

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE



REPORT

OF

THE AUDITOR-GENERAL

ON

**REVENUE STATEMENT OF
THE JUDICIARY**

**FOR THE YEAR ENDED
30 JUNE 2014**

REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

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**FOR THE YEAR ENDED
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KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON REVENUE STATEMENT OF THE JUDICIARY FOR THE YEAR ENDED 30 JUNE 2014

REPORT ON THE FINANCIAL STATEMENT

I have audited the accompanying Revenue Statement of the Judiciary set out on pages 3 to 5, for the year ended 30 June 2014 together with other explanatory information provided in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 8 of the Public Audit Act, 2003. 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.

Management's Responsibility for the Financial Statement

The Accounting Officer is responsible for the preparation and fair presentation of the revenue statement in accordance with International Public Sector Accounting Standards (Cash Basis) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The management is also responsible for the submission of the revenue statement to the Auditor-General in accordance with the provisions of Section 4 of the Public Audit Act, 2003.

Auditor-General's Responsibility

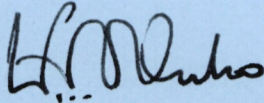
My responsibility is to express an opinion on this revenue statement based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act, 2003. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the revenue statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Judiciary's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the revenue statements.

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

Opinion

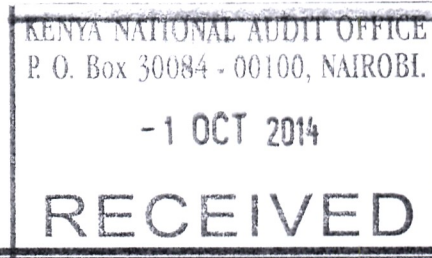
In my opinion, the revenue statement presents fairly, in all material respects the revenue collected by the Judiciary as at 30 June 2014, in accordance with International Public Sector Accounting Standards and Section 82(1) of the Public Finance Management Act, 2012.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

12 May 2015



THE JUDICIARY
(RECEIVER OF REVENUE)

REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2014

**THE JUDICIARY
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

I. STATEMENT OF RECEIVER OF REVENUE'S RESPONSIBILITIES

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


The Chief Registrar in charge of the Judiciary is responsible for the preparation and presentation of the receiver of revenue report, which give a true and fair view of the state of affairs of the Judiciary for and as at the end of the financial year ended on June 30, 2014. 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 status of the revenue collected by the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the revenue report, and ensuring that they are free from material misstatements, whether due to error or fraud.

The Chief Registrar in charge of the Judiciary accepts responsibility for the Judiciary's revenue report, which has been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Chief Registrar is of the opinion that this revenue report gives a true and fair view of the Judiciary's revenue performance during the financial year ended June 30, 2014. The Chief Registrar in charge of the Judiciary further confirms the completeness of the accounting records maintained for the Judiciary, which have been relied upon in the preparation of this report as well as the adequacy of the systems of internal financial control.

The Chief Registrar in charge of the Judiciary confirms that the Judiciary has complied fully with applicable Government Regulations and that the funds collected during the year were transferred to the Exchequer Account. Further the Chief Registrar confirms that this report has been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statements

The revenue statement was approved and signed by the Chief Registrar on 30-9- 2014



Anne A. Amadi
Chief Registrar of the Judiciary
(Receiver of Revenue)

**CHIEF
REGISTRAR OF THE
JUDICIARY**

**THE JUDICIARY
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

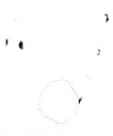


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II. REPORT OF THE INDEPENDENT AUDITORS ON THE REVENUE STATEMENTS

We have audited the accompanying revenue statements of The Judiciary for the year ended June 30, 2014, which comprise a statement of revenue and transfers and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the revenue statements

The Judiciary's Management is responsible for the preparation and fair presentation of the revenue statements in accordance with International Public Sector Accounting Standards, and for such internal control as the management determines is necessary to enable the preparation of revenue statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the revenue statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the revenue statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the revenue statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the revenue statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the revenue statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the revenue statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying revenue statements present fairly, in all material respects, the financial position of the revenue collected as at June 30, 2014, and transfers to the exchequer account for the year then ended in accordance with International Public Sector Accounting Standards.

Auditor General

Date

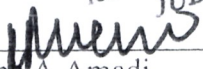
THE JUDICIARY
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

III. STATEMENT OF REVENUES AND TRANSFERS

	Note	2013-2014 Kshs	2012-2013 Kshs
NON TAX REVENUES			
Fees for Services	1	641,629,200	567,389,658
Fines, Penalties and Forfeitures	1	1,426,458,622	913,635,735
TOTAL NON TAX REVENUE		2,068,087,822	1,481,034,393
TOTAL REVENUE COLLECTED		2,068,087,822	1,481,034,393
TRANSFERS TO EXCHEQUER ACCOUNT		(1,694,931,438)	(1,465,507,053)
BALANCE BROUGHT FORWARD	2	15,527,340	-
BALANCE CARRIED FORWARD	2	388,683,724	15,527,340

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 30-9- 2014 and signed by:

**CHIEF
REGISTRAR OF THE
JUDICIARY**


Anne A Amadi
Chief Registrar of the Judiciary
(Receiver of Revenue)

SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

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

2. Recognition of Revenue

The Judiciary recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the Judiciary.

3. Budget

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

4. Comparative Figures

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

5. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2014.

THE JUDICIARY
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

IV. NOTES TO THE REVENUE STATEMENT

1. FINES, PENALTIES, FEES AND FORFEITURES

	Original Estimates	Revised Estimates	Actual	% Realized
	KShs	KShs	KShs	
Fines, Penalties and Forfeitures and Other Charges	1,679,276,823	1,679,276,823	1,426,458,622	
Court fees			641,629,200	
Total Income	1,679,276,823	1,679,276,823	2,068,087,822	123%
Balance brought forward			15,527,340	
Transfers to the Exchequer account			(1,694,931,438)	
Balance carried forward			388,683,724	

Commentary on Actual Revenue against the Revised Estimates

The total realised revenue exceeded revised estimates by 23%. Court fees collection contributed to the overall total revenue positively

2. BALANCES CARRIED FORWARD

Revenue collected not transferred in 2013/2014 balance of Ksh. 388,683,724; was subsequently transferred to the exchequer account 15/08/2014.