well as how well we have managed internal weaknesses to avoid crystallization of external threats.

We have aligned our programmes and activities to the overall national development agenda espoused in the socio-economic development blueprints, we have enhanced the synergy amongst members of staff and between departments for the overall success of the institution. We have enhanced teamwork, learning, innovation and creativity to facilitate effective inter and intradepartmental co-ordination, exposure to industry trends, as well as acceptance and effective management of positive change.

All activities within the organization incorporate international best practices in an effort to protect the ecosystem in which Kenya Law exists, providing us with opportunities to achieve a competitive advantage and market differentiation in our products and services. Further Kenya Law has a new Quality Management System based on ISO 9001:2015 and is ISO certified. Kenya Law continually strives to achieve the highest standards of quality and to continually improve its effectiveness in order to ensure sustainability. Our established quality objectives and policies are also reviewed on an annual basis.

ii) Environmental performance

Kenya Law does not have an environmental policy but rather borrows largely from the Government of Kenya policy on protecting the environment and increasing the forest cover by 10% in the medium term. To supplement Government efforts in this area, Kenya Law encourages its employees to print back to back. Kenya Law has also changed its strategy

from printing of hard copy publications to soft copy online publications in order to reduce on paper printing. Kenya Law also participates in tree planting exercises. Kenya Law has signed an MOU with the Kenya Forest Service (KFS) to support in the efforts to reclaim forest cover as per government policy. Kenya Law also planted trees in Maseno Forest as its contribution to the larger Government of Kenya strategy towards increasing Kenya's forest cover to 10% in the medium term.

iii) Employee welfare

Kenya Law has put in place policies and procedures guiding the appointment of employees within the organization. There is an elaborate guideline on the recruitment process of employees from the initial stages of placing advertisement to filling in the vacant positions. Kenya Law is an equal opportunity employer; it takes a consistent and standard approach in the recruitment and selection of employees. Therefore, the recruitment process is void of discrimination on the basis of gender, HIV status, race, ethnicity marital status and/or physical disability. This is provided in the Kenya Law Human Resources Policies and Procedures Manual, 2016.

Employee skills and competences are enhanced in the workplace through Training and development initiatives which are competency based geared towards capacity building and meeting the needs of the organization. Training and Development programs are aimed at helping each employee prepare for changes as they align themselves with the changing needs. Training assessments are carried out to identify the competency gaps existing with the organization with an aim of addressing the skills gap through training and development programs.

Kenya Law has put in performance management measurement mechanisms through the use of a comprehensive Performance Management Appraisal System that guides the evaluation and monitoring of employee performance. The process helps in identifying performance problems and solving them. The process involves setting performance targets and reviewing them over a period of time. The outcomes of performance management inform staff training and development, career progression, succession management, promotions, performance incentives and performance improvement strategies.

Kenya Law recognizes that the safety of employees, stakeholders and property at work is critical. All staff must

take responsibility for ensuring that safe working procedures are adhered to. It is a legal requirement for organizations to have in place a health and Safety committee. The organizational safety and health committee members are champions for a healthy and safe workplace. Information on health and Safety to prevent possible health and safety risks is provided to employees through sensitization initiatives to ensure a safe work environment. Appropriate insurances are also put in place to cushion against health and safety risks.

iv) Market place practices

In pursuit of its mandate Kenya Law always considers various policy documents including the Constitution of Kenya, the Montreal Declaration on Free Access to Law, the Big Four Agenda, the Kenya Vision 2030, the Sustaining Judiciary Transformation Framework of 2017-2021 and the Office of the Attorney General and Department of Justice Strategic Plan. These documents act as a beacon for the organization in the day to day execution of its mandate and the officers discharging the relevant duties in various areas.

a) Responsible Competition practice

Outside of the fact that Kenya Law is the institution mandated by law to publish law reports and update the laws of Kenya, the organization strives to ensure responsible competition practices whenever it issues tenders in its bid to enhance access to justice. All Kenyans are given a fair chance to register their interests to supply Kenya law with a variety of goods and services. Tenders are advertised in the PPIP portal of the Government of Kenya and the Kenya Law Website to allow a wide reach. Suppliers in the reserved groups category are also allowed a fair chance to compete for procurement opportunities among themselves. The institution has implemented corruption prevention strategies and a risk mitigation plan to address risks and loopholes in its legal and policy frameworks. Regulations, processes, and

procedures guiding the core mandate of the organization are in place and all identified risks have a mitigation plan.

b) Responsible Supply Chain and Supplier relations

Kenya Law has also ensured in its supply chain to follow the laid down procurement laws when issuing tenders and dealing with suppliers. All invoices raised by suppliers with complete documentation are paid on time and all contracts honored in full. A schedule of all running contracts is kept and updated monthly to mitigate against lapses, the same is communicated in advance to the relevant user departments to effect a seamless transition where necessary. All transactions are documented in the necessary manner and availed for inspection by the relevant authority as and when requested.

c) Responsible marketing and advertisement

Kenya Law has endeavored to maintain ethical marketing practices in all its engagements with the media. The organization not only markets its goods and services by focusing on how our products benefit customers, but also how they benefit the Republic of Kenya as a whole. Our aim is to build strong relationships with our consumers through a set of shared values. These are outlined in our Strategic Plan 2023/24 – 2027/28 as integrity, professionalism, transparency and accountability, innovation, reliability and citizen focus.

d) Product stewardship

Towards this end, Kenya Law has also endeavored to safeguard consumer rights and interests in all products and services issued. All online publications are universally accessible to all consumers and can be consumed in any way needed, both online and in hard copy. Print products are sold at a base price aimed at offsetting the cost of production only. In addition, Kenya law subscribes to the “Free Access to Law” movement and therefore does not make profit from the sale of its publications.

v) Corporate Social Responsibility / Community Engagements

Tree Planting at the Kenya Forest Service -Maseno Station

Kenya Law management team, led by the Editor / CEO Prof. Jack Mwimali planted over 250 trees during their annual tree planting program Kenya Forest Service - Maseno Station on 23rd September 2022. Kenya Law also adopted two seedbeds to germinate 1,000 seedlings to be planted at the station by students from Maseno School. Kenya Law also donated one additional seedbed to the Maseno School.

At Kenya Law, we understand that we have a responsibility to better our society and we have made Corporate Social Responsibility (CSR) an integral part of our corporate culture to underline our deep commitment to making a difference in the community.



Prof. Busalile Jack Mwimali (CEO/Editor) Planting a Tree at Kenya Forest Station – Maseno forest station



Kenya Law Management Team with officers from Kenya Forestry Services planting Trees at KFS- Maseno forest station



Kenya Law Management Team with officers from Kenya Forestry Services planting Trees at KFS- Maseno forest station

**National Council for Law Reporting
Annual Report and Financial Statements
for the financial year ended June 30, 2023**

11. Report of the Council Members

The Council Members submit their report together with the unaudited financial statements for the year ended June 30, 2023 which show the state of affairs of the National Council for Law Reporting.

i) Principal activities

The principal activities of the National Council for Law Reporting are:

- i) To publish the official reports of the judicial opinions of the superior courts of Kenya. Kenya Law is the designated publisher of the Kenya Law Reports, which are the official law reports of the Republic of Kenya.
- ii) To revise, consolidate and publish the Laws of Kenya, through Legal Notice No. 29 of 2009, through which the Attorney General has delegated to the Council the powers of law revision conferred by Sections 7 and 8 of the Revision of Laws Act.
- iii) To publish such other related publications as it deems necessary.

On Kenya Law's website - www.kenyalaw.org - you will find Case Law, the Laws of Kenya, the Parliamentary Hansards, the Kenya Gazette, and the Daily Cause List from various courts, Legal Notices and other publications.

ii) Results

The results of the National Council for Law reporting for the year ended June 30, 2023 are set out on pages 1 to 6.

iii) Council Members

The members of the Council who served during the reporting period are shown on pages v-xv above in accordance with the NCLR Act No. 11 of 1994.

iv) Auditors

The Auditor General is responsible for the statutory audit of the National Council for Law Reporting in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Council,



Ms. Edna Wambui Muthaura

Council Secretary/Secretary to the Board (Ag.)

**National Council for Law Reporting
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for the financial year ended June 30, 2023**

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and National Council for Law Reporting Act No.11 of 1994 require the Council members to prepare financial statements in respect of the Council, which give a true and fair view of the state of affairs of the Council at the end of the financial year/period and the operating results of the Council for that year/period. The Council members are also required to ensure that the National Council for Law Reporting keeps proper accounting records which disclose with reasonable accuracy the financial position of the Council. The Council members are also responsible for safeguarding the assets of the National Council for Law Reporting.

This responsibility includes:

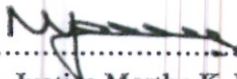
Council members are responsible for the preparation and presentation of Kenya Law's financial statements, which give a true and fair view of the state of affairs of Kenya Law for and as at the end of the financial year ended 30th June 2023. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of Kenya Law; (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 Kenya Law's assets; (v) Selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Council members accept responsibility for Kenya Law's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act 2012 and the State Corporations Act. The Council members are of the opinion that the Kenya Law's financial statements gave a true and fair view of the state of Kenya Law's transactions during the financial year/period ended period 30th June, 2023, and of the its financial position as at that date. The members further confirm the completeness of the accounting records maintained for Kenya Law, which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.


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

Approval of the financial statements

The financial statements for National Council for Law Reporting were approved by the Council on 2023 and signed on its behalf by:



.....
Hon. Justice Martha K. Koome
Chairperson of the Council



.....
Prof. Busalile Jack Mwimali
Accounting Officer

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR GENERAL ON NATIONAL COUNCIL FOR LAW REPORTING FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Council for Law Reporting set out on pages 1 to 34, which comprise the statement of financial position as at 30 June, 2023 and the statement of financial performance, statement of changes in net assets, 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, except for the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Council for Law Reporting as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the National Council for Law Reporting Act No.11 of 1994.

Basis for Qualified Opinion

Unsupported Transfer to Retained Earnings

The statement of changes in net assets reflects transfers from capital/development grants/ fund amount of Kshs.23,565,276 to the retained earnings. However, the transfer was not supported by journal vouchers.

In the circumstances, the accuracy, completeness and occurrence of transfer from capital/development grants/fund amount of Kshs.23,565,276 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Council for Law Reporting 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 qualified 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.

Other Matter

Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing

else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Delays in Transfer of Legal Ownership of Motor Vehicles

Note 21 to the financial statements reflects motor vehicle balance of Kshs.3,153,244. However, as previously reported, in the year 2006 a vehicle was procured through a donor funded programme under the Governance, Justice, Law and Order Sector and another procured in financial year 2018/2019 through the Judicial Performance Improvement Project and both issued to the Council. However, the legal ownership including the log books have not been transferred to the Council without explanations.

In the circumstances, it is not clear why it has taken long time to transfer the legal ownership of these vehicles to the Council.

2. Non-Remittance of A-I-A to The National Treasury

The statement of financial performance and as disclosed in Notes 7 and 8 to the financial statements reflects revenues from rendering services amount of Kshs.10,020,454 and sale of goods of Kshs.4,483,938 totalling Kshs.14,504,392. However, collaborative information from the financial statements of State Law Office and Department of Justice revealed Appropriation-In-Aid (AIA) amount of Kshs.9,002,131. This resulted to excess revenue of Kshs.5,502,261 which was not remitted to the exchequer contrary to Regulation 84 of the Public Finance Management (National Government) Regulations, 2015.

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

3. Irregular Council Member's Appointment

Review of financial statements revealed that the Council had twelve (12) Members including a senior printer who represented the Government Printer since January, 2013 and holds a position rank below that of Deputy Government Printer. This was contrary to the National Council for Law Reporting Act, No.11 of 1994 (Revised, 2007) No. 4(h). Although, management explained that the Government printer was until 01 July, 2014 represented by an officer whose substantive position was the principal printer but has since left service. Thereafter, the Government printer replaced the officer from 01 July, 2014 with another officer of the same rank of principal printer.

In the circumstances, the Appointing Authority was in breach of the law.

4. Lack of Human Resource Instruments

During the year under review, the Council operated without the requisite human resource instruments approved and aligned to the recommendations of the Public Service Commission for the Kenya. This was contrary to State Corporations Advisory Committee (SCAC) circular dated 15 May, 2017 which requires all State Corporations to develop their Human Resource Instruments; Organizational Structure, Staff Grading and Establishment, Career Guidelines and Human Resource Policy and Procedures Manual.

These guidelines should reach SCAC not later than 31 August, 2017 for necessary consideration and approvals.

In the circumstances, Management was in breach of law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, 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 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 overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Council Members

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

In preparing the financial statements, Management is responsible for assessing the Council's ability 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 Council or to cease operations.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the 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 Council's ability 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 Council 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 Council to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


17 April, 2024

National Council for Law Reporting
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14. Statement of Financial Performance for the year ended 30th June 2023

Details	Notes	2022-2023	2021-2022
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other Governments entities	6	355,090,000	355,090,000
Sub-Total		355,090,000	355,090,000
Revenue from exchange transactions			
Rendering of Services	7	10,020,454	322,500
Sale of goods	8	4,483,938	2,652,775
Other Income - Deferred income realized	9	3,228,759	7,074,534
Sub-Total		17,733,151	10,049,809
Total revenue		372,823,151	365,139,809
Expenses			
Use of goods and services	10	162,336,963	151,141,130
Employee costs	11	166,634,750	160,282,103
Council members expenses	12	19,463,926	8,001,510
Depreciation and amortization expense	13	15,998,615	13,240,938
Repairs and maintenance	14	8,014,716	7,013,482
Grants and subsidies	15	0	90,000
Total expenses		372,448,971	339,769,163
Other Gains / Losses			
Gain from foreign exchange differences	16	4,906	0
Surplus before tax		379,086	25,370,646
Taxation		-	-
Surplus for the year		379,086	25,370,646


The notes set out on pages 7-33 form an integral part of these Financial Statements. The Financial Statements set out on pages 1-6 were signed on behalf of the Council Members by:


Name: Prof. Busalile
Jack Mwimali
Editor/C.E.O

Date..... 20.03.2024.....


Name: Mr. Pascal Othieno
Head of Finance
ICPAK M/ No: 7326

Date20.03.2024.....


Name: Hon. Justice Martha K.
Koome
Chairperson of the Council

Date.... 20.03.2024.....

National Council for Law Reporting
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15. Statement of Financial Position as at 30th June 2023

Details	Notes	2022-2023 Kshs	2021-2022 Kshs
Assets			
Current Assets			
Cash and Cash equivalents	17	223,368	8,600,078
Receivables from Exchange Transactions	18(a)	20,906,966	13,981,730
Receivables from Non-Exchange Transactions	19	1,162,119	1,085,736
Inventories	20	270,936,828	251,182,888
Total Current Assets		293,229,281	274,850,432
Non-Current Assets			
Property, Plant and Equipment	21	94,621,852	102,270,475
Intangible Assets	22	1,279,220	1,570,546
Long Term Receivables from Exchange Transactions	18(b)	3,780,255	3,780,255
Total Non- Current Assets		99,681,327	107,621,276
Total Assets		392,910,608	382,471,708
Liabilities			
Current Liabilities			
Trade and Other Payables	23	25,134,374	13,479,994
Deferred Income	24	144,843,324	148,072,083
Employee Benefit Obligation	26	5,366,877	3,732,684
Total Current Liabilities		175,344,576	165,284,761
Total Liabilities		175,344,576	165,284,761
Net assets			
Accumulated surplus		217,566,033	193,621,671
Capital Fund		0	23,565,276
Total Net Assets		217,566,033	217,186,947
Total Net Assets and Liabilities		392,910,608	382,471,708



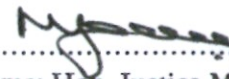
Name: Prof. Busalile Jack Mwimali
Editor/C.E.O

Date..... 20.03.2024.....



Name: Mr. Pascal Othieno
Head of Finance
ICPAK M/ No: 7326

Date20.03.2024.....



Name: Hon. Justice Martha K. Koome
Chairperson of the Council

Date.... 20.03.2024.....

National Council for Law Reporting
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16. Statement of Changes in Net Assets for the year ended 30th June 2023


Details	Notes	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/ Development Grants/Fund	Total
As at July 1, 2021	-	-	-	-	168,251,025	-	23,565,276	191,816,301
Issued new capital	-	-	-	-	-	-	-	-
Surplus/ deficit for the year	-	-	-	-	25,370,646	-	-	25,370,646
As at July 1, 2022	-	-	-	-	193,621,671	-	23,565,276	217,186,947
Surplus/ deficit for the year	-	-	-	-	379,086	-	-	379,086
Adjustments to Capital Fund	-	-	-	-	23,565,276	-	(23,565,276)	0
As at June 30, 2023	-	-	-	-	217,566,033	-	0	217,566,033


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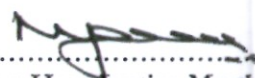
17. Statement of Cash Flows for the year ended 30th June 2023

Details	Notes	2022-2023 Kshs	2021-2022 Kshs
Cash flows from operating activities			
Transfers from other government entities	6	355,090,000	355,090,000
Rendering of Services	7	10,020,454	322,500
Sale of goods	8	4,483,938	2,652,775
Total Receipts		369,594,392	358,065,275
Payments			
Use of goods and services	10	(162,336,963)	(151,141,130)
Employee costs	11	(166,634,750)	(160,282,103)
Council members expenses	12	(19,463,926)	(8,001,510)
Repairs and maintenance	14	(8,014,716)	(7,013,482)
Grants and subsidies	15	0	(90,000)
Total payments		(356,450,356)	(326,528,225)
Working Capital Adjustments			
(Decrease)/increase in Receivables from exchange transactions	18	(6,925,236)	1,002,961
(Decrease)/increase in Receivables from non-exchange transactions	19	(76,383)	15,887,468
(Decrease)/increase in trade and other payables from exchange transactions	23	11,654,380	(38,990,965)
(Decrease)/increase in trade and other payables Employee benefit obligation	26	1,634,193	2,296,148
(Decrease)/increase in Inventories	20	(19,753,940)	(8,527,563)
Total Working Capital Adjustments		(13,466,986)	(28,331,951)
Net Cash flows from/(used in) operating activities		(322,949)	3,205,099
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	21	(8,058,666)	(57,524,438)
Net cash flows used in investing activities		(8,058,666)	(57,524,438)
Cash flows from financing activities			
Net cash flows used in financing activities			
Net increase/(decrease) in cash and cash equivalents		(8,381,616)	(54,319,339)
Cash and cash equivalents at beginning of the year		8,600,078	62,919,417
Unrealized gains within Cash and Cash Equivalents		4,906	0
Cash and cash equivalents at end of the year		223,368	8,600,078

The Financial Statements set out on pages 1-6 are signed on behalf of the Council by:


Name: Prof. Busalile Jack Mwimali
Editor/C.E.O


Name: Mr. Pascal Othieno
Head of Finance


Name: Hon. Justice Martha K. Koome
Chairperson of the Council

ICPAK M/ No: 7326

Date..... 20.03.2024.....

Date20.03.2024.....

Date.... 20.03.2024.....

National Council for Law Reporting
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18. Statement of Comparison of Budget and Actual amounts for the year ended 30th June 2023

	Original budget	Adjustments	Final budget	Actual Cumulative date	% of utilization (100%)
	Kshs	Kshs	Kshs	Kshs	
	A	b	C=(a+b)	D	F=d/c
Revenues					
Revenue from Non - Exchange Transactions	355,090,000	0	355,090,000	355,090,000	1.000
Revenue from Exchange Transactions	0	10,000,000	10,000,000	17,733,151	1.773
Total income	355,090,000	10,000,000	365,090,000	372,823,151	1.021
Expenses					
Use of goods and services	166,684,740	3,500,000	170,184,740	162,336,963	0.954
Employee costs	161,281,760	2,000,000	163,281,760	166,634,750	1.021
Remuneration of Council members	16,090,000	4,500,000	20,590,000	19,463,926	0.945
Repairs and maintenance	10,753,500	0	10,753,500	8,014,716	0.745
Grants and subsidies	280,000	0	280,000	0	0.00
Total expenditure	355,090,000	10,000,000	365,090,000	356,450,356	0.976
Surplus for the period	0	0	0	16,372,795	

Notes to the statement of comparison of budgeted and actual amounts for the period ended 30th June 2023;

- The 25.5% under expenditure in repairs and maintenance was due to a reduction in maintenance expenses of furniture, motor vehicles and communication equipment. Temporary Committee expenses that were budgeted here were also transferred and classified as part of Employee costs.
- The 0.021% over expenditure in Employee costs was caused by classifying Temporary Committee expenses as part of Employee costs. Temporary Committee Costs had initially been budgeted under use of goods and services.
- The 100% under expenditure in Grants and Subsidies was attributed to reduction in donations and related expenses associated with CSR related sporting activities e.g. Law Society of Kenya (LSK) Justice Cup and Standard Chartered Marathon due to austerity measures.

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RECONCILIATION OF STATEMENT OF BUDGET COMPARISON AND STATEMENT OF FINANCIAL PERFORMANCE

Item	Kshs
Surplus from the statement of budget comparison	16,372,795
Add back: Receipts not budgeted for	0
Gain on Foreign exchange transactions	4,906
Less accrued expenditure	
Depreciation and amortization expense	(15,998,615)
Surplus from the statement of financial position	379,086

**National Council for Law Reporting
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for the financial year ended June 30, 2023**

19. Notes to the Financial Statements

1) General Information

National Council for Law Reporting is established by an act of parliament Act No.11 of 1994 from where it derives its authority and mandate. The entity is wholly owned by the Government of Kenya, is domiciled in Kenya and has a brand name; Kenya Law. The entity's principal activity is Publishing and Printing judicial decisions of the superior courts in Kenya which are the official Law Reports of the Republic of Kenya, the Laws of Kenya and such other related publications.

2) Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying Kenya Law's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Kenya Law. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**National Council for Law Reporting
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3) Adoption of New and Revised Standards

i) New and amended standards and interpretations in issue but not yet effective in the period ended 30th June 2023.

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> a) Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; b) Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and c) Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>Kenya Law was seized of this development and its effective date. However, the above improvements to IPSAS did not have an impact in the of the Council's Financial statements in the year ended 30th June 2023.</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <ul style="list-style-type: none"> a) The nature of such social benefits provided by Kenya Law; b) The key features of the operation of those social benefit schemes; and c) The impact of such social benefits provided on the Kenya Law's financial performance, financial position and cash flows. <p>Kenya Law was seized of this development and its effective date. However, the above improvements to IPSAS did not have an impact in the of the Council's Financial statements in the year ended 30th June 2023.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. <p>Kenya Law was seized of these developments and their effective date. The above improvements to IPSAS did not have an impact in the of the Council's Financial statements in the period ended 30th June 2023.</p>

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Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <p>a) IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <p>b) IPSAS 39: Employee Benefits. Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <p>c) IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p>Kenya Law was seized of these developments and their effective date. The above improvements to IPSAS have been incorporated in the of the Kenya Law's Financial statements in the period ended 30th June 2023.</p>
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ii) New and amended standards and interpretations in issue but not yet effective in the period ended 30th June 2023.

Standard	Effective date and impact:
IPSAS 43	<p>Applicable: 1st January 2025:</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>Kenya Law has noted this development and its effective date. However, the above improvements to IPSAS did not have an impact in the of the Council's Financial statements in the year ended 30th June 2023.</p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p>Applicable: 1st January 2025</p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>Kenya Law has noted this development and its effective date. However, the above improvements to IPSAS did not have an impact in the of the Council's Financial statements in the year ended 30th June 2023.</p>

iii) Early adoption of standards

The Council did not early – adopt any new or amended standards in the financial year 2022/2023

4) Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

Kenya Law recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount,

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deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to Kenya Law and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realized in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

Kenya Law recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or Kenya Law's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

Deferred Income realized

The depreciated value of Assets donated by development partners is recognised as a deferred income to derive the used value or economic benefit realised from the use of such Assets.

The cost of sales of legal publications that have been printed for sale by funding from development partners is also recognised as a deferred income to derive the income or economic benefit realised from the sale of such publications.

b) Budget information

The original budget for FY 2022-2023 was approved by the National Assembly in June 2022. An additional amount of Kshs. 10 Million was appropriated to the Council as Appropriations-In-Aid from the sale of legal publications, increasing the approved budget.

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Kenya Law's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under note 18 of these financial statements.

c) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where Kenya Law operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to Kenya Law and the Kenya Revenue Authority.

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Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii) When receivables and payables are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

d) Investment property

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

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

e) Property, plant and equipment (PPE)

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, Kenya Law recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Assets are depreciated on a quarterly basis and their values recorded at net book values at the end of the reporting period. Depreciation is applied on a reducing balance basis. Different Asset classes are depreciated at the following rates as follows:

Motor vehicles – 20%

Computers and ICT Equipment – 33.33%

Furniture and fittings – 10%

Plant and Equipment – 15%

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The depreciation for PPE in the year is analysed in the following manner:

Non-Current Asset	Motor vehicles	Furniture and fittings	Computers	Plant and Equipment	Work In Progress	Total
At 1st July 2022 beginning of the year	3,871,356	25,139,300	36,945,321	12,051,077	24,263,421	102,270,475
Additions	0	0	0	0	8,058,666	8,058,666
Disposals	0	0	0	0	0	0
Transfers/adjustments	0	0	0	0	0	0
At end of the year	3,871,356	25,139,300	36,945,321	12,051,077	32,322,087	110,329,141
Depreciation and impairment						
Depreciation for GOK funded assets	-	1,275,896	9,494,135	1,708,499	0	12,478,530
Depreciation for donor funded assets	718,113	1,145,323	1,365,323	0	0	3,228,759
Total Depreciation for the year ended 30th June 2023	718,113	2,421,219	10,859,458	1,708,499	0	15,707,289

f) Leases

Finance leases are leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to Kenya Law. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. Kenya Law also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that Kenya Law will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to Kenya Law. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

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h) Research and development costs

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

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

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

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. Kenya Law does not have any hedge relationships and therefore the new hedge accounting rules have no impact on Kenya Law's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, Kenya Law measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

Kenya Law classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the Kenya Law's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, Kenya classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest

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income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. Kenya Law manages financial assets with the objective of realizing cash flows through solely the sale of the assets that could result in a fair value through surplus or deficit.

Impairment

Kenya Law assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. It recognizes a loss allowance for such losses at each reporting date. There were no critical estimates and significant judgments made by management in determining the expected credit loss in the year ended 30th June 2023.

Financial liabilities

Initial recognition and measurement

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

j) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories, especially of consumables, are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of Kenya Law.

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k) Provisions

Provisions are recognized when Kenya Law has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where Kenya Law expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

l) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. Kenya Law recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that Kenya Law will incur in fulfilling the present obligations represented by the liability.

m) Contingent liabilities

Kenya Law 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, economic benefits or service potential is remote.

n) Contingent assets

Kenya Law does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements.

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

o) Nature and purpose of reserves

Kenya Law creates and maintains reserves in terms of specific requirements. There were no reserves in Kenya Law's books as at 30th June 2023.

p) Changes in accounting policies and estimates

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

q) Employee benefits

Retirement benefit plans

Kenya Law provides a defined contribution retirement benefits plan for its employees. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

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Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employees. The contributions and lump sum payments reduce the post-employment benefit obligation.

r) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the prevailing rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recognized during the period, are recognized as income or expenses in the period in which they arise.

s) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Any further borrowing costs are charged to the statement of financial performance.

t) Related Parties

Kenya Law regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the Council members, the Chief Executive Officer and senior managers.

u) Service concession arrangements

Kenya Law analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, Kenya Law recognizes that asset when, and only when, it controls or regulates the services the operator has committed to provide together with the asset, to whom it must provide them, and at what price.

In the case of assets other than 'whole-of-life' assets it controls through ownership, Kenya Law recognizes the beneficial entitlement or otherwise any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, Kenya Law also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

v) Cash and cash equivalents

Cash and cash equivalents comprise cash in 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 reporting period. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorized public officers and/or institutions which had not been surrendered or accounted for at the end of the reporting period.

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w) Comparative figures

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

x) Subsequent events

There were no events subsequent to the financial year end with a significant impact on the financial statements for the period ended 30th June 2023.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Kenya Law based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond its control. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

- a) The condition of the asset based on the assessment of experts employed by Kenya Law.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 24.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

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6. a) Transfers from Other Government entities

Description	2022-2023 Kshs	2021-2022 Kshs
Unconditional grants		
Operational Grant	355,090,000	355,090,000
Other grants	0	0
Total Unconditional grants	355,090,000	355,090,000

b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Entity sending the Grant	Amount recognized to Statement of Financial performance Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund.	Total Transfer 2022- 2023 Kshs	Prior Year 2021-2022 Kshs
The Office of the Attorney General & Department of Justice	355,090,000	0	0	355,090,000	355,090,000
Total Transfers	355,090,000	0	0	355,090,000	355,090,000

7. Rendering of Services

Description	2022-2023 Kshs	2021-2022 Kshs
Service Fees		
Service fees from publishing services	10,020,454	322,500
Total revenue from the rendering of services	10,020,454	322,500

Income from service fees was in regard to revenues earned from rendering of services to the Judiciary and the Competition Authority of Kenya for preparation and printing of specialized publications. An additional Kshs. 190,000 was received from NAMATI Kenya for the launch, publicity and dissemination of the Nationality and Citizen rights publication done by Kenya Law in partnership with NAMATI Kenya in the period ended 30th June 2023. An amount of Kshs. 4,475,286 was still outstanding and receivable from ForumCiv Kenya for a research Consultancy.

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8. Sale of Goods

Description	2022-2023 Kshs	2021-2022 Kshs
Sale of goods		
Sale of legal publications	4,483,938	2,652,775
Total revenue from the sale of goods	4,483,938	2,652,775

This is revenue earned from the sale of Kenya Law Reports and other Legal publications to different customers in the period ended 30th June 2023.

9. Other Income

Description	2022-2023 Kshs	2021-2022 Kshs
Deferred Income		
Deferred Income	3,228,759	7,074,534
Total revenue from Deferred Income	3,228,759	7,074,534

This is revenue earned from the recognition of depreciated value of Assets donated by development in the period ended 30th June 2023 and is recognized as a deferred income to derive the used value or economic benefit realized from the use of such Assets.

10. Use of Goods and Services

Description	2022-2023 Kshs	2021-2022 Kshs
Cleaning Expenses	1,155,000	965,000
Accessories to Computers	1,803,127	3,529,591
Security Expenses	1,217,024	1,043,600
Contracted Professional Services	4,808,580	1,717,190
Subscriptions to Newspapers	444,450	387,630
Advertising Expenses	576,800	1,477,263
Membership fees dues, subscriptions to professional orgs. and trade bodies	229,740	374,340
Audit fees	800,000	800,000
Conferences and delegations Expenses	4,365,650	4,735,660
Contracted ICT Services	3,821,836	1,169,443
Postage & Courier Services	2,551,415	3,137,533
Motor fuel and oil Expenses	1,059,196	486,823
Cleaning of Motor Vehicle	11,900	68,500
Catering Expenses	6,593,212	4,664,431
Insurance Expenses	20,647,956	21,910,374
Computer Software Expenses	15,183,612	13,581,914
Parking Expenses	501,930	1,090,000
Sanitary & Cleaning materials	391,311	1,113,533
General Office stationery	2,530,309	4,349,050
Publishing and Printing	17,283,364	11,300,007
Tradeshows & Exhibitions Expenses	4,511,277	5,690,312

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Rental Expenses	25,413,470	25,413,470
Laundry Expenses	25,200	0
Cost of Sales	7,260,807	2,338,217
Education & Library	991,889	1,477,891
Telecommunication	398,141	811,377
Training Expenses	14,472,445	13,708,411
Cooking Gas Expenses	24,581	2,950
Casual Labour Expenses	1,286,970	220,540
Internet Expenses	1,927,894	2,685,315
Travel, accommodation, subsistence and other allowances	19,451,010	20,554,812
Bank charges	324,122	335,952
Bad Debts Written Off	272,745	0
Total Use of Goods and Services	162,336,963	151,141,130

11. Employee Costs

Description	2022-2023 Kshs	2021-2022 Kshs
Salaries and wages	75,563,503	75,039,746
Employer contribution to pension schemes	13,921,052	12,655,944
Housing benefits and allowances	72,606,495	67,863,139
Gratuity	0	2,357,674
Performance and other bonuses	0	300,000
Temporary Committee Allowances	4,543,700	2,065,600
Employee costs	166,634,750	160,282,103

Employee Costs increased due to annual salaries increments, promotions of staff, increased contributions to the NSSF and increased allowances paid staff on Temporary Committees in the period ended 30th June 2023.

12. Council Members Expenses

Description	2022-2023 Kshs	2021-2022 Kshs
Chairman/Directors' Honoraria	1,044,000	1,044,000
Sitting allowances	5,788,000	3,528,600
Induction and Training	8,974,189	1,345,200
Travel and accommodation	1,762,460	1,504,800
Other allowances	1,895,277	578,910
Total	19,463,926	8,001,510

Council member expenses increased due to additional budget allocation on Council member trainings and conferences in the period ended 30th June 2023. This had hitherto been underfunded in prior years due to budget constraints.

13. Depreciation and Amortization

Description	2022-2023 Kshs	2021-2022 Kshs
Property, plant and equipment	15,707,289	12,883,265
Intangible assets	291,326	357,673
Investment property carried at cost	0	0
Total depreciation and amortization	15,998,615	13,240,938

Depreciation and Amortization expenses increased due to additional depreciation of Computers acquired towards the end of the financial year ended 30th June 2022.

14. Repairs and Maintenance

Description	2022-2023 Kshs	2021-2022 Kshs
Equipment and machinery	5,683,600	4,759,681
Motor vehicle	615,402	282,852
Furniture and fittings	114,404	27,000
Computers and accessories	1,589,610	1,875,450
Communications Equipment	11,700	68,500
Total repairs and maintenance	8,014,716	7,013,483

Repairs and Maintenance expenses increased due to major repairs of the high capacity printer and additional repairs of motor vehicles due to increased travel to the Counties and workshops on preparation of the 24th Annual Supplement in the financial year ended 30th June 2023.

15. Grants and Subsidies

Description	2022-2023 Kshs	2021-2022 Kshs
Social development	0	90,000
Total grants and subsidies	0	90,000

16. Gain / Loss on foreign exchange transactions

Description	2022-2023 Kshs	2021-2022 Kshs
Gain on foreign exchange transactions	4,906	0
Loss on foreign exchange transactions	0	0
Total Gain / Loss	4,906	0

17. Cash and Cash Equivalents

Description	2022-2023 Kshs	2021-2022 Kshs
Current Accounts	92,401	6,743,667
Others (Mpesa, Cash In Hand)	130,967	1,856,411
Total cash and cash equivalents	223,368	8,600,078

Analysis of the Cash and Cash Equivalents

Description	Bank Account Number	Currency	2022-2023 Kshs	2021-2022 Kshs
a) Current account				
Kenya Commercial Bank	1103135449	Kshs	15,499	1,403,583
Kenya Commercial Bank (Grants)	1131298241	USD	10,757	5,868
ABSA Kenya	451230484	Kshs	66,145	5,334,216
Sub-Total			92,401	6,743,667
b) Others				
Cash in Hand		Kshs	28,200	13,095
M-Pesa	516800	Kshs	102,767	1,843,316
Sub total			130,967	1,856,411
Total Cash and Cash Equivalents			223,368	8,600,078

18. Receivables from Exchange Transactions

a) Current Receivables from Exchange Transactions

Description	2022-2023 Kshs	2021-2022 Kshs
Current Receivables		
Exchange debtors – (Sale of legal publications)	16,431,680	13,981,730
Other exchange debtors – (Rendering of Services)	4,475,286	0
Total current receivables	20,906,966	13,981,730

b) Long- term Receivables from Exchange Transactions

Description	2022-2023 Kshs	2021-2022 Kshs
Total Receivables		
Other exchange debtors (Rent deposits)	3,780,255	3,780,255
Less: impairment allowance	0	0
Total	3,780,255	3,780,255
Current portion transferred to current receivables	0	0
Total non-current receivables	3,780,255	3,780,255
Total receivables (a+b)	24,687,221	17,761,985

c) Ageing analysis for Receivables from Exchange Transactions

Description	Kshs		Kshs	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	7,460,306	30%	535,070	3%
Between 1- 2 years	-	0	-	0
Between 2-3 years	-	0	-	0
Over 3 years	17,226,915	70%	17,226,915	97%
Total (a+b)	24,687,221	100%	17,761,985	100%

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19. Receivables from Non-Exchange Transactions

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Other debtors	0		0	
Salary Advances	411,319		390,736	
Other debtors (Temporary Imprests)	750,800		695,000	
Grants Receivable	0		0	
Less: impairment allowance	0		0	
Total Receivables from Non-Exchange Transactions	1,162,119		1,085,736	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	1,162,119	100%	1,085,736	100%
Between 1- 2 years	-	0	-	0
Over 3 years	-	0	-	0
Total	1,162,119	100%	1,085,736	100%

20. Inventories

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Consumable stores	70,651		2,399,131	
Library Books Inventory	7,569,918		7,462,491	
Other goods held for resale (Kenya Law Reports and LOK publications)	263,296,259		241,321,266	
Less: Allowance for impairment	0		0	
Total inventories at the lower of cost and net realizable value	270,936,828		251,182,888	

Inventories comprises of consumable stores consisting mainly of general office stationeries and computer accessories. Library books consist mainly of legal textbooks purchased to facilitate the Technical departments their research work. The other good held for resale consisted of Law Reports purchased for purposes of resale to the public. Four publications were delivered in the financial year ended 30th June 2023.

21. Property, Plant and Equipment

Cost	Motor Vehicles	Furniture and fittings	Computers	Plant and Equipment	Work In Progress (WIP)	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at 1 st July 2021	17,900,000	55,610,024	60,211,438	24,685,120	0	158,406,582
Additions during the period (B)	0	0	33,261,017	0	24,263,421	57,524,438
Disposals during the period	0	0	0	0	0	0
Transfer/adjustments	0	0	0	0	0	0
As at 30 th June 2022	17,900,000	55,610,024	93,472,455	24,685,120	24,263,421	215,931,020
Additions during the period	0	0	0	0	8,058,666	8,058,666
Disposals during the period	0	0	0	0	0	0
Transfer/adjustments	0	0	0	0	0	0
As at 30 th June 2023 (A)	17,900,000	55,610,024	93,472,455	24,685,120	32,322,087	223,989,686
Depreciation and impairment						
As at 1 st July 2021	13,146,989	27,791,460	49,195,370	10,643,461	0	100,777,280
Depreciation	881,654	2,679,264	7,331,765	1,990,582	0	12,883,265
Impairment	0	0	0	0	0	0
Transfers/adjustments	0	0	0	0	0	0
As at 30 th June 2022	14,028,643	30,470,724	56,527,135	12,634,043	0	113,660,545
Depreciation	718,113	2,421,219	10,859,458	1,708,499	0	15,707,289
Disposals	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Transfers/adjustments	0	0	0	0	0	0
As at 30 th June 2023 (B)	14,746,756	32,891,943	67,386,593	14,342,542	0	129,367,834
Net Book Values						
As at 30 th June 2022	3,871,356	25,139,300	36,945,321	12,051,077	24,263,421	102,270,475
As at 30 th June 2023 (A-B)	3,153,244	22,718,081	26,085,862	10,342,578	32,322,087	94,621,852

WIP is related to acquisition of new ICT system for processing of public legal information. The system will be completed in the financial year 2024/2025. The total cost will then be capitalized as an intangible asset and depreciated over the estimated useful life of the asset.

Kindly also see note E on page 13 above on further analysis of Depreciation on Property, Plant and Equipment.

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22. Intangible Assets - Software

Description	2022-2023 Kshs	2021-2022 Kshs
Cost	8,241,423	8,241,423
At beginning of the year/ period	1,570,546	1,928,219
Additions	0	0
At end of the year/ period	1,570,546	1,928,219
Additions – internal development	0	0
At end of the year/ period	1,570,546	1,928,219
Amortization and impairment		
At beginning of the year/ period	6,313,204	6,313,204
Amortization	291,326	357,673
At end of the year/ period	6,604,630	6,570,877
Impairment loss	0	0
At end of the year/ period	6,604,530	6,570,877
NBV	1,279,220	1,570,546

23. Trade and Other Payables from Exchange Transactions

Description	2022-2023 Kshs	2021-2022 Kshs		
Trade payables	0	2,502,906		
Employee payables				
HELB payable	15,571	0		
Insurance Payable	95,051	99,027		
Net Salaries Payables	3,865,902	0		
Loan payable	838,142	858,006		
NHIF Payable	172,911	140,100		
NSSF payable	229,080	38,400		
UN Sacco Payable	15,000	15,000		
Welfare payable	208,200	102,900		
PAYE Liability for Employees	7,943,218	3,383,576		
Sheria Sacco payable	4,957,291	1,309,430		
Mortgage payable	144,424	139,424		
Third-party payments				
VAT payable	1,378,587	1,148,165		
Audit fees payable	4,244,000	3,444,000		
PAYE Liability for allowances	1,026,997	299,060		
Total trade and other payables	25,134,374	13,479,994		
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	25,134,374	100%	13,479,994	100%
Between 1- 2 years	-	0	-	0
Between 2-3 years	-	0	-	0
Over 3 years	-	0	-	0
Total (a+b)	25,134,374	100%	13,479,994	100%

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24. Current Provisions

Description	Leave provision Kshs	Bonus provision Kshs	Gratuity Provision Kshs	Other provision Kshs	Total Kshs
Balance b/f	0	0	0	0	0
Additional Provisions	0	0	0	12,444,100	12,444,100
Total provisions year end	0	0	0	12,444,100	12,444,100

Additional provisions for doubtful debts are a disclosure in relation to overdue debts that are now considered bad and have been proposed for write-off in line with section 69 of the PFM Act 2012 and regulations 2015; 145, 148 & 149. Bad debts totaling Kshs. 272,745 were written off during the financial year ended 30th June 2023.

25. Deferred Income

Description	2022-2023 Kshs	2021-2022 Kshs
National government	0	0
International funders	3,228,759	7,074,534
Public contributions and donations	0	0
Total deferred income	3,228,759	7,074,534

The deferred income movement is as follows:

Description	National government Kshs.	International funders Kshs	Public contributions and donation Kshs	Total Kshs.
Balance brought forward 1 st July 2022	-	148,072,083	-	148,072,083
Additions for the period				
Transfers to Capital fund	0	0	0	0
Transfers to income statement	0	(3,228,759)	0	(3,228,759)
Other transfers	0	0	0	0
Balance carried forward 30th June 2023	0	144,843,324	0	144,843,324

26. Employee Benefit Obligation

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	2022-2023	2021-2022
				Kshs	Kshs
	Kshs	Kshs	Kshs	Kshs	Kshs
Current benefit obligation	5,366,877	0	0	5,366,877	3,732,684
Non-current benefit obligation	0	0	0	0	0
Total employee benefits obligation	5,366,877	0	0	5,366,877	3,732,684

Retirement Benefit Asset / Liability

Kenya Law operates a defined benefit scheme for all full-time employees from July 1, 2012. The scheme is administered by AON Minet Kenya Limited while ICEA Lion are the custodians of the scheme. The scheme is based on 20 percentage of salary of an employee at the time of retirement. There were no outstanding contributions to the scheme from the sponsor other than contributions for the month of May and June 2023.

No actuarial valuation was done in the financial year to value the scheme. The scheme value at the end of the year was as follows:

Description	2022-2023	2021-2022
	Kshs	Kshs
Valuation at the beginning of the year	171,059,607	143,065,630
Changes in valuation during the year	34,628,383	27,993,977
Valuation at end of the year	205,687,990	171,059,607

Kenya Law also contributes to the statutory National Social Security Fund (NSSF). This is a defined contributions scheme registered under the National Social Security Act. Kenya Law's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 1,080 per employee per month.

27. Cash Generated from Operations

Description	Period Ended 30 th June 2023	Period Ended 30 th June 2022
	Kshs	Kshs
Surplus for the year before tax	374,180	25,370,646
Adjusted for:		
Depreciation	15,998,615	13,240,938
Non-cash grants received	(3,228,759)	(7,074,534)
Working Capital Adjustments		
(Decrease)/increase in Receivables from exchange transactions	(6,925,236)	1,002,961
(Decrease)/increase in Receivables from non-exchange transactions	(76,383)	15,887,468
(Decrease)/increase in trade and other payables from exchange transactions	11,654,380	(38,990,965)
(Decrease)/increase in trade and other payables Employee benefit obligation	1,634,193	2,296,148
(Decrease)/increase in Inventories	(19,753,940)	(8,527,563)
Net Cash flows from/(used in) operating activities	(322,949)	3,205,099

28. Financial Risk Management

Kenya Law's activities expose it to a variety of financial risks including credit and liquidity risks and the effects of fluctuations in foreign currency exchange rates. The entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effects of such risks on its performance by setting acceptable levels of risk. Currently, Kenya Law does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

Kenya Law's financial risk management objectives and policies are detailed below:

i) Credit risk

Kenya Law is exposed to credit risk; the risk that a customer will be unable to pay amounts due from them in full as and when they fall due. Credit risk arise from cash and cash equivalents, and deposits with banks, trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account their financial position, past experience and other relevant factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the Council. The amounts presented in the statement of financial position have considered a contingent provision of Kshs. 12,444,100 for doubtful receivables, estimated by the Council's management based on debt collection efforts by management, prior experience and the assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Council's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total Amount Kshs	Fully Performing Kshs	Past Due Kshs	Impaired Kshs
As at 30th June 2023				
Receivables from exchange transactions	20,906,966	6,925,236	0	0
Receivables from non-exchange transactions	1,162,119	1,162,119	0	0

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Bank balances	281,462	281,462	0	0
Total	22,350,547	8,368,817	0	0
As at 30th June 2022				
Receivables from exchange transactions	13,981,730	1,049,205	0	0
Receivables from non- exchange transactions	1,055,736	1,055,736	0	0
Bank balances	8,600,078	8,600,078	0	0
Total	23,637,544	10,705,019	0	0

The customers under the fully performing category are for current debts with ages of less than 60 days, these are paying as they continue trading. These are not risky debts and the customers are expected to pay of the debts in the short term. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that Kenya Law as recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts. Kenya Law has significant concentration of credit risk on amounts due from the Judiciary and other overdue and doubtful debtors amounting to Kshs. 12,444,100. The Council sets credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated. Various debt recovery procedures including legal redress and write-offs are underway to manage this doubtful debts portfolio as well.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with Kenya Law's Council who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity requirements. Kenya Law manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by Kenya Law under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. The balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less Than 1 Month Kshs	Between 1-3 months Kshs	Over 5 months Kshs	Total Kshs
As at 30th June 2023				
Trade payables	0	0	0	0
Other Current Liabilities (Salaries clearances & VAT)	20,890,374	0	0	20,890,374
Provisions due	4,244,000	0	0	4,244,000
Deferred income unrealized	144,843,024	0	0	144,843,024
Employee benefit obligation	5,366,877	0	0	5,366,877
Total	175,344,275	0	0	175,344,275
As at 30th June 2022				
Trade payables	2,502,906	0	0	2,502,906
Other Current Liabilities (Salaries clearances & VAT)		0	0	0
Provisions	3,444,000	0	0	3,444,000
Deferred income unrealized	148,072,083	0	0	148,072,083
Employee benefit obligation	3,732,684	0	0	3,732,684
Total	157,751,673	0	0	157,751,673

iii) Market risk

Kenya Law has put in place an internal audit function to assist in assessing the inherent and emerging risks faced by Kenya Law on an ongoing basis, and to also evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns. The overall responsibility for managing market risk at Kenya Law rests with the Audit and Risk Management Committee.

Kenya Law's Strategy Department is responsible for coordinating the development of a detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of the policies. There has been no change to Kenya Law's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

Kenya Law also has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

Kenya Law manages foreign exchange risk by trying as much as possible to enter into contracts for items ordinarily denominated in foreign currency in the local currency. Where this is not possible, Kenya Law manages forex risk from future commercial transactions and recognizes assets and liabilities by projecting for expected sales proceeds in foreign currency and matching the same with expected payments.

b) Interest rate risk

Interest rate risk is the risk that Kenya Law's financial status may be adversely affected as a result of changes in interest rate levels. Kenya Law's interest rate risk arises from its bank deposits, overdrafts or loans. This exposes Kenya Law to cash flow interest rate risk caused by adverse fluctuations that might occasion losses. The interest rate risk exposure arises mainly from interest rate movements on Kenya Law's deposits.

iv) Capital Risk Management

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

Description	2022-2023 Kshs	2021-2022 Kshs
Retained earnings	217,566,033	194,120,108
Capital Reserve	-	-
Total funds	217,566,033	194,120,108
Total borrowings	-	-
Less: Cash and bank balances	(218,462)	(8,600,078)
Net debt/(Excess Cash and Cash Equivalents)	217,347,571	185,520,030
Gearing	99.9%	95.57%
Retained earnings	217,566,033	194,120,108

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29. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to Kenya Law include those parties who have ability to exercise control or exercise significant influence over its operational and financial decisions. Related parties include management personnel, employees, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the National Council for Law Reporting, holding 100% of the Council's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external. Other related parties in the year included the following:

- i) The Parent Ministry
- ii) County Governments, other State Corporations and SAGAs
- iii) Key management and Council members

The transactions with related parties were at arm's length and were recognized in line with Kenya Law's existing operational policies.

Description	2022-2023	2021-2022
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Sales of legal publications to Judiciary	4,483,168	450,000
Sales of legal publications to National Aids Council	-	89,500
Sales of legal publications to Kenya Medical Research Institute	80,500	-
Sales of legal publications to West Pokot County Assembly	34,800	-
Sales of legal publications to Kakamega County Assembly	109,794	63,500
Sales of legal publications to Machakos County Assembly	533,600	-
Sales of legal publications to Meru County Assembly	45,000	45,000
Sales of legal publications to Competition Authority of Kenya	872,000	-
Sales of legal publications to Commission on Administrative Justice	132,000	132,000
Sales of legal publications to Makueni County Assembly	34,200	-
Sales of legal publications to Tea Board of Kenya	-	5,500
Sales of legal publications to Clerk of National Assembly	620,000	-
Sales of legal publications to Clerk of Senate	50,000	-
Sales of legal publications to Baringo County Assembly	255,200	-
Sales of legal publications to Samburu County Assembly	257,520	-
Sales of legal publications to National Gender and Equality Commission	-	800
Total	7,507,782	786,300
b) Purchases from related parties		
Training and conference fees paid to govt. agencies	606,108	476,036
Total	606,108	476,036
Grants / transfers from the Government		
Grants from National Government	335,090,000	335,090,000
Total	335,090,000	335,090,000
Expenses incurred on behalf of related party		
Payments of salaries and wages for 74 employees	162,091,050	158,216,503
Total	162,091,050	158,216,503
c) Key management compensation		
Council Members' emoluments	6,832,000	4,572,600
Compensation to Senior Management	42,487,405	39,358,920
d) Total	49,319,405	43,931,520

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30. Events after the Reporting Period

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

31. Ultimate and Holding Entity

National Council for Law Reporting is a State Corporation or a Semi- Autonomous Government Agency in the Office of the Attorney General & Department of Justice, herein the holding entity. The ultimate holding entity for National Council for Law Reporting is the Government of Kenya.

32. Currency

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

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33. Appendices

Appendix I: Progress on follow up of Auditor Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
			(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)
Other Matter	Delay in Transferring Legal Ownership of Motor Vehicles	On the matter of transfer of legal ownership of Motor vehicles, the two vehicles GK B724S and GK B879K that were hitherto registered in the name of the Judiciary of Kenya have now been transferred to the ownership of National Council for Law Reporting. One other vehicle GK 425L that was hitherto registered in the name of the defunct Ministry of Justice and Constitutional affairs has also been transferred to the Council. The other vehicle GK 498K that was also hitherto registered in the name of the defunct Ministry of Justice and Constitutional affairs has been subjected to the process of forced transfer at the National Transport and Safety Authority (NTSA). Management is awaiting feedback from NTSA on the same.	Not Resolved	30 th June 2024
Report on the Effectiveness of Internal Controls, Risk management and Governance	Understaffing	Management is in the process of finalising the New Human Resource instruments with the guidance of the Public Service Commission and the Ministry of Public Service, upon which we will seek budget support for recruitment of additional staff progressively until we get to the optimal staffing level.	Not Resolved	30 th June 2028



.....
Editor / Chief Executive Officer

Date..... 30.09.2023

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Appendix II: Projects implemented by National Council for Law Reporting

Projects implemented by the State Corporation / SAGA Funded by development partners and/ or the Government.

Project Title	Project Number	Donor	Period/ Duration	Donor Commitment	Separate donor reporting required as per the donor agreement(Yes/No)	Consolidated in these financial statements. (Yes/No)

Status of Projects Completion

(Summarize the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc.)

SN	Project	Total Project Cost	Total Expended to date	Completion % to date	Budget	Actual	Sources of Funds

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Appendix IV: Transfers from other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent /Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				
					Capital Fund	Deferred Income	Receivables	Others - must be specific	Total Transfers during the Year
State Law Office & Department of Justice	8/17/2022	Recurrent	88,772,500	88,772,500	0	0	0	0	88,772,500
State Law Office & Department of Justice	11/1/2022	Recurrent	88,772,500	88,772,500	0	0	0	0	88,772,500
State Law Office & Department of Justice	1/30/2023	Recurrent	88,772,500	88,772,500	0	0	0	0	88,772,500
State Law Office & Department of Justice	4/25/2023	Recurrent	88,772,500	88,772,500	0	0	0	0	88,772,500
World Bank (JPIP)	6/30/2023	Recurrent	3,228,759	3,228,759	0	3,228,759	0	0	3,228,759
Total			358,318,759	358,318,759	0	3,228,759	0	0	358,318,759

The above amounts have been communicated to and reconciled with the amounts disbursed by the parent Ministry.

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Appendix V- Inter-Entity Confirmation Letter

The State Law Office and Department of Justice (SLO&DOJ) wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below. Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by National Council for Law Reporting as at 30 th June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by State Law Office and Department of Justice (SLO&DOJ) (Kshs. 355,090,000) as at 30 th June 2023				Amount Received by (Beneficiary Entity) (Kshs.) as at 30 th June 2023 (E)	Differences (Kshs.) (F)=(D)-(E)
		Recurrent (A)	Development (B)	Inter-Ministerial(C)	Total (D)=(A+B+C)		
1	8/17/2022	88,772,500	0	0	88,772,500	88,772,500	0
2	11/1/2022	88,772,500	0	0	88,772,500	88,772,500	0
3	1/30/2023	88,772,500	0	0	88,772,500	88,772,500	0
4	4/25/2023	88,772,500	0	0	88,772,500	88,772,500	0
Total		355,090,000			355,090,000	355,090,000	

I confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts department of beneficiary entity:

Name:Pascal Othieno Oluoch..... Sign.....  Date.....30/9/2023.....

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Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
N/A									
		N/A				N/A			
								N/A	

Appendix VII: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Program me	Sub-Program me	Disaster Type	Category of disaster related activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
	N/A			N/A		
					N/A	