

REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

REPORT: 01 SEP 2021

DAY:
WED

TABLED
BY:

L.M.P.

CLERK-AT
TABLE:

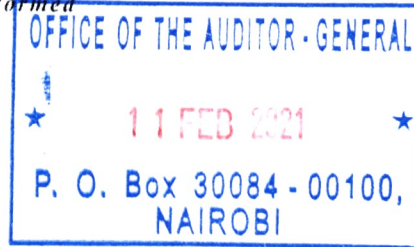
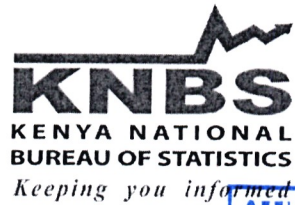
S. Katana

THE AUDITOR-GENERAL

ON

KENYA NATIONAL BUREAU OF STATISTICS

**FOR THE YEAR ENDED
30 JUNE, 2020**



KENYA NATIONAL BUREAU OF STATISTICS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020

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

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

Table of Content

| | | |
|-------|--|----|
| I. | Key Information and Management..... | 3 |
| II. | The Board of Directors who served during the financial year 2019/2020..... | 6 |
| III. | The Senior Management Team..... | 16 |
| IV. | The Chairman’s Statement | 19 |
| V. | The Director General’s Report..... | 20 |
| VI. | Corporate Governance Statement..... | 22 |
| VII. | Corporate Social Responsibility Statement..... | 26 |
| VIII. | Report of the Board of Directors | 28 |
| IX. | Statement of Directors’ Responsibility | 29 |
| X. | Report of the Auditor General..... | 30 |
| XI. | Statement of Financial Performance | 31 |
| XII. | Statement of Financial Position..... | 32 |
| XIII. | Statement of Changes in Net Assets..... | 33 |
| XIV. | Statement of Cash Flows | 34 |
| XV. | Statement of Comparison of Budget and Actual Amounts | 35 |
| XVI. | Notes to the Financial Statements | 36 |

Acronyms

| | | |
|---------|---|--|
| AfDB | - | African Development Bank |
| A-I-A | - | Appropriations in Aid |
| COMESA | - | Common Market for Eastern and Southern Africa |
| DfID | - | Department for International Development |
| DG | - | Director General |
| EAC | - | East African Community |
| FAO | - | Food and Agriculture Organization |
| FDR | - | Fixed Deposit Receipts |
| GOK | - | Government of Kenya |
| ICT | - | Information Communication Technology |
| IDA | - | International Development Agency |
| IFRS | - | International Financial Reporting Standards |
| ILO | - | International Labour Organisation |
| IPSAS | - | International Public Sector Accounting Standards |
| KCB | - | Kenya Commercial Bank |
| KDHS | - | Kenya Demographic Health Survey |
| KENINFO | - | Kenya Information |
| KIHBS | - | Kenya Integrated Household Budget Survey |
| KMIS | - | Kenya Malaria Indicator Survey |
| KNBS | - | Kenya National Bureau of Statistics |
| KPHC | - | Kenya Population and Housing Census, 2019 |
| MICS | - | Multiple Indicator Cluster Survey |
| NIPFN | - | National Information Platform for Food and Nutrition |
| NSS | - | National Statistical System |
| NSSF | - | National Social Security Fund |
| PPRA | - | Public Procurement Regulatory Authority |
| SCB | - | Statistical Capacity Building |
| SIDA | - | Swedish International Development Cooperation Agency |
| UNDP | - | United Nations Development Programme |
| UNFPA | - | United Nations Population Fund |
| UNICEF | - | United Nations Children's Fund |
| USAID | - | United States Agency for International Development |

I. Key Information and Management

(a) Background information

Overview

KNBS is a Semi-Autonomous Government Agency established by an Act of Parliament – the Statistics Act, 2006.

Vision

To be a global leader in the provision of quality statistical services.

Mission

To provide, manage and promote quality statistical services through utilization of best practices for evidence-based decision making.

Core Values

- **Professionalism:** Strictly abide by professional considerations, including scientific principles and ethics on methods, standards and procedures for provision of quality statistical services
- **Integrity:** Will adhere to the principles of good governance to ensure transparency and accountability in undertaking its programmes and activities.
- **Confidentiality:** The Bureau will treat all information provided by stakeholders with strict confidentiality and use exclusively for statistical purposes.
- **Customer focus:** Commits itself to align its programmes to the expectations of its stakeholders and attaining the highest standards in service delivery.
- **Innovation:** Will continuously embrace creativity and innovation for value-addition in its business processes.
- **Teamwork:** Will embrace teamwork in pursuing timely attainment of targeted results at all levels, through coordination and networking.

Strategic Themes / Key Result Area (KRAs)

The Bureau identified five areas of focus / key result areas, which will enable it to deliver benefits to the stakeholders and effectively realize its mandate:

- i. Production of quality statistics
- ii. Coordination of the National Statistical System (NSS)
- iii. Capacity building
- iv. Financial resource mobilization and management, and
- v. Enhance corporate image

(b) Principal Activities

The Bureau is the principal agency of the Government for collecting, analysing and disseminating statistical data in Kenya and is the custodian of official statistical information. Specifically, the Bureau is mandated with:

1. planning, authorising, co-ordinating and supervising all official statistical programmes undertaken within the national statistical system;
2. establishing standards and ensuring the use of best practices and methods in the production and dissemination of statistical information across the national statistical system;
3. collecting, compiling, analyzing, abstracting and disseminating statistical information on the matters specified in the First Schedule of the Act;
4. conducting the Population and Housing Census every ten years, and such other censuses and surveys;
5. maintaining a comprehensive and reliable national socio-economic database.
6. developing and maintaining sampling frames;
7. collaborating with and assisting the county governments or any other institutions in the production of official statistics;
8. providing technical advice on statistics to other state entities;
9. promoting co-ordination among producers, users and suppliers of official statistics by forming appropriate sector committees; and
10. designating statistics produced by national statistical system as official statistics on being satisfied that the necessary criteria have been followed.

(c) Key Management

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

- Director General;
- Directorate of Corporate Services;
- Directorate of Production Statistics;
- Directorate of Macro Economics Statistics;
- Directorate of Population and Social Statistics;
- Directorate of Statistical Co-ordination and Methods

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

- | | |
|--|--------------------|
| 1. Director General | Zachary Mwangi |
| 2. Director – Corporate Services | Ann Mburu |
| 3. Director – Production Statistics | Robert Nderitu |
| 4. Director – Macro Economics Statistics | Collins Omondi |
| 5. Director – Population & Social Statistics | Macdonald Obudho |
| 6. Director – Statistical Co-ordination and Methods | Mary Wanyonyi |
| 7. Ag. Director – Statistical Co-ordination and Methods | Paul Kemboi Samoei |
| 8. Head of Procurement | Fred Ayiera |

(e) Fiduciary Oversight Arrangements

The key fiduciary oversight arrangements cover:

Kenya National Bureau of Statistics

Annual Reports and Financial Statements for the Year ended June 30, 2020

- Finance and Administration Committee activities
- Audit and Risk Management Committee activities
- Technical Committee activities

(f) Registered Office

Real Towers,
Hospital Hill Road,
P.O Box 30266 – 00100,
NAIROBI

(g) Contacts Telephone:(254) 3317586 / 8
E-mail: directorgeneral@knbs.or.ke
Website: www.knbs.or.ke

(h) Bankers

1. Kenya Commercial Bank Limited,
Moi Avenue Branch,
P.O. Box 30081 – 00100,
NAIROBI.
2. Co-operative Bank of Kenya,
Kimathi Street Branch,
P.O. Box 7512 – 00100,
NAIROBI.

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

**II. The Board of Directors who served during the financial year
2019/2020**



Mr. Peter Nginga Kiguta, MBS – Chairman



Mr. Samuel Wambugu

Alt. to the PS – The National Treasury



Ms Katherine Chiteri Muoki, HSC, OGW

**Alt. to PS – State Department for
Planning**



Dr. Josephine Kibaru-Mbae, OGW



Dr. Mary K. Lonyangapuo



Dr. Caxton M. Munyoki



Prof. Richard Oduor Okoth



Mr. Japh Okoth Olende



Mr. Zachary Mwangi , EBS
Director General and Secretary to the Board



Mr. Josiah Morara Omosa – Corporation Secretary



**Mr. Peter Nginga Kiguta,
MBS**

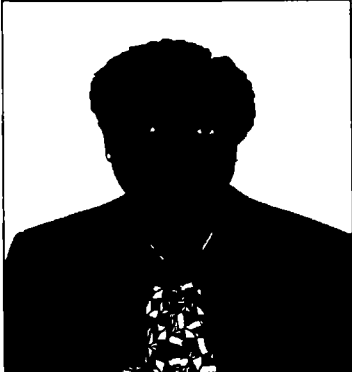
Mr. Peter Nginga Kiguta was appointed as the Board Chairman in May 2018. He holds an MA, Economics Policy (1985), Boston University, Massachusetts, USA and BA, Economics - Upper 2nd Class (1981), University of Nairobi, Kenya.

He was employed by the government of Kenya on 20th November 1981 as Economist I, where due to his good performance, he was promoted through five ranks in a span of 14 years (Economist II; Senior Economist; Principal Economist; Deputy Chief Economist) to the level of Chief Economist in 1995.

He was a Lecturer in Economics, Boston University, Boston - Massachusetts, USA, between January and September 1985, where he taught under graduate students in Macro and Micro economics and problems of African Economic Development.

He has authored various academic papers in economics for presentation in conferences and policy dialoguing, and also contributed papers as input in publications by World Bank. He has also published papers in respected trade journals.

He first joined the East African Community as the Macroeconomist on 28th September 1996. He was appointed on merit as the first Director General (Customs & Trade) of the East African Community on 7th December 2004, where he retired on 31st December 2016 upon reaching mandatory retirement age, having worked as the Director General for 12 years. As a Director General, customs and trade, he had the overall responsibility of ensuring that the EAC Customs union takes off and functions effectively. He led a cross functional, multinational team of customs and trade experts with an annual budget of around US\$9 million.





**Ms. Katherine Chiteri
Muoki, HSC, OGW**


Alternate to Principal Secretary – State Department for Planning, Katherine Chiteri Muoki is a long serving career Civil Servant who has risen through the ranks to the position of Director of Economic Planning responsible for Infrastructure, Science, Technology and Innovations. She has also held the position of Director of Gender for an intermittent period. She holds a Bachelor of Education Degree (Economic & Business Studies), 1st Class Honours from Kenyatta University and a Masters of Arts (Economics) Degree from the University of Nairobi.

Mrs. Muoki has technical expertise in a number of areas that include; Economic Policy Formulation, Development Planning and Analysis; Strategic Planning; Project Management, Monitoring and Evaluation and Impact Analysis; Speech Writing; Participatory Poverty Assessment; Qualitative and Quantitative Statistics Analysis; Human Development Analysis; Research Techniques; Public Finance Management including Budgeting; and Capacity Building.

Among the key activities that she has initiated and/ or coordinated and provided leadership include the drafting of the Poverty Reduction Paper, the Economic Recovery Paper for Wealth Creation, the Vision 2030 and the three Medium Term Plans for the implementation of the Vision 2030. Further she was a member of the think tank that initiated the Medium Term Expenditure Framework (MTEF) Budgeting Framework. She has co-convened various MTEF budget Sector Working Groups for several years. Further she has initiated development of other key policy documents such as the National Gender Policy, the Status of Women Report, and Kenya National Human Development Reports among others. She has also provided leadership in Participatory Poverty Analysis Studies.

Over the years, Mrs. Muoki has served on several boards. These include, the pioneer boards of the National Commission for Gender and Development; Women Enterprise Fund Advisory Board; Uwezo Fund Oversight Board; Anti-Female Genital Mutilation Board and Affirmative Action Social Development Fund Board. She has also sat on the National Commission for Science and Technology and the Lake Basin Development Authority Board.

| | |
|--|---|
| | <p>Mrs. Muoki is the recipient of two (2) State Awards; Head of State Commendation (HSC) in 2013 and Order of the Grand Warrior (OGW) in 2016</p> |
|  <p>Mr. Samuel Wambugu</p> | <p>Alternate to the Principal Secretary, National Treasury, Samuel is a Principal Economist in Macro and Fiscal Department of the National Treasury and Planning. Apart from being a Board Member of KNBS, he also represents the CS, National Treasury and Planning at Jomo Kenyatta Foundation (JKF) Board of Directors. He holds an M.A in Economic Policy Management degree from Makerere University, Uganda and B.A in Economics from University of Nairobi. Besides the above, he has attended Strategic Leadership Development Programme (SLDP) at Kenya School of Government and several courses in Financial and Strategic Management, Leadership and Policy Formulation locally and abroad, and has also undertaken a training on Corporate Governance under Mwongozo facilitated ICS and SCAC.</p> |
|  <p>Mr. Japh Okoth Olende</p> | <p>Japh has been a Senior Business Consultant since the beginning of 2016 after his tenure at AIG Insurance Company spanning over 36 years. At AIG, he was the Chief Executive in charge of East Africa Region for over 19 years. He has considerable international working experience having worked briefly in the US and Europe.</p> <p>During his tenure at AIG he acquired extensive experience in all technical aspects of the business, having worked in all departments including Finance, Claims, Underwriting and Distribution. He was part of the AIG Africa Executive Committee which was charged with the responsibility of developing and implementing key business strategies for the Africa Zone including expansion of the brand in East, West and Southern Africa</p> <p>Japh played leading roles in the insurance industry including serving in various industry related committees, leading to being honoured with a Life Time Achievement award for outstanding role in developing the insurance industry in the region.</p> <p>Japh has played leadership roles in the past as: President of American Chamber of Commerce Kenya Chapter and Director General of the Insurance Institute of Kenya. He has been a director of a number of institutions & organization including, Retirement Benefits Authority; KEPISA; AIG Kenya; AIG Uganda and Muthaiga Golf Club.</p> |

| | |
|--|--|
| | <p>He currently holds directorships of a number of companies including: Absa Bank Kenya Ltd; Chairman Absa Bank Insurance Agency; Jadala Investments company; Ler Limited; 25th Investment Company, and Jumbo Chem Company Kenya Ltd</p> <p>He has presented papers at a number of international conferences including Brookings Institute in Washington DC and Chatham House in London, Japh is a graduate of the University of Nairobi and is a Chartered Insurer of CII London as well as a Member of the Institute of Directors and Certified Trustee.</p> |
|  <p>Dr. Mary K. Lonyangapuo</p> | <p>Dr. Mary K. Lonyangapuo is a holder of Bachelor of Arts in Education from Kenyatta University, a Masters Degree in Linguistics from Leeds University, UK and a PHD in Linguistics from Egerton University. She has over 15 years university teaching experience in the area of Theoretical and Applied Linguistics and has vast knowledge in humanities and social sciences</p> <p>Her key research areas are in: Syntax, Sociolinguistics and Applied communication and has carried out various researches in linguistics and communicative aspects of language, has written a number of research papers in refereed journals and is a Research Assistant with CASA.</p> <p>She is a member of the Editorial Board, <i>Jarida la Mwanga wa Lugha</i>, an academic journal at Moi University. She has served as the Head of Department, Linguistics and Foreign Languages, Moi University; Dean, School of Arts and Social Sciences, Moi University and served as a Council Member, Kenyatta University.</p> <p>She sits on various School Boards and is currently a Senior lecturer, Department of Linguistics and Foreign Languages, Moi University, where she is also the Patron of I Choose Peace Consortium.</p> |



Dr. Caxton M. Munyoki

Dr. Caxton Munyoki holds a PhD in Business Administration, a Master's in Business Administration and a Bachelor of Commerce in Business Administration, all from the University of Nairobi.

Dr. Munyoki has 20 years' experience in the private sector and seven years' experience in the Public sector. He has been a Chief Executive Officer in Kenya Broadcasting Corporation, Allan Holdings, Kenital Solar, Kenya Bunduki, and Tracker Group of Companies. He also served as a Deputy Chief Executive Officer in TARDA and Kenya Broadcasting Corporation. Dr Munyoki has worked with Bata Shoe company limited as a Marketing Manager. He has several publications under his name, among them; "The Role of Competitive Strategies on Performance of Kenya State Corporations" – by Dr. Caxton Munyoki (International Journal for Innovation Education and Research – IJIER) November 2015' and "The Joint Influence of Organizational Autonomy, Positioning and Competitive Strategies on Performance of Kenyan State Corporations" – by Dr. Caxton Munyoki (International Journal of Humanities and Social Science) Vol. 5, No. 10(1); October 2015.

He is a member of the Marketing Society of Kenya.



Prof. Richard Oduor Okoth

Richard has considerable experience in the field of Biotechnology, and brings to the Board extensive expertise in research and biostatics. His active research focuses on using modern biotechnologies including genetic engineering to improve local staple food crops such as maize, sweet potato, cassava and sorghum against diseases, drought, aflatoxin, and Striga. He holds a patent on a stress-inducible promoter with the World Intellectual Property Organization and Chairs the Kenya University Biotechnology Consortium; a professional body that brings together experts in Biotechnology from public and private universities to promote safe use and application of modern biotechnology in Kenya. In 2017, Richard was among the 52 African Scientists celebrated by the South African Department of Science and Technology for their outstanding contributions in advancing research in the continent. Richard has won several research grants, supervised several graduate students and published widely in the discipline. Currently he serves as an Associate Professor and Head of Plant Transformation Laboratory in the department of Biochemistry, Microbiology and Biotechnology at Kenyatta University, Nairobi, Kenya. Richard holds a PhD

| | |
|---|--|
| | <p>in Molecular and Cell Biology from University of Cape Town, an MSc (Biotechnology) and BSc (Biochemistry) both from Kenyatta University, Kenya. In addition, Richard has a postdoctoral training, in drug discovery from Pfizer, UK. He also holds an Executive Master's of Science in Management and Organizational Development from United States International University, Africa; a Graduate Diploma in Forensic Sciences from Blackford Institute, UK and a Certificate in Science communication from University of Cape Town. He is currently an Honorary Visiting Fellow of the University of Leicester.</p> |
|  <p>Dr. Josephine Kibaru-Mbae, OGW</p> | <p>Dr. Josephine Kibaru-Mbae is the Director General of National Council for Population and Development. Prior to joining NCPD in February 2014, Dr. Kibaru-Mbae had been the Director General at the East, Central & Southern Africa Health Community (ECSA-HC; Former Commonwealth Regional Health Secretariat) since 2010. ECSA-HC is an Intergovernmental Organization whose aim is to foster regional cooperation and collaboration in health. It comprises of 10 active members; Kenya, Lesotho, Malawi, Mauritius, Seychelles, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.</p> <p>Dr. Kibaru-Mbae is a Medical Doctor, specialized in Obstetrics, Gynaecology and Public Health. She has about 30 years' experience in the public health sector, with about 20 of these years in Leadership and Management positions at different levels of the health sector in the Republic of Kenya. She started at the District level and rose through the ranks to the level of Senior Deputy Director of Medical Services in charge of Family Health Services, Ministry of Health; Kenya. Dr. Kibaru-Mbae has represented the government in various national and international fora such as the WHA, ICPD etc. During her tenure at the Division of Reproductive Health, in collaboration with other stakeholders, she successfully lobbied for the first ever budget-line for Family Planning in Kenya in 2005.</p> <p>Dr. Kibaru-Mbae has excellent networking experience working with policy makers and programme experts such as Ministers, Ambassadors, Principal Secretaries, Directors, population and health professionals, representatives of collaborating partners and donors and the media.</p> |



**Mr Zachary Mwangi, EBS
Director General**

Mr Zachary Mwangi has over 24 years' experience in the public service. He holds a Bachelor of Arts (First Class Honors) from University of Nairobi and a Masters of Arts in Economic Policy Management, Makerere University, Uganda. He has expertise in official statistics, strategic management, surveys and censuses implementation, public policy analysis, budgeting, and project management, among others.

Prior to his current appointment as the Director General of the Kenya National Bureau of Statistics (KNBS), he was the Director of Macroeconomic Statistics, KNBS, from 2008 to 2012. From 1991 to 2008 he worked in the mainstream civil service rising to the position of Chief Economist in the then Ministry of Planning and National Development.

He has coordinated the preparation of various publications including, Annual Economic Survey reports, Annual Statistical Abstract reports, Quarterly GDP reports, Socio Economic Atlas, various survey reports, Public Expenditure Review reports, Quarterly Budget Review reports and District Development Plans.

He has attended various courses and workshops, both locally and abroad, on Regional Integration, Statistical Developments, Public Expenditure Management, Financial Programming and Policies, Risk Management, Quality Management System, Project Management, Macroeconomic analysis and modelling, among others.



Mr. Josiah Morara Omosa

Born in 1973, Josiah is an alumni of the University of Nairobi having earned a Masters of Law Degree in 2013. He also earned a Diploma in Legal Practice from the Kenya School of Law in 1998 and a Bachelor of Law Degree (2nd Class Honors, Upper Division) from the University of Nairobi in 1997. He is a registered Certified Public Secretary of Kenya, a member of the Institute of Certified Public Secretaries of Kenya (ICPSK) Member No.R/CPSB/2214 and the Law Society of Kenya (LSK) and an Advocate of the High Court of Kenya, a Commissioner for Oaths and a Notary Public.



He has been an advocate of the High Court for the past 20 years (10 of which he has been the Legal Manager and later promoted to be a Corporation Secretary at the Bureau). He is a lawyer, with a wide spanning career in law and corporate governance. He has been responsible for driving the corporate governance agenda in the



Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

| | |
|--|---|
| | <p>Bureau, providing guidance and support to the Board and has been the Secretary to the Board and all its Committees. Further, he has considerable experience in Commercial and Public Procurement Law having represented the Bureau before the Public Procurement Board and the Constitutional and Judicial Review Divisions of the High Court.</p> |
|--|---|

III. The Senior Management Team

The KNBS structure comprises six directorates as shown below. Each Directorate is headed by a Director.

| | |
|--|--|
|  | <p>Mr Zachary Mwangi has over 24 years' experience in the public service. He holds a Bachelor of Arts (First Class Honors) from University of Nairobi and a Masters of Arts in Economic Policy Management, Makerere University, Uganda. He has expertise in official statistics, strategic management, surveys and censuses implementation, public policy analysis, budgeting, and project management, among others.</p> <p>Prior to his current appointment as the Director General of the Kenya National Bureau of Statistics (KNBS), he was the Director of Macroeconomic Statistics, KNBS, from 2008 to 2012. From 1991 to 2008 he worked in the mainstream civil service rising to the position of Chief Economist in the then Ministry of Planning and National Development. He has coordinated the preparation of various publications including, Annual Economic Survey reports, Annual Statistical Abstract reports, Quarterly GDP reports, Socio Economic Atlas, various survey reports, Public Expenditure Review reports, Quarterly Budget Review reports and District Development Plans.</p> <p>He has attended various courses and workshops, both locally and abroad, on Regional Integration, Statistical Developments, Public Expenditure Management, Financial Programming and Policies, Risk Management, Quality Management System, Project Management, Macroeconomic analysis and modelling, among others.</p> |
| <p>Mr Zachary Mwangi, EBS</p> <p>Director General</p> | <p>Mr. Robert Nderitu is a statistician by profession and holds a Master of Science Degree (Statistics) from Kenyatta University. He has more than twenty (20) years' experience in the field of Statistics and through appropriate training and experience both locally and internationally, has been undertaking duties related to production and management of Statistics. This includes; preparing concept papers and proposals; providing economic planning, analytical, statistical, demographic and other related services; designing and maintaining of business register and sampling frames; designing data collection instruments; designing surveys and censuses; collecting and analyzing statistics on various thematic areas; monitoring living conditions by collecting, compiling and disseminating data on Consumer Price Indices (CPI) as well as income and expenditure levels;</p> |
|  <p>Mr. Robert Nderitu, OGW</p> <p>Dir., Production Statistics</p> | |

| | |
|--|---|
| | <p>and compiling other development Indexes including Human Development Indexes.</p> <p>He is the Director in charge of Production Statistics Directorate whose mandate involves collection, analysis, generation and dissemination of statistics in the areas of Labour, Prices, Industrial, Agriculture and Livestock, Environment and Nutrition statistics. He is also a qualified quality management system internal auditor and currently heads a team of champions, implementing the ISO 9001:2015 Quality Management System in the Bureau.</p> |
|  <p>Mr Macdonald George Obudho, MBS</p> <p>Dir., Population & Social Statistics</p> | <p>Macdonald George Obudho has worked in Kenya National Bureau of Statistics since 1995 to date. He holds a Bachelor of Science degree in Mathematics and Computer Science (Second class honours - Upper Division) from Jomo Kenyatta University of Agriculture and Technology and a Master of Science degree in Statistics from the same university. He has vast experience in conducting population and housing censuses, designing and carrying out sample surveys and compilation of official statistics. From the statistical background, he has experience in cartographic work, designing different types of statistical household sampling frames and maintenance of the same. He has been in management for 13 years that brings about both administrative and technical experience.</p> <p>He has coordinated the writing of very many reports like census monographs, demographic and health surveys and Multiple Cluster Surveys. He has a number of certificates under his name that arise from short courses, workshops and seminars attended both locally and internationally. Some of them are on censuses, post census enumeration surveys, Statistical Designs and Development, Sampling and weighting of data, Strategic Leadership Development Programme, Risk Management, Quality Management System, among many others</p> |
|  <p>Ms. Ann M. Mburu, HSC</p> <p>Director, Corporate Services</p> | <p>Ms. Ann Mburu holds a Master of Science Degree in Human Resource Management from SALFORD University in the UK. She also holds a Bachelor's Degree in Economics and Government from the University of Nairobi in Kenya.</p> <p>Ann has attended various Management/Leadership courses to include: Change Management from the Royal Institute in the UK, Labour Management Course under the World Bank in Washington - USA, Strategic Management Skills from University of Connecticut USA, Strategic Planning Course from University of Wits Waterberg in South Africa, Strategic Leadership program from Kenya School of Government, Gender Mainstreaming Management from East and Southern African Management Institute, among others.</p> |

| | |
|---|---|
| | <p>Ms. Mburu has worked as a Management Consultant in the Management Consultancy Services under the Office of the President, Directorate of Public Service Management. She has also worked as a Director of Human Resource Management and Development, last appointment being the State Department for Planning before joining Kenya National Bureau of Statistics as a Director, Corporate Services.</p> |
|  <p>Mr Collins Omondi, OGW</p> <p>Dir., Macro Economic Statistics</p> | <p>Mr Collins Omondi has a vast experience in Statistics, Economics and Data Management Skills drawn from over 19 years of work experience with the statistics Institution. He holds Master of Arts in Economics (University of Nairobi) and Bachelor of Science in Statistics (University of Nairobi). He has attended and participated in various Macroeconomics statistics related forums both locally and internationally. He heads Macroeconomics Statistics Directorate responsible for coordination, collection, analyses, generation and dissemination of macroeconomic statistics in the following main areas: National Accounts, External sector statistics, Monetary and Financial statistics, Public Finance, Tourism and migration, and Transport, Storage and Communications statistics.</p> |
|  <p>Mary Mildred Wanyonyi, OGW</p> <p>Dir., Statistical Co- ordination & Methods</p> | <p>Ms. Mary Wanyonyi has vast experience in designing and conducting sample surveys, compilation of official statistics, socio-economic database development and environment statistics. She has a wide range of expertise in poverty and other social statistics analyses. She is the coordinator for the National Strategy for the Development of Statistics (NSDS) and the focal person for the post 2015 Development Agenda on Sustainable Development Goals (SDGs), at KNBS.</p> <p>She is the Director in charge of Policy and Planning, Statistical Standards & Methods, Research and Development, and coordination of the National Statistical System (NSS). She is also responsible for the implementation of Kenya Integrated Household Budget Surveys and Kenya Continuous Household Survey.</p> |

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

IV. The Chairman's Statement

It is with great pleasure that I present to you the Financial Statements for Kenya National Bureau of Statistics for the financial year ended 30th June 2020. This is an opportunity to report on the activities and performance of the Bureau.

During the financial year, the Bureau lived to its mandate in providing users and policy-makers with timely and reliable statistics to facilitate decision-making. Various surveys as per the Director General's report were conducted and some reports on the same were released, while other reports are still under preparation. The preparatory activities for the 2019 Population and Housing Census were concluded and enumeration conducted with great success. Four census basis reports were also successfully released and launched for use. Other surveys and censuses were also carried out so as to strengthen the quality of statistical information released to all stakeholders.

The Bureau continued to strengthen the National and County Statistics Offices, but still faces the challenges of office accommodation especially in the Counties, staff retention and visibility. The process of identifying a building for leasing for the headquarter offices was completed and partitioning, electrical and mechanical works have since been completed, and staff shifted to the new offices, save for two sections that were left in Nyayo House and Herufi House. In the long term, the Bureau requires to own a building to house its headquarters.

Finally, I wish to recognize with appreciation, the continued technical and financial support we have received from the Government, and the development partners over the period that has enabled the Bureau to come this far. The Bureau staff are also appreciated for the efforts they are putting to ensure production of quality statistics.



Peter Ng'inga Kiguta, MBS

V. The Director General's Report

According to the Statistics Act 2006, the Kenya National Bureau of Statistics is the principal agency of the national government for the collection, compilation, analysis and dissemination of official statistics for planning, policy making and monitoring and evaluation. It is also mandated to ensure best standards and methods in the production of statistics across the National Statistical System (NSS).

This annual financial report, therefore, highlights achievements made by KNBS during the period under review.

National Strategy for Development of Statistics

In the Financial Year the Bureau continued with the development of the National Strategy for Development of Statistics (NSDS).

The NSDS is a framework to strengthen statistical capacity across the National Statistical System (NSS) through Strategic planning. It is therefore a national statistics master plan that provides a vision for development of all official statistics for the country. The NSDS is currently regarded as the best practice in statistical planning as it lays considerable emphasis on the entire National Statistical System (NSS) as opposed to the National Statistical Office only. This process will not only broaden and deepen the co-ordination between KNBS and the sectors, but will also streamline relations among the sectors that are involved in production of statistics, including counties.

Through the NSDS framework, producers of statistics are encouraged to prepare and implement statistical programmes within their institutions for enhancing the production of statistics. The National Strategy for the Development of Statistics will culminate in establishment of functional statistical units in sectors, enhance the statistical capacity of the National Statistical System (NSS) to develop, produce and use official quality statistics in a cost-effective manner.

Progress and Status

- a. Fourteen draft Sector Statistics Plans have been prepared
- b. The KNBS Sector Statistics Plan (2018-2022 Strategic Plan) was finalized.
- c. Consolidation of the SSPs is ongoing and the draft National Strategy for the Development of Statistics will be produced.

The NSDS is aligned to the MTP III and will cover the period 2018/19-2022/23.

Quality Management System

KNBS is committed to continually improve quality of service delivery as an integral part of its business strategy. To achieve this goal, KNBS applies the framework of a Quality Management System (QMS). During the period, the KNBS Quality Management System was audited by SGS Kenya Limited, a certifying body, based on ISO 9001:2015 Standard.

Sustainable Development Goals

During the Financial Year, The Bureau identified Sustainable Development Goals (SDGs) indicator framework for national monitoring.

Performance Contracting for FY 2019-2020

The Bureau implemented the agreed targets as per the vetted 2019-2020 Performance Contract. Four quarterly progress reports were prepared and submitted to The National Treasury and

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020
Planning and Office of Performance Management Contracting and Coordination as guided by 16th
Cycle Performance Guidelines.

The Kenya Statistics Program-For-Results (KSP-for-R)

The Kenya Statistics Program for Results (KSP-for-R) is a financing agreement between the Government of Kenya and World Bank aimed at supporting statistical development in the Country from 2015/16 to 2019/20. The credit amount is SDR 35.6 Million (USD 50.0 Million equivalent) and supports selected activities of the KNBS Strategic Plan. The program commenced on 9th October 2015 and became effective on 10th February, 2016. It is a "results based" program where disbursements are largely tied to achievement of agreed "Disbursement Linked Indicators (DLIs)". Each DLI has several Disbursement Linked Results (DLRs) or milestones, which, when achieved, triggers disbursement. The National Treasury funds the KNBS budget through the exchequer releases and is reimbursed the agreed amount, upon achievement of the results by KNBS, and completion of the verification process.

The program has been rated among the best performing projects by the World Bank. KNBS has already achieved the Disbursement Linked Results (DLRs). These DLRs have already been verified and National Treasury has received a reimbursement of USD 33 million (66% of the total credit). In addition, there are other DLRs which are at different stages of implementation and officers are working tirelessly to ensure that all the indicators are achieved before the end of the program. Through the program, the Bureau has also been able to digitize data collection processes for most surveys/censuses and a lot of microdata have been uploaded in the KNBS website.

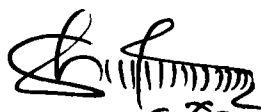
Way Forward

- a. Carry out the scheduled activities with the resources available
- b. Undertake training to fill the skills gaps
- c. Comprehensive implementation of Job Evaluation reports in line with Management/Board recommendations;
- d. Recruitment of staff to fill any identified vacancies and development of existing ones;

In conclusion, I laud the efforts of the Board, entire staff and other stakeholders for the support provided during the period that ensured the Bureau implemented majority of the planned activities.

Sincere appreciation to our development partners who have been a great help in the development of statistics not only at the Bureau but in the country as a whole. Particular gratitude goes to AfDB, Statistics Sweden through SIDA, UNICEF, UNDP, UNFPA and World Bank for both financial and technical support that facilitated KNBS conduct key surveys to bridge some of the existing data gaps.

The Bureau greatly recognises and appreciates the invaluable support and feedback by our data producers, suppliers and users that enabled the institution achieve its mandate.



Macdonald G. Obudho, MBS

VI. Corporate Governance Statement**Objective**

Corporate governance defines the process and structure used to direct and manage business affairs of the organization with the aim of enhancing prosperity and organizational accountability.

The corporate governance arrangements for the Bureau are set by the Board having regard to the Corporate Governance Principles and Recommendations, corporate best practice and the best interests of all stakeholders. The Bureau is committed to adopting best practice in corporate governance where these practices are appropriate and add value. Consistent with the ongoing review of the Bureau's corporate governance framework to ensure that reflects best practice, the Bureau's Charters and Policies are updated continuously. The documents define the process and structure used to direct and manage business affairs of the Bureau with the aim of enhancing prosperity and organizational accountability.

The Board has adopted a Board Charter that details the functions and responsibilities of the Board, Chairman and individual Directors. Responsibility for the day to day management and administration of the Board is delegated to the Director General (DG) who is Chief Executive Officer (CEO), assisted by his direct reports. The DG manages the Bureau in accordance with the strategy, financial plans and delegations approved by the Board. The Board is responsible for the overall operation and stewardship of the Bureau and, in particular for the long term strategies, policies and financial objectives of the Bureau and for monitoring the implementation of those policies, strategies and financial objectives.

The Board acknowledges that it is responsible for ensuring the transparency, accountability and integrity of the financial and internal systems in the organization and hereby confirms that sufficient safeguards have been put in place and are reviewed on a regular basis.

The Board's principal responsibilities include:

- i. Approving the Bureau's strategy and ensuring that an effective management team and the necessary financial and human resources are in place for the Bureau to meet its objectives.
- ii. Approving the Bureau's Budget, annual work plans, procurement plan and performance contract.
- iii. Approving the Bureau's Annual Report and reviewing its periodic financial reports.
- iv. Evaluation of the management's performance over the preceding year.
- v. Reviewing the Bureau's risk management and internal controls systems and governance framework and approving Bureau policies.

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

Board Committees and their functions

The Board has approved the delegation of certain authority to Board Committees where applicable, as well as to the management. The Board has three committees which are guided by clear terms of reference, and are instrumental in monitoring the Bureau operations, conduct of business systems and internal controls.

The three Committees are the Finance & Administration Committee, the Audit & Risk Management Committee and the Technical Committee.

a) Finance & Administration Committee Functions

- i. Review the Bureaus' annual budget before submission and after approval by the Treasury;
- ii. Review quarterly Financial Monitoring Reports (FMR);
- iii. Review periodic operational budgets and financial statements;
- iv. Monitor the continuing efficacy of accounting and internal control;
- v. Compliance with the Government financial management regulations;
- vi. Monitoring the performance of key finance and accounts staff against approved performance contracts;
- vii. Review the annual procurement plans including those of external funded projects;
 - Monitoring and appraise the performance of senior management, review of all human resource policies, determining the remuneration of senior management and other staff.

The above responsibilities shall not prevent the committee from carrying out any other tasks that are reasonably within its mandate.

All review and recommendations by this committee will be submitted to the Board for final approval.

b) Audit & Risk Management Committee Functions

- i. Monitor the implementation of the risk management policy framework;
- ii. Monitoring and ensuring timely implementation of recommendations of various fiduciary oversight responsibilities, including internal and external auditors, Government project monitoring agencies and external funded projects (IDA and DfID) periodic review and supervision missions;
- iii. Overseeing continuing efficacy of accounting and internal control standards, policies and practices
- iv. Ensuring compliance with legal covenants of Development Partners funding agreement on projects by them
- v. Monitoring performance of key internal audit staff against approved performance contracts.
- vi. The above responsibilities shall not prevent the committee from carrying out any other tasks that are reasonably within its mandate.
- vii. All review and recommendations by this committee will be submitted to the Board for adoption.

c) Technical Committee

Functions

- i. To review and approve the Bureau's annual work-plan to ensure that it is in line with the Strategic Plan
- ii. To review requests from Agencies other than the Bureau who intend to undertake a census or survey at national sub-regional and local level;
- iii. Reviewing policies on the standardization of methodology and standards for data collection, reporting and dissemination;
- iv. Review the Quarterly report on the activities of the Bureau,
- v. Review collaboration activities and partnerships with other agents.

The above responsibilities shall not prevent the committee from carrying out any other tasks that are reasonably within its mandate.

All review and recommendations by this committee will be submitted to the Board for adoption.

Directors' Remuneration

The remuneration for the directors consists of sitting allowances in connection with attendance at Board and Committee meetings. The aggregate amount of the expense during the financial year ended 30th June 2020 are contained in Note 6 to the financial statements in this annual report

Code of Conduct

The Bureau has a code of conduct which seeks to guide employees in ethical conduct of business. All members of the Board of Directors, management and employees are expected to observe high standards of integrity and ethical conduct when dealing with customers, staff, suppliers of data, goods and services and regulators.

Internal Control

The effectiveness of the Bureau's internal control systems is monitored on a regular basis by the Internal Audit function, which reviews the Bureau's compliance with the laid down policies and procedures as well as assessing the effectiveness of the internal control structures. The Internal Audit function reports to the Audit and Risk Management Committee of the Board.

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

Board/Board Committees Attendance

The following table gives the record of attendance of the KNBS Board and its Committee meetings for the year ended 30th June, 2020:

| Name of Member | Regular Board Meetings | Special Board Meetings | Board Committees | Other Board Activities |
|-------------------------|------------------------|------------------------|------------------|------------------------|
| Mr. Peter Nginga Kiguta | 4 | 10 | - | 10 |
| Mrs. Katherine Muoki | 4 | 10 | 8 | 8 |
| Mr Samuel Wambugu | 3 | 5 | 6 | 2 |
| Mr Zachary Mwangi | 4 | 10 | 12 | 10 |
| Mr Japh Okoth Olende | 2 | 3 | 4 | 2 |
| Dr. Josephine K. Mbae | 2 | 0 | 2 | 5 |
| Dr. Caxton Munyoki | 4 | 10 | 12 | 8 |
| Dr. Mary Lonyangapuo | 4 | 10 | 10 | 9 |
| Prof. Richard Oduor | 4 | 10 | 12 | 10 |

Board membership status

The members' appointment and expiry dates are as follows:

| | | |
|---------------------------|---|---------------------------|
| 1 Mr. Peter Nginga Kiguta | 11th May 2018 | 10th May 2021 |
| 2 Mr. Zachary Mwangi | 1st November 2014 | Retired 31st October 2020 |
| 3 Mr. Samuel Wambugu | Alternate to PS - The National Treasury | |
| 4 Mrs. Katherine Muoki | Alternate to PS - State Department for Planning | |
| 5 Mr. Japh Okoth Olende | 16th October 2019 | 15th October 2022 |
| 6 Prof. Richard Oduor | 21st Dec 2018 | 20th Dec 2021 |
| 7 Dr. Caxton Munyoki | 21st Dec 2018 | 20th Dec 2021 |
| 8 Dr. Mary Lonyangapuo | 21st Dec 2018 | 20th Dec 2021 |
| 9 Dr. Josephine K. Mbae | 12th Feb 2019 | Retired 31.01.2020 |

VII. Corporate Social Responsibility Statement

The policies guiding the hiring process are as follows:

1. Human Resource Policies and Procedures Manual for Permanent Staff

According to the Bureau's Human Resource Policies and Procedures Manual for permanent staff, the recruitment procedure commences with the Director General declaring to the Board in accordance with the procedures set, all vacant posts within the establishment which are to be filled substantively or in an acting capacity. Such declaration originates from the various Heads of Department and must be supported by good justification for the recruitment and confirmation that the positions are not only within the approved establishments but also fully funded.

No panellist at either the short listing or interviewing stage will participate in cases where there is an applicant who is related to him in any way to avoid conflict of interest. The principles of affirmative action, apply on appointment/promotion as applicable.

2. Recruitment Guidelines for Temporary Survey Personnel

These guidelines enhance efficiency and improve transparency in the recruitment process to enable the Bureau fulfil its mission of providing and promoting quality statistical information, for evidence based decision making through recruitment of competent and qualified temporary personnel to conduct surveys and censuses. The specific objectives are:-

- a. To ensure fairness, accountability and transparency during the recruitment of survey personnel;
- b. To build the capacity of officers involved in the recruitment process;
- c. To provide equitable opportunity to all persons especially, women youth and persons with disability.

3. Internship Policy

This policy provides for engagement and management of internship programmes in the Bureau. It outlines the various provisions and requirements of the programme, selection procedures and roles and responsibilities of various stakeholders in the internship programme. Further, it takes cognizance of the various legal and policy provisions on which the internship policy is based on the following:

Consideration of gender ratio

The Bureau shall:

- a. Ensure a gender responsive human resource function;
- b. Empower all staff to provide gender responsive services and products;
- c. Establish sustainable gender responsive systems and structures in recruitment, promotion and training.
- d. Set up sustainable sex disaggregated databases on recruitment, promotion and training and other Human Resource functions;
- e. Embrace affirmative action to address gender disparities;
- f. Observe at least 30 percent gender representation in all recruitments and promotions as required by the law.

4. Training Policy

The Bureau's policy on training is to ensure continuous upgrading of employee's core competencies, knowledge, skills and attitudes including their ability to assimilate technology to enable them to create and seize opportunities for social advancement, economic growth and individual fulfilment. The Bureau shall therefore make adequate budgetary provisions for training.

5. Career Guidelines

The career guidelines were developed to provide an institutional framework to address issues of staff remuneration and progression. This ensures that the Bureau is able to attract and sustain competent and motivated staff. The Career Guidelines set out the minimum qualifications and/or experience required for advancement from one grade to another. It is however, emphasized that these are minimum requirements entitling an officer for consideration for appointment to the grade.

6. Staff Appraisal

The Bureau recognizes performance management system as a critical component of Human Resource Management function whose overall objective is to manage and improve performance of the Bureau by enabling higher level of employee participation and involvement in planning, delivery and evaluation of work performance. The Bureau takes into account individual performance and rewards employees for their contribution in a fair and equitable manner. The Performance Management System has therefore been designed to achieve this objective, among others.

VIII. Report of the Board of Directors

The Directors hereby submit their report together with the financial statements for the year ended June 30, 2020 which disclose the state of affairs of the Bureau.

Principal activities

The Bureau is the principal agency of the Government for collecting, analysing and disseminating statistical data in Kenya and is the custodian of official statistical information.

Results

The financial performance of the Bureau for the year ended June 30, 2020 are set out on page 28.

Board of Directors

The members of the Board who served during the year and up to the date of this report are set out on page 6.

Auditors

The Auditor General is responsible for the statutory audit of the Bureau in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2020.

By Order of the Board



Mr. Josiah Morara Omosa - Corporation Secretary

Date: 28/09/2020

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

IX. Statement of Directors' Responsibility

Section 81 of the Public Finance Management Act, 2012 and the Statistics Act, 2006, require the Directors to prepare financial statements in respect of the Bureau, which give a true and fair view of the state of affairs at the end of the financial year and its operating results for that year. The Directors are also required to ensure that the Bureau keeps proper accounting records which disclose with reasonable accuracy its financial position. The Directors are also responsible for safeguarding of the assets.

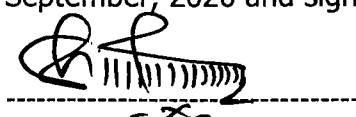
The Directors are responsible for the preparation and presentation of the Bureau's financial statements, which give a true and fair view of its state of affairs as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Bureau; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Bureau'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 Statistics Act (2006). The Directors are of the opinion that the Bureau's financial statements give a true and fair view of the state of its transactions during the financial year ended June 30, 2020, and of its financial position as at that date. The Directors further confirm the completeness of the accounting records maintained by the Bureau, which have been relied upon in the preparation of these financial statements as well as the adequacy of the systems of internal financial control.

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

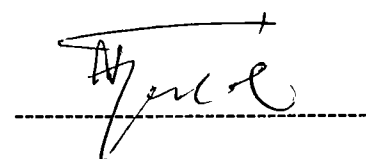
Approval of the financial statements

The Bureau's financial statements were approved by the Board of Directors on 24th September, 2020 and signed on its behalf by:



Macdonald G. Obudho, MBS
Director General

Date 28th September 2020

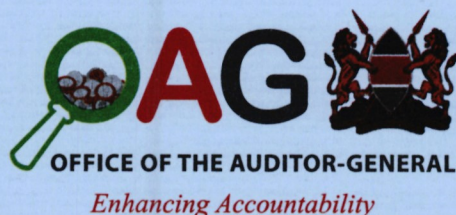


Mr. Peter Nginga Kiguta, MBS
Board Chairman

Date.....

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KENYA NATIONAL BUREAU OF STATISTICS FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Kenya National Bureau of Statistics set out on pages 31 to 59, which comprise the statement of financial position as at 30 June, 2020, and the statement financial performance, the statement of changes in net assets, the statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Kenya National Bureau of Statistics as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis).

Basis for Adverse Opinion

1. Irregular Payments for the 2019 Kenya Population and Housing Census

The statement of financial performance and as disclosed under Note 4 of the financial statements reflects project expenses amount of Kshs.10,083,382,911 which included an amount of Kshs.9,228,837,684 in respect of the 2019 Kenya Household and Population Census (KHPC). The following irregularities were noted:

1.1. Payment for Provision of Security During the 2019 Kenya Population and Housing Census

The statement of financial performance and as disclosed under Note 4 of the financial statements reflects project expenses amount of Kshs.10,083,382,911. Included in the amount is Kshs.9,228,837,684 in respect of the 2019 Kenya Household and Population Census (KHPC). Examination of the documents in support of the expenses revealed that the Management transferred an amount of Kshs.500,000,000 in form of imprest to the Kenya Police Service to meet the allowances of security officers during the exercise. The imprest amount of Kshs.499,817,500 was subsequently surrendered on 4 June, 2020.

However, the basis for the transfer of Kshs.500,000,000 was not supported by an agreement between the Kenya Police Services and the Bureau to inform the amount required for security.

Further, the surrender documents did not contain details of the number of security officers that were deployed for the exercise, their respective stations, the number of days worked and the amounts received by each officer. There were no daily attendance registers to authenticate the identity of officers that rendered the services at various locations as proof of participation in the exercise and hence justification for the payment. There was no summary payment schedule breaking down the payments by region and station.

In addition, the amount included an amount of Kshs.10,072,000 being payment to non-security officers. The roles, names, details of the non-security officers and the reasons for their involvement in the census exercise was not explained or documented.

Under the circumstances the accuracy and validity of the security expenditure amount of Kshs.499,817,500 paid out as part of project expenses could not be confirmed.

1.2. Unsupported Use of Airtime, Data Bundles and Procurement of Sim Cards

The statement of financial performance and as disclosed under Note 4 of the financial statements reflect project expenses amount of Kshs.10,083,382,911. Included in the amount is Kshs.9,228,837,684 in respect of the 2019 Kenya Household and Population Census (KHPC) which includes expenditure of Kshs.218,147,260 in respect to purchase of sim cards, airtime, data bundles purchased from various telephone and internet service providers. However, the Management did not provide detailed analysis on the quantities of data bundles supplied, how much was utilized and how it was utilized over the period of the census and the balance as at 30 June, 2020.

Under the circumstances, the accuracy and validity of the expenditure of Kshs.218,147,260 could not be confirmed.

1.3. Unsupported SMS Expenditure

The statement of financial performance and as disclosed under Note 4 of the financial statements reflect project expenses amount of Kshs.10,083,382,911. Included in the amount is Kshs.9,228,837,684 in respect of the 2019 Kenya Household and Population Census (KHPC) is the cost of procurement of 30 million Short Message Services (SMS) at a contract sum of Kshs.38,850,000. Management did not provide reports to show the number of Short Messages Services sent, when they were sent, message content, delivery records, rejection records and the details of the recipient numbers

Further, although the suppliers had invoiced for 30 million SMS on 29 July, 2019 for use through Safaricom, Airtel and Telkom networks, only Safaricom had confirmed having had their network used to send 22,856,831 bulk SMSs with the balance of 7,143,169 SMS valued at Kshs.8,214,644.35 having not been confirmed as having been utilized. Airtel and Telkom networks did not confirm having had any SMS sent through their networks.

Under the circumstances, it was not possible to determine the accuracy and validity of SMS expenditure of Kshs.38,850,000.

1.4. Unsupported Payment to Census Personnel

The statement of financial performance and as disclosed under Note 4 of the financial statements reflects project expenses amount of Kshs.10,083,382,911. Included in the amount of Kshs.9,228,837,684 in respect of the 2019 Kenya Household and Population Census (KHPC) are enumerators' expenses, content supervisors and ICT supervisors of Kshs.3,211,275,700, Kshs.1,191,151,000 and Kshs.197,536,100 respectively, totalling Kshs.4,599,962,800. However, the amounts were captured as payments made from the special census bank accounts that were maintained in all the forty-seven (47) counties but no details of the numbers for each category of staff per county were provided. There were no details on the number of days worked and evidence of work done by way of signed attendance sheets for each person paid. Also, Management did not provide documents in support of recruitment at the Counties of ICT supervisors, content supervisors and enumerators.

It was therefore, not possible to establish how the enumerators, content supervisors and ICT supervisors were recruited.

1.5. Unsupported Payment to Village Elders

The statement of financial performance and as disclosed under Note 4 of the financial statements reflects project expenses amount of Kshs.10,083,382,911. Included in the amount is Kshs.9,228,837,684 in respect of the 2019 Kenya Household and Population Census (KHPC) are payments to Village Elders engaged for 9 days at a rate of Kshs.600 per day amounting to Kshs.1,115,470,472. It is not clear how the Village Elders were identified and later recruited for the exercise in all the forty-seven (47) Counties. Although Management has explained that Village Elders are part of the National Government Administrative Officers (NGAOs) and that Assistant Chiefs submitted the list of Village Elders through the ranks to the County Commissioners who endorsed the list and submitted to the Bureau for payment, Management did not provide the lists for audit verification.

Consequently, the accuracy and validity of Kshs.1,115,470,472 spent on Village Elders in the forty-seven (47) Counties for the year ended 30 June, 2020 could not be confirmed.

1.6. Unreconciled General Ledgers and Mpesa Payments to Village Elders

The Village Elders in the Counties were paid through Mpesa. However, the payments recorded in the ledger for forty-five (45) Counties could not be verified against the Mpesa statements as they were not provided for audit review. Management provided Mpesa statements for Nairobi and Nyandarua Counties only where the following anomalies were noted;

- i) The ledger provided in support of payments made in Nyandarua County reflected an amount of Kshs.10,152,000 as the allowances paid to Village Elders. However, the Mpesa statement for payment of the allowance presented in support indicated

an amount of Kshs.9,801,000 resulting to a variance of Kshs.351,000 which has not been reconciled or explained;

- ii) The ledger provided in support of payments made in Nairobi County reflected an amount of Kshs.85,735,800 as the allowances paid to Village Elders. However, the Mpesa statement for payment of the allowances presented in support indicated an amount of Kshs.79,444,800 resulting to a variance of Kshs.6,291,000 which has not been reconciled or explained.
- iii) Further, some of the Village Elders in Nairobi County were paid twice resulting in double payment of Kshs.1,884,600.

Consequently, it was not possible to confirm the accuracy and validity of the payments to Village Elders in respect of the 2019, Housing and Population Census.

2. Unsupported Surveys Expenditure

The statement of financial performance and as disclosed under Note 4 to the financial statements reflects project expenses amount of Kshs.10,083,382,911. This included an amount of Kshs.683,924,793 in respect of three surveys namely; Kenya Continuously Household Survey Programme (KCHSP), Covid-19 and Prefeasibility Activities. The survey costs in turn included research assistants' costs amounting to Kshs.150,334,810. However, Management did not provide procedures used in identifying the research assistants, the recruitment process and the determination of the number of assistants required for each survey. Although Management indicated that there was a database maintained where the research assistants are selected from as and when required, the data base could not be verified as access was not granted.

Consequently, the propriety of the expenditure payments on research assistants amounting to Kshs.150,334,810 during the year could not be confirmed.

3. Cash and Cash Equivalents

3.1. Unreconciled County Accounts

The statement of financial position and as disclosed under Note 12 to the financial statements reflects cash and cash equivalents of Kshs.2,583,114,649. Included in this amount is Kshs.736,219 from the 47 County bank accounts. However, Management did not provide bank reconciliations and cash books from the 47 Counties.

Under the circumstances, the accuracy, completeness and fair statement of the reported cash and cash equivalents balances of Kshs.2,583,114,649 could not be confirmed.

3.2. Special Census Bank Accounts Balances

The Bureau operated 47 special census bank accounts in the 47 Counties in respect of the 2019 Kenya Household and Population Census exercise. The accounts were subsequently closed between October and December, 2019 and the amounts held in the bank accounts as at the date of closure transferred to Bureau's main bank account. The

total cash transferred to these bank accounts amounted to Kshs.3,728,071,806. However, Management did not provide for audit review the cash books and bank reconciliation for the special census bank accounts

Under the circumstances, the accuracy and completeness of transfers from the special census bank accounts of Kshs.3,728,071,805.83 to the Bureau's main account could not be confirmed.

4. Property, Plant and Equipment

The statement of financial position reflects Property, Plant and Equipment balance of Kshs.2,954,414,685 and as disclosed under Note 15 to the financial statements. Included in the balance are acquisitions during the year valued at Kshs.3,906,457,552 of which Kshs.3,851,838,447 relate to acquisition of tablets, solar tablet charges and power banks for use during the 2019 Population and Household Census. However, the detailed inventory receipt of the devices and issue to users were not provided for audit verification.

Under the circumstances, the accuracy, existence and fair statement of the property, plant and equipment with balance of Kshs.2,954,414,685 could not be confirmed.

5. Debtors

As reported in the previous year, the receivables balance of Kshs.1,912,703,931 included sundry debtors totaling Kshs.29,049,622 of which Kshs.23,433,873 is in respect of an ERP development debt that is subject to a court case and has remained outstanding for over six years. No provision has been made in the financial statement in respect of this despite recovery being doubtful.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya National Bureau of Statistics 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 adverse 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

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised based on various matters. Management has not resolved the issues nor disclosed all the prior year matter as provided by the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Receivables – Imprest Management

The statement of financial position reflects receivables of Kshs.1,928,707,398 and as disclosed under Note 14 to the financial statements. The following issues were noted: -

Included in the staff debtors' balance of Kshs.265,780,908 is an amount of Kshs.167,846,895 being imprest advanced to one hundred and twenty-five (125) members of staff who had multiple imprests. This was contrary to Regulation 93(4)(b) which provides that before issuing temporary imprests under paragraph (2), the Accounting Officer shall ensure that the applicant has no outstanding imprests. Also included in the staff debtors balance of Kshs.265,780,908 are staff imprest amounts of Kshs.244,911,285 that were outstanding as at the time of the audit.

Management did not provide explanations for non-recovery the outstanding imprests.

2. Procurement of Car Hire Services from Postal Corporation of Kenya

Included in the project expense amount is Kshs.141,462,000 being the cost of car hire services from the Postal Corporation of Kenya (PCK) procured through direct method. The Bureau advertised for supply of car hire services on 5 March, 2019, through an open tender that was closed on 19 March, 2019. However, on 24 April, 2019, Management, through the Senior Manager Administration who was part of the tender opening and tender evaluation teams initiated a single sourcing process to grant Postal Corporation of Kenya (PCK) the supply even though no professional opinion had been issued by the Head of Procurement.

Also, the PCK contract prices were significantly above the prices charged by the lowest bidder and a similar contract that had just ended as detailed below:

| Lot and Vehicle CC | Lowest Bidder (Kshs.) | Previous Contract Price (Kshs.) | PCK Negotiated Price (Kshs.) |
|--------------------|-----------------------|---------------------------------|------------------------------|
| Lot 1. 1500-1700 | 4,995 | 3,000 | 17,000 |
| Lot 2. 2200-3000 | 13,995 | 10,000 | 19,000 |
| Lot 3. 4000- 4200 | 15,995 | 14,000 | 21,000 |

Management did not provide a market survey report for audit review in support of the prices charged. This was contrary to Section 103(2)(e) of the PPDA 2015 which provides for the acquisition of goods, works or services provided by a public entity provided that the acquisition price is fair and reasonable and compares well with known prices of goods, works or services in the circumstances.

Further, PCK provided a list of eighty-five (85) vehicles to service the contract. However, all the vehicles were not owned or operated by PCK. Management has not provided explanation on how Postal Corporation of Kenya was identified while they were not in the initial list of bidders and are not licensed to undertake car hire business.

Consequently, the accuracy and propriety of the expenditure on car hire of Kshs.141,462,000 could not be confirmed.

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, because of the significance of the matters discussed in the Basis for Conclusion on Adverse Opinion section of my report, based on the audit procedures performed, I confirm that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (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, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the International Public Sector Accounting Standards (Accrual Basis) of accounting unless Management is aware of the intention to liquidate the Bureau 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 resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Bureau's financial reporting process, reviewing the effectiveness of how the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Bureau to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Bureau 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.



Nancy Gathungu
AUDITOR-GENERAL

Nairobi

17 August, 2021

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

**XI. Statement of Financial Performance
For the Year Ended 30th June 2020**

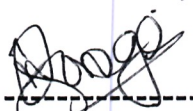
| | | 2019 / 2020 | 2018/2019 |
|---|-------|------------------------|----------------------|
| | Notes | KShs. | KShs. |
| Revenue | | | |
| Revenue from non-exchange transactions | | | |
| GOK Grants | 2-a | 10,683,140,729 | 8,559,238,030 |
| Development Partners' Funds | 2-b | 59,845,169 | 45,814,390 |
| Revenue from other donors | 2-c | 52,275,565 | 8,945,226 |
| | | 10,795,261,463 | 8,613,997,646 |
| Revenue from exchange transactions | 3-a | | |
| Income from AIA | | 66,758,020 | 279,195,885 |
| | | 66,758,020 | 279,195,885 |
| Total Revenue | | 10,862,019,483 | 8,893,193,531 |
| Expenses | | | |
| Project Expenses | 4 | 10,083,382,911 | 2,454,685,602 |
| Employee costs | 5 | 741,348,040 | 742,214,197 |
| Directors' expenses | 6 | 10,038,818 | 14,654,566 |
| Depreciation and Amortisation | 7 | 1,394,716,771 | 128,860,624 |
| Repairs and Maintenance | 8 | 48,592,557 | 15,957,652 |
| Insurance Costs | 9 | 88,780,080 | 81,884,781 |
| Other Operating Expenses | 10 | 297,207,088 | 441,281,295 |
| Bank charges | 11 | 7,817,468 | 1,015,544 |
| Total Expenses | | 12,671,883,733 | 3,880,554,261 |
| (Deficit) / Surplus before tax | | (1,809,864,250) | 5,012,639,270 |
| Provision for tax | 3-b | (19,148,574) | (82,045,119) |
| (Deficit) / Surplus for the period | | (1,829,012,824) | 4,930,594,151 |

The notes set out from page 36 form an integral part of the Financial Statements.

**XII. Statement of Financial Position
As at 30th June 2020**

| | Notes | 2019 / 2020 Kshs. | 2018/2019 Kshs. |
|--------------------------------|-------|----------------------|----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash & Cash Equivalents | 12 | 2,583,114,649 | 4,622,304,050 |
| Investments in Treasury Bills | 13 | - | - |
| Receivables | 14 | 1,928,707,398 | 4,506,252,401 |
| | | 4,511,822,047 | 9,128,556,451 |
| Non- current assets | | | |
| Property, Plant & Equipment | 15 | 2,954,414,685 | 278,121,446 |
| Intangible Assets | 16 | - | 13,291,304 |
| | | 2,954,414,685 | 291,412,750 |
| TOTAL ASSETS | | 7,466,236,732 | 9,419,969,201 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Payables | 17 | 85,776,469 | 228,956,075 |
| Refundable Deposits | 19 | 15,313,115 | 18,467,729 |
| Provisions | 20 | 28,125,604 | 26,487,098 |
| Taxation | 21 | 15,616,453 | 6,042,166 |
| Unutilised Grants | 22 | 7,032,906 | 2,228,596 |
| | | 151,864,547 | 282,181,664 |
| Non-current Liabilities | | | |
| Staff Gratuity | 18 | 14,746,258 | 9,148,786 |
| TOTAL LIABILITIES | | 166,610,805 | 291,330,450 |
| NET ASSETS | | 7,299,625,927 | 9,128,638,751 |
| RESERVES | | | |
| Revenue Reserve | | 6,898,425,817 | 8,727,438,641 |
| Capital Reserve | | 401,200,110 | 401,200,110 |
| TOTAL RESERVES | | 7,299,625,927 | 9,128,638,751 |

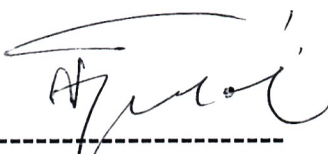
The Financial Statements set out from page 31 were signed on behalf of the Board of Directors by:



Elias N. Njoroge
Head of Finance
ICPAK No. 3030



Macdonald G. Obudho, MBS
Director General



Peter N. Kiguta, MBS
Board Chairman

Date 28.09.2020

Date -----

Date -----

XIII. Statement of Changes in Net Assets For the Year Ended 30th June 2020

| | REVENUE RESERVE | REVALUATION RESERVE | CAPITAL RESERVE | TOTAL |
|--------------------------------|----------------------|------------------------|--------------------|----------------------|
| | KShs. | KShs. | KShs. | KShs. |
| At 01.07.2018 | 3,801,377,690 | 59,726,058 | 341,474,052 | 4,202,577,800 |
| Prior Year Adjustment | (4,533,200) | | | (4,533,200) |
| Revised bal. 30.06.2018 | 3,796,844,490 | 59,726,058 | 341,474,052 | 4,198,044,600 |
| Surplus for the Year | 4,930,594,151 | | | 4,930,594,151 |
| Balance 30.06.2019 | 8,727,438,641 | 59,726,058 | 341,474,052 | 9,128,638,751 |
| Deficit for the Year | (1,829,012,824) | | | (1,829,012,824) |
| Balance 30.06.2020 | 6,898,425,817 | 59,726,058 | 341,474,052 | 7,299,625,927 |

The Statement of Changes in Net Assets is to be read in conjunction with the Notes to, and forming part of the Financial Statements set out from Pages 36.

**XIV. Statement of Cash Flows
For the Year Ended 30th June 2020**

| | | 2019 / 2020 | 2018/2019 |
|---|----------|------------------------|----------------------|
| | Notes | Kshs. | Kshs. |
| Deficit/surplus for the year | | (1,829,012,824) | 4,930,594,624 |
| Adjusted for: | | | |
| Depreciation and Amortisation | 7 | 1,394,716,771 | 128,860,624 |
| Contribution to Provision | 20 | 1,638,506 | (1,134,249) |
| Taxation | 21 | 9,574,287 | (48,879,595) |
| Prior Year Payments | | - | (4,173,200) |
| Working Capital adjustments | | | |
| Decrease (Increase) in Receivables | 14 | 2,577,545,003 | (4,203,276,633) |
| (Decrease) Increase in Payments received in advance | 19 | (3,154,614) | 17,378,259 |
| Increase (Decrease) in Payables | 17/18/22 | (132,777,824) | 189,852,437 |
| Net Cash Flows from Operating Activities | | 2,018,529,305 | 1,009,222,267 |
| Cash Flow from Investing Activities | | | |
| Purchase of Fixed Assets | 15/16 | (4,057,718,706) | (28,187,684) |
| Investments | 13 | - | 2,322,926,211 |
| Net Cash Flows From Investing Activities | | (4,057,718,706) | 2,294,738,527 |
| Net Changes in Cash and Cash Equivalents | | (2,039,189,401) | 3,303,960,794 |
| At Start of Year | | 4,622,304,050 | 1,318,343,729 |
| At End of Year | | 2,583,114,649 | 4,622,304,523 |

The Cash Flow Statement is to be read in conjunction with the notes from page 36, and forms part of the Financial Statements set out from Page 31.

XV. Statement of Comparison of Budget and Actual Amounts

For the Year ended 30 June 2020

A reconciliation of the period's surplus is on Note 23.

| | Original Budget | | | Adjustments | | | Final Budget | | | Actual Amount | | | Performance | |
|---------------------------|-----------------------|-------|----------------------|-----------------------|-----------------------|-------|-----------------------|-------|-------|--------------------|-----------|--|-------------|---------------|
| | KShs. | KShs. | KShs. | KShs. | KShs. | KShs. | KShs. | KShs. | KShs. | Difference | %Variance | | | |
| Revenues | | | | | | | | | | | | | | |
| GOK Grants | 11,035,390,730 | | (352,250,001) | 10,683,140,729 | 10,683,140,729 | | 10,683,140,729 | | | | | | | 0.00% |
| Donor Funds | 103,000,000 | | 9,120,634 | 112,120,634 | 112,120,634 | | 112,120,734 | | | 100 | | | | 0.00% |
| A-I-A | 71,000,000 | | - | 71,000,000 | 71,000,000 | | 66,758,020 | | | (4,241,980) | | | | -5.97% |
| Total Income | 11,209,390,730 | | (343,129,367) | 10,866,261,363 | 10,866,261,363 | | 10,862,019,483 | | | (4,241,880) | | | | -0.04% |
| Expenses | | | | | | | | | | | | | | |
| Project Expenses | 9,650,000,000 | | | 9,650,000,000 | 9,650,000,000 | | 10,083,382,911 | | | 433,382,911 | | | | 4.49% |
| Employee Costs | 1,079,390,730 | | | 1,079,390,730 | 1,079,390,730 | | 741,348,040 | | | (338,042,690) | | | | -31.32% |
| Board Members' Expenses | 12,000,000 | | | 12,000,000 | 12,000,000 | | 10,038,818 | | | (1,961,182) | | | | -16.34% |
| Repairs and Maintenance | 50,000,000 | | | 50,000,000 | 50,000,000 | | 48,592,557 | | | (1,407,443) | | | | -2.81% |
| Insurance Costs | 110,000,000 | | | 110,000,000 | 110,000,000 | | 88,780,080 | | | (21,219,920) | | | | -19.29% |
| Other Operating Expenses | 300,000,000 | | | 300,000,000 | 300,000,000 | | 297,207,088 | | | (2,792,912) | | | | -0.93% |
| Bank Charges | 8,000,000 | | | 8,000,000 | 8,000,000 | | 7,817,468 | | | (182,532) | | | | |
| Total Expenses | 11,209,390,730 | | | 11,209,390,730 | 11,209,390,730 | | 11,277,166,962 | | | 67,776,232 | | | | 0.60% |
| Deficit Before Tax | | | (343,129,367) | (343,129,367) | (343,129,367) | | (415,147,479) | | | | | | | |

The Bureau did not receive all its development exchequer releases for the period. Donor funds were amounts received during the period to facilitate some Bureau activities, some on ad-hoc basis.

The AIA decreased due to reduced investment of cash funds.

The variance on project expenses relates to timing differences of the implementation of the various surveys and the census.

The Phase I of the implementation of the staff structure did not commence, and awaiting necessary approvals.

Board expenses were reduced due to the housing and population census activities, which took up some of the expenditure.

XVI. Notes to the Financial Statements For the Year Ended 30th June 2019

1. A. GENERAL INFORMATION

Kenya National Bureau of Statistics is a Semi-Autonomous Government Agency established by, and derives its authority and accountability from an Act of Parliament – the Statistics Act, 2006.

It is the principal agency of the Government for collecting, analysing and disseminating statistical data in Kenya and is the custodian of official statistical information.

B. STATEMENT OF COMPLIANCE AND BASIS OF ACCOUNTING

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. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Bureau'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 D below.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the entity.

The financial statements have been prepared in accordance with the PFM Act, the Statistics Act, and International Public Sector Accounting Standards (IPSAS).

The accounting policies adopted have been consistently applied to all the years presented.

C. ADOPTION OF NEW AND REVISED STANDARDS

The Bureau did not adopt any new or amended standards during the year.

D. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. REVENUE RECOGNITION

i. Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with 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.

Donor funds

Grants received and not utilised within the period are treated as liabilities and credited to the statement of financial performance when the activities for which they were provided for have been undertaken.

ii. Revenue from exchange transactions

Sale of goods/services

Bureau's revenue include sale of maps, publications, tenders, library user fees and AIA from surveys. It is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods.

Interest income

Interest income is generated from investments in fixed deposits of any surplus funds held in commercial banks and in Treasury Bills. It is accrued using the straight line method, by estimating future cash receipts through the expected life of the fixed deposit. The method applies to the principal outstanding to determine interest income for each period.

II. CORPORATE TAX

Current income tax liability is measured at the amount expected to be 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.

Management has evaluated the appropriate income and established provisions as appropriate.

The net amount of income tax payable to the taxation authority is included as part of provisions in the statement of financial position.

III. PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Under the Bureau's depreciation policy all items of Property, Plant and Equipment are recorded at cost less accumulated depreciation. Subsequent costs are also included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bureau and the cost of the item can be measured reliably.

No depreciation is made in the year of purchase but a full year's depreciation is charged in the year of disposal. No depreciation is provided on freehold land.

Repairs and maintenance costs are charged to the income and expenditure statement during the period in which they are incurred.

The assets are categorized and depreciated on a straight line basis as follows:

| Item | Rate |
|--|-------------|
| a. Computer System | 33.3% |
| b. Furniture & Fittings, Equipment & Library Books | 12.5% |
| c. Motor Vehicles | 20.0% |
| d. Buildings | 2.5% |
| e. Plant and machinery | 12.5% |

All the Bureau assets were revalued during year 2015/2016 by M/s Njihia Muoka Rashid Co. Ltd, a registered firm of valuers and the new values were incorporated in the statements.

IV. INTANGIBLE ASSETS

Intangible assets consist of various computer software purchased for use in the Bureau. The Bureau recognizes Intangible Assets and are stated separately at cost less accumulated amortization.

Amortization is charged on a straight-line basis over their useful lives as estimated by management from time to time. The rate of amortization has been set at 33.3% pa.

V. ACCOUNTING FOR ASSETS DONATED TO THE BUREAU

Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, it is initially measured at its fair value.

It is subsequently revalued by a professional valuer and recorded at that value. If the transfer value is not known, it is recorded at management's valuation pending professional valuation.

VI. EMPLOYEE BENEFITS

i. Pension Scheme

The KNBS Retirement Benefits Scheme became operational from November 2011. The members of the scheme, who stood at 472 at the end of the period, contribute 10% of their basic pay, while the employer contributes 20%, to the scheme.

The Bureau also contributes to the National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Bureau's obligation under the scheme is limited to specific monthly contributions legislated from time to time and are currently fixed at KSh.200 per employee, per month.

The Bureau's contributions to the retirements benefit scheme and to the NSSF in respect of current service have been charged to the income and expenditure account for the year.

ii. Staff Gratuity

The Bureau has six Management Staff, employed on a 5-year, renewable contract basis, who are eligible to gratuity upon expiry of their respective contracts.

The Bureau therefore operates a separate Gratuity Account for them, where amounts equivalent to 31% of the employee's monthly basic salary are remitted. Movements in this account are clearly tabulated and accounted for in the statements.

iii. Staff Annual Leave Accrual

Employee entitlements to annual leave are recognized when they accrue. A provision is made for the estimated liability for annual leave as a result of services rendered by the employee up to the balance sheet date.

The Bureau's policy on staff annual leave is that it cannot be commuted for cash. However, the Director General may approve commutation of leave depending on the circumstances which made it impossible for the employee to utilize the leave days.

VII. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and cash at bank, short term and on call deposits, 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 with commercial banks at the end of the financial year.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

VIII. INVENTORIES

All consumable stocks held for use in operations are expensed on purchase.

IX. FINANCIAL INSTRUMENTS

Financial Assets

Initial recognition and measurement

Financial assets are classified at fair value through surplus or deficit, and held-to-maturity investments, as appropriate. The Bureau determines the classification of its financial assets at initial recognition.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Bureau has the positive

intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. The losses that may arise from impairment are recognized in surplus or deficit.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at fair value through surplus or deficit, and the Bureau determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value.

X. PROVISIONS

Provisions are recognized when the Bureau has a present obligation (legal or constructive) as a result of a past event, and 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.

Contingent liabilities

The Bureau did not recognize a contingent liability, but has disclosed details in the notes to the financial statements, as the possibility of an outflow of resources embodying economic benefits or service potential is remote.

XI. LEASES – OPERATING

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Bureau. Leased premises are contracted for the periods of between one and five years, with renewal options available in certain instances.

Operating lease payments are the rental expenses, and are recognized as an operating expense in the statement of financial performance.

XII. NATURE AND PURPOSE OF RESERVES

Revaluation Reserve

An asset valuation and tagging exercise by M/s Njihia Muoka Rashid Co. Ltd was undertaken during the year 2015/2016 and the appropriate entries made in the financial statements. The revaluation reserve arose from an asset valuation exercise undertaken during the year 2009/2010, by M/s. Metrocosmo Limited, Registered Valuers. The reserve has been adjusted accordingly, with the new valuations.

Capital Reserve

This represents the values of Assets previously owned by the former Central Bureau of Statistics (CBS) but transferred to the KNBS by the then Ministry of Planning and Devolution, and also assets bought through donor funded projects.

XIII. CHANGES IN ACCOUNTING POLICIES

The Bureau recognizes the effects of changes in accounting policy. The effects of changes in accounting policy have been applied prospectively since retrospective application is impractical.

XIV. RELATED PARTIES

The Bureau 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 it, or vice versa.

Nature of related party relationships:

Entities and other parties related to the entity include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions.

Government of Kenya

The Government of Kenya is the principal shareholder of the Bureau. Other related parties include:

- i) The National Treasury and Planning
- ii) Key management
- iii) Board of directors

XV. SEGMENT REPORTING

The Bureau does not have any branches or reporting segments. All the operations of the Bureau are managed from the headquarters. The core business of the Bureau is as stipulated in the Statistics Act, 2006.

XVI. SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION AND UNCERTAINTIES

The preparation of the Bureau'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.

Judgements

In the process of applying the Bureau's accounting policies, management has made judgments, which have the most significant effect on the amounts recognized in the financial statements.

Allowances for Bad Debts

The Bureau maintains provisions for bad and doubtful debts at a level considered adequate to provide for potential liabilities. The adequacy of the allowance is constantly reviewed by management taking into account past experiences, current economic conditions and evaluations of specific debts.

Going concern

The Bureau's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Bureau's ability to continue as a going concern. Therefore, the financial statement continues to be prepared on the going concern basis.

XVII. BUDGET INFORMATION

The original budget for FY 2019-2020 was approved by The National Treasury and Planning on 30th September 2019.

The Bureau'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 23 of these financial statements.

XVIII. COMPARATIVES

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

XIX. SUBSEQUENT EVENTS

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2020.

E. FINANCIAL RISK MANAGEMENT

The Bureau's activities expose it to a variety of financial risks including credit risk, liquidity risks, interest rate risk and operational risk. The Board of Directors has the overall responsibility for the establishment and oversight of the Bureau's risk management framework. Risk Management is carried out by the management under policies approved by the Board of Directors. Management identifies, evaluates and manages financial risk in close co-operation with various divisional and unit heads.

Credit risk

The Bureau's credit risk is primarily attributable to its receivables. However, it is limited because the customers are staff members with whom the Bureau has legal enforceable right for the recovery of the outstanding amounts.

The credit risk on liquid funds with financial institutions is low. This is because the bank balances are held with regulated financial institutions and are fully performing.

The amount that best represents the company's maximum exposure to credit risk as at 30 June 2019 and 30 June 2020 is made up as follows:

| | Fully Performing KShs. | Past Dues KShs. | Impaired KShs. | Total KShs. |
|-------------------------|---------------------------|--------------------|-------------------|----------------------|
| At 30.06.2019 | | | | |
| Cash & Cash Equivalents | 4,622,304,050 | | | 4,622,304,050 |
| Receivables | 4,506,252,401 | | | 4,506,252,401 |
| Total | 9,128,556,451 | - | - | 9,128,556,451 |
| At 30.06.2020 | | | | |
| Cash & Cash Equivalents | 2,583,114,649 | | | 2,583,114,649 |
| Receivables | 1,928,707,398 | | | 1,928,707,398 |
| Total | 4,511,822,047 | - | - | 4,511,822,047 |

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash to meet our obligations. The Bureau manages liquidity risk by maintaining banking facilities through continuous monitoring of forecast and actual cash flows.

The table below analyses the company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

| | 2019 / 2020 KShs | 2018/2019 KShs |
|------------------------------|----------------------|----------------------|
| Financial Assets | | |
| Receivables | 1,928,707,398 | 4,506,252,401 |
| Cash & Cash Equivalents | 2,583,114,649 | 4,622,304,050 |
| | 4,511,822,047 | 9,128,556,451 |
| Financial Liabilities | | |
| Payables | 85,776,469 | 228,956,075 |
| Net Liquidity Gap | 4,597,598,516 | 9,357,512,526 |

Interest rate risk

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

Sensitivity analysis:

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by 5 %.

At 30th June 2020, if the interest rates on the bank balances had decreased/increased by 5 percentage points with all other variables held constant, the impact on surplus for the year would have been higher/lower as hereunder:

| | 2019 / 2020 | 2018/2019 |
|--------------------------|---------------|--------------|
| | KShs | KShs |
| Interest Income | 63,828,579.00 | 273,483,716 |
| Change In Interest Rates | | |
| 5% | 3,191,429 | 13,674,186 |
| -5% | (3,191,429) | (13,674,186) |

Operational risk

This is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bureau's processes, personnel, technology and infrastructure and from external factors other than credit, interest and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. The Bureau has put in place various measures to manage operational risk.

2. Revenue from non-exchange transactions

These are made up of the following:

(a) GOK grants are the exchequer releases.

| | 2019 / 2020 | 2018/2019 |
|--------------|-----------------------|----------------------|
| | KShs | KShs |
| Recurrent | 9,626,390,729 | 7,241,238,030 |
| Development | 1,056,750,000 | 1,318,000,000 |
| Total | 10,683,140,729 | 8,559,238,030 |

The transfers from the State Department for Planning, as shown above, were received as per Appendix I and II.

The World Bank, through The National Treasury, is supporting some of the Bureau's activities under the Kenya Statistics Programme For Results (KSP4R).

(b) Funds from development partners that came directly to the Bureau.

| | 2019 / 2020 | 2018/2019 |
|---|-------------------|-------------------|
| | KShs | KShs |
| 1. The National Treasury | | |
| COVID-19 Household Impact Survey Funds | 28,443,561 | |
| Regional Integration Implementation Programme | 5,000,000 | 5,000,000 |
| | 33,443,561 | 5,000,000 |
| 2. Other Development Partners | | |
| OECD - Data Planning Tool | 1,059,660 | |
| OXFAM - Time Use Survey | 594,900 | |
| World Bank Consulting Service: | - | 22,232,056 |
| UNFPA/UNICEF | 18,533,400 | - |
| COMESA -CIP Funds | - | 1,207,834 |
| Statistics Sweden | 2,301,948 | 2,159,400 |
| PPRA - Market Prices Survey | 3,911,700 | 15,215,100 |
| | 26,401,608 | 40,814,390 |
| Total | 59,845,169 | 45,814,390 |

The management sought funds from The National Treasury to carry out The COVID-19 Household Economic Impact Assessment. The overall objective of the survey was to assess the economic impact of the COVID-19 on the Kenyan Households. It was population-based and utilized Computer Assisted

Telephone Interviews (CATI) methodology. Two cycles of the survey were carried out during the period.

COMESA and PPRA funds market price surveys for comparative purposes. COMESA also funds the regional integration programme through The National Treasury. The World Bank Consulting Services funded the preparation of County Gross Domestic Product (CGDP).

These amounts were received per Appendix II.

Statistics Sweden meets the salary dues for 8 interns, attached within the Bureau, for a period of one year. The expense amount is on a reimbursement basis.

- c. Revenue from other donors are funds from development partners and donors for specific on-going projects. The projects have independent bank accounts. Their actual amounts have been adjusted by the unutilized grants as at the year end, per Note 21.

| | 2019 / 2020 | 2018/2019 |
|---------------|-------------------|------------------|
| | KShs | KShs |
| NIPFN | 52,266,925 | - |
| UNFPA | 4,320 | 4,260 |
| UNICEF - MICS | 4,320 | 8,940,966 |
| Total | 52,275,565 | 8,945,226 |

3. Revenue from exchange transactions

- a. These are made up of the following:

| | 2019 / 2020 | 2018/2019 |
|------------------------|-------------------|--------------------|
| Income form AIA | | KShs |
| Interest on Deposits | 63,828,579 | 273,483,715 |
| Library Usage | 33,980 | 42,200 |
| Sale of Publications | 1,525,079 | 2,168,689 |
| AIA From Surveys | 391,170 | 1,173,510 |
| Sale of Maps | 560,100 | 1,920,640 |
| Sale of Tenders | - | 3,000 |
| Commissions | 419,113 | 221,731 |
| Sale of Assorted Items | - | 158,400 |
| 2009 Census Refunds | - | 24,000 |
| KPHC Gadgets surcharge | | |
| Total | 66,758,021 | 279,195,885 |

b. Interest Income is received from earnings made on bank deposits.

The income tax provision, based on the gross interest earned during the year, has been arrived at as follows:

| | 2019 / 2020 | 2018/2019 |
|--|-------------------|--------------------|
| | KShs | KShs |
| Gross Interest Earned | 63,828,579 | 273,483,715 |
| 30% Corporate Tax Charge | 19,148,574 | 82,045,115 |
| Relating to original and reversal of temporary differences. | | 4 |
| Tax Expense as Reported in the Statement of Financial Performance | 19,148,574 | 82,045,119 |

4. Project Expenses

These are the expenses incurred on various surveys and censuses under the various funding schemes:

| | 2019 / 2020 | 2018/2019 |
|--|-----------------------|----------------------|
| | KShs | KShs |
| 2019 Housing and Population Census | 9,228,837,684 | 1,805,207,409 |
| Prefeasibility Expenses | 478,974,503 | 432,151,311 |
| KCHB Survey | 177,528,413 | 84,915,554 |
| COVID - 19 Survey | 27,422,056 | - |
| KIBHS Survey | - | 5,859,321 |
| National Strategy for Dvpt of Statistics | 12,254,457 | 9,411,928 |
| System Support and Data Dissemination | 103,788,285 | 106,035,453 |
| Statistics Sweden interns | 2,301,948 | 2,159,400 |
| NIPFN - EU Project | 52,266,925 | - |
| UNFPA Expenses | 4,320 | 4,260 |
| UNICEF Expenses | 4,320 | 8,940,966 |
| | 10,083,382,911 | 2,454,685,602 |

5. Employee Costs

These include payments to members of staff and comprise of basic pay, house allowances and other benefits. The staff complement of the Bureau as at 30.06.2019 was 458 as compared to 450 as at 30.06.2020.

| | 2019 / 2020 | 2018/2019 |
|---------------------------------|--------------------|--------------------|
| | KShs | KShs |
| Basic Salaries | 470,272,729 | 473,874,656 |
| Casual Labour | 7,380,434 | 1,236,684 |
| House Allowance | 79,025,875 | 82,399,047 |
| Acting Allowance | 584,436 | 444,120 |
| Transfer/Baggage Allowance | 1,821,458 | 837,467 |
| Interns' payments | 2,482,140 | 1,499,003 |
| Commuting Allowance | 56,463,590 | 58,405,746 |
| Hardship Allowance | 4,630,100 | 4,534,703 |
| Special Duty Allowance | - | |
| Leave Allowance | 3,991,568 | 3,173,108 |
| Extraneous Duty Allowance | 18,363,000 | 19,555,871 |
| NSSF - Employer's Contribution | 1,161,300 | 1,109,800 |
| Pension-Employer's Contribution | 88,700,868 | 89,482,038 |
| Gratuity Contribution | 6,470,542 | 5,661,954 |
| Total | 741,348,040 | 742,214,197 |

6. Board Members' Expenses

These are the expenses incurred by the members of the Board of Directors:

| | 2019 / 2020 | 2018/2019 |
|--------------------------------------|-------------------|-------------------|
| | KSh. | KSh. |
| Board and Committees expenses | 2,707,218 | 8,475,091 |
| Sitting allowances for board members | 5,519,400 | 4,012,200 |
| Conferences and Training | 852,200 | 1,154,275 |
| Honoraria | 960,000 | 1,013,000 |
| Total | 10,038,818 | 14,654,566 |

Some of the Board's expenses during the period were under the census activities.

7. Depreciation and Amortisation

These are made up of:

| | 2019 / 2020 | 2018/2019 |
|--------------------------------|----------------------|--------------------|
| | KSh. | KSh. |
| Depreciation | | |
| Motor Vehicles | 70,967,188 | 71,087,188 |
| Furniture & Fittings | 3,587,196 | 3,584,008 |
| Computers | 1,304,455,374 | 36,436,128 |
| Buildings | 177,697 | 50,000 |
| Plant, Machinery and Equipment | 2,238,012 | 2,145,324 |
| Amortisation | | |
| Software | 13,291,304 | 15,557,976 |
| Total | 1,394,716,771 | 128,860,624 |

8. Repairs and Maintenance

These comprise of:

| | 2019 / 2020 | 2018/2019 |
|---------------------------------------|-------------------|-------------------|
| | KSh. | KSh. |
| Routine Maintenance | | |
| Motor Vehicles | 7,462,849 | 3,643,159 |
| Plant Machinery and Equipment | 64,100 | 1,880,074 |
| Office Furniture and Fittings | - | 7,200 |
| Buildings maintenance and Refurbishin | 40,251,977 | 9,470,240 |
| Computers and Servers | 813,631 | 956,979 |
| Total | 48,592,557 | 15,957,652 |

9. Insurance Expenses

These are made up of:

| | 2019 / 2020 | 2018/2019 |
|------------------------|-------------------|-------------------|
| | KSh. | KSh. |
| Staff Insurance | 76,991,048 | 72,961,660 |
| Fixed assets Insurance | 11,789,032 | 8,923,121 |
| Total | 88,780,080 | 81,884,781 |

Staff insurance relates to group personal accident, inpatient and outpatient medical cover and group life cover.

10. Other Operating Expenses

The other operating expenses comprised of the following items:

| | 2019 / 2020 | 2018/2019 |
|------------------------------------|--------------------|--------------------|
| | KShs | KShs |
| Auditor's Fees | 1,740,000 | 1,740,000 |
| Utilities Supplies and Services | 329,862 | 1,573,755 |
| Telephone and Communication | 6,504,847 | 5,608,448 |
| Travelling Expenses | 14,269,828 | 11,173,192 |
| Publishing and Printing | | 1,347,200 |
| Library Expenses | 1,033,042 | 854,631 |
| Advertising and Awareness | 3,691,083 | 7,662,479 |
| Training Expenses | 37,813,945 | 54,031,907 |
| External Travel | 8,939,213 | 16,113,474 |
| Stationery | 11,800,535 | 3,910,615 |
| Purchase of Uniforms | - | 750,000 |
| Contracted Professional Services | 1,117,773 | 1,498,000 |
| Rent and Rates | 5,237,844 | 4,004,937 |
| New Office Block Expenses | 181,725,498 | 301,555,495 |
| Risk & Quality Management Expense: | 9,550,627 | 13,223,326 |
| Corporate Image | - | 325,600 |
| Staff Welfare Expenses | 13,452,991 | 15,908,236 |
| TOTAL | 297,207,088 | 441,281,295 |

The Bureau is in the process of shifting to a new office block. Partitioning, electrical and mechanical works are ongoing.

11. Bank Charges

These are made up of:

| | 2019 / 2020 | 2018/2019 |
|---------------------|------------------|------------------|
| | | KShs. |
| KCB GOK - RECURRENT | 7,807,265 | 1,002,570 |
| KCB DEVELOPMENT | 10,203 | 12,974 |
| Total | 7,817,468 | 1,015,544 |

12. Cash and Cash Equivalents

For purposes of the cash flow statement, cash and cash equivalents represent cash in bank and short-term deposits.

| | 2019 / 2020 | 2018 / 2019 |
|---------------------|----------------------|----------------------|
| | KSh. | Ksh |
| Bank | 2,583,114,649 | 4,622,304,050 |
| Short Term Deposits | - | - |
| Total | 2,583,114,649 | 4,622,304,050 |

The detailed analysis of the cash and cash equivalents is as follows:

Banks

| Name of Bank | Account Number | 2019 / 2020 | 2018 /2019 |
|-------------------------|--------------------|----------------------|----------------------|
| | | KSh. | |
| KCB -Main Account | 1107086183 | 2,308,581,737 | 4,560,583,558 |
| KCB- Development | 1116027593 | 266,763,787 | 59,483,790 |
| KCB- County Accounts | 47 County Accounts | 736,219 | 8,106 |
| Project Accounts | | | |
| KCB: NIPFN - EU | 1240875711 | 4,812,950 | - |
| Coop : UNICEF - MICS | 01120081528600 | 57,618 | 61,938 |
| Coop: UNFPA | 01120081857000 | 2,162,338 | 2,166,658 |
| Total | | 2,583,114,649 | 4,622,304,050 |

The details of the 47 County Accounts are as per Appendix IV.

13. Investments in Treasury Bills

There were no investments within the period.

14. Receivables

These are made up of:

| | 2019 / 2020 | 2018/2019 |
|--------------------------|----------------------|----------------------|
| | KSh. | KSh. |
| Staff Debtors | 265,780,908 | 493,856,282 |
| 2009 Census Imprests | 4,438,906 | 4,438,906 |
| 2019 KPHC Imprest | 1,538,563,613 | 64,799,799 |
| Sundry Debtors | 29,895,541 | 23,855,025 |
| Prepayments | 89,864,190 | 3,918,028,025 |
| Deposits | 164,240 | 344,241 |
| | 1,928,707,398 | 4,505,322,278 |
| Interest Income | - | 930,123 |
| TOTAL RECEIVABLES | 1,928,707,398 | 4,506,252,401 |

- a. Staff debtors represent outstanding imprests, medical expenses recoverable and salary advances as at end of June 2020.
- b. 2009 census imprests were amounts advanced to the various District Census Committees, to facilitate various activities during the 2009 Population and Housing Census exercise, but still remains un-surrendered. The Bureau sought authority for write-off of these amounts, and this is still awaited.
- c. 2019 KPHC imprest were funds advanced to the County Census Committees and whose process of surrender is ongoing.
- d. Sundry debtors relate to an ERP development amount made to Mareba Computers, the subject of a court case per Note 25.
The NIPFN Project owed Sh.5,585,749 to the Bureau relating to May and June 2020 salary dues and Sh.845,919 relating to furniture acquired during the period.
- e. Prepayments represent the proportion of various insurance and service contracts paid in 2019/2020, a proportion of which was for the period beginning 01.07.2020.
Included in the prepayments is rent paid in advance for Headquarter Offices for the period between July and December 2020.
- f. Deposits are refundable amounts paid for rent deposit with Kenya Re for the KNBS Kisumu office.

Kenya National Bureau of Statistics
Annual Reports and Financial Statements for the Year ended June 30, 2020

15. Non- Current Assets Movement Schedule

| FIXED ASSETS | LAND & BUILDINGS | FURNITURE & FITTINGS | PLANT & EQUIPMENT | MOTOR VEHICLES | COMPUTERS | TOTAL AMOUNT |
|--------------------------|-----------------------------|---------------------------------|------------------------------|-----------------------|------------------|---------------------|
| COST/Valuation | | | | | | |
| At 1st July 2018 | 8,494,071 | 28,672,070 | 17,162,595 | 354,835,936 | 109,417,804 | 518,582,476 |
| Additions | 5,107,884 | 25,500 | 741,500 | - | 22,312,800 | 28,187,684 |
| Adjustments | | | | | | - |
| At 30th June 2019 | 13,601,955 | 28,697,570 | 17,904,095 | 354,835,936 | 131,730,604 | 546,770,160 |
| Additions | - | 29,527,000 | 699,224 | 125,564,408 | 3,906,457,552 | 4,062,248,184 |
| Adjustments | - | - | - | - | (4,529,478) | (4,529,478) |
| At 30th June 2020 | 13,601,955 | 58,224,570 | 18,603,319 | 480,400,344 | 4,033,658,678 | 4,604,488,866 |
| DEPRECIATION | | | | | | |
| At 1st July 2018 | 400,000 | 5,862,636 | 3,770,397 | 93,224,055 | 52,088,978 | 155,346,066 |
| Charge for the Year | 50,000 | 3,584,008 | 2,145,324 | 71,087,188 | 36,436,128 | 113,302,648 |
| At 30th June 2019 | 450,000 | 9,446,644 | 5,915,721 | 164,311,243 | 88,525,106 | 268,648,714 |
| Charge for the Year | 177,697 | 3,587,196 | 2,238,012 | 70,967,188 | 1,304,455,374 | 1,381,425,467 |
| Adjustments | | | | | | |
| At 30th June 2020 | 627,697 | 13,033,840 | 8,153,733 | 235,278,431 | 1,392,980,480 | 1,650,074,181 |
| NET BOOK VALUE | | | | | | |
| 30th June 2019 | 13,151,955 | 19,250,926 | 11,988,374 | 190,524,693 | 43,205,498 | 278,121,446 |
| 30th June 2020 | 12,974,258 | 45,190,730 | 10,449,586 | 245,121,913 | 2,640,678,198 | 2,954,414,685 |

16. Intangible Assets

These include the values of Networks and Software.

| | 2019 / 2020 Kshs. | 2018/2019 Kshs. |
|-----------------------|----------------------|--------------------|
| COST/Valuation | | |
| At beginning of year | 156,702,548 | 156,702,548 |
| Additions | - | - |
| At year end | 156,702,548 | 156,702,548 |
| AMORTISATION | | |
| At beginning of year | 143,411,244 | 127,853,268 |
| Charge for Year | 13,291,304 | 15,557,976 |
| At year end | 156,702,548 | 143,411,244 |
| Net Book Value | - | 13,291,304 |

17. Payables

These comprise of amounts outstanding arising from dealings with both internal and external customers, and are due to them, but had not been settled by year end.

| | KSh. | Ksh. |
|--------------------------|-------------------|--------------------|
| Creditors and Accruals | 78,854,486 | 224,181,089 |
| 2019 Census Bank Rejects | 6,921,983 | - |
| Staff Salary Accruals | - | 4,364,194 |
| Staff and Insurance dues | - | 410,792 |
| TOTAL | 85,776,469 | 228,956,075 |

The 2019 census bank rejections are amounts received from various paying banks for the census personnel, arising from wrong bank details. The amounts are being resent as corrected details are received, and follow ups are continuing.

Staff and insurance dues are mainly amounts received as insurance compensation on behalf of deceased staff members, and awaiting payment to the next of kin.

There were no pending staff claims.

18. Staff Gratuity

Staff Gratuity amount is calculated on a monthly basis at the rate of 31% of the basic salaries of the staff on contract. It is made up of:

| | 2019 / 2020 | 2018/2019 |
|----------------|-------------------|------------------|
| | | KSh. |
| Staff Gratuity | 14,746,258 | 9,148,786 |
| TOTAL | 14,746,258 | 9,148,786 |

These are long-term liabilities that fall due when the contract terms are completed successfully

19. Refundable Deposits

These are amounts that are awaiting to be refunded to the respective payees after unsuccessful bidding for boarded items as well as monies retained on tender biddings:

| | 2019 / 2020 | 2018/2019 |
|-----------------------------|-------------------|-------------------|
| | KSh. | KSh. |
| Bid Bonds/ Retention Monies | 15,313,115 | 18,467,729 |
| TOTAL | 15,313,115 | 18,467,729 |

20. Provisions

These are made up of:

| | 2019 / 2020 | 2018 / 2019 |
|-----------------------|-------------------|-------------------|
| | Ksh. | Ksh. |
| Audit Fees | 3,480,000 | 1,740,000 |
| Staff Leave Provision | 24,645,604 | 24,747,098 |
| TOTAL | 28,125,604 | 26,487,098 |

The audit fees are the provisions for the audit expense for the financial statements for the last two years, awaiting the final certificates from the auditors.

The staff leave accrual is the equivalent of the unutilized leave days as at the end of the year.

21. Taxation

The appropriate provisions for income tax for the period have been made as follows:

| | 2019 /2020 | 2018/2019 |
|--|-------------------|------------------|
| | KShs. | KShs. |
| At Beginning of the Year | 6,042,166 | 54,921,761 |
| Tax Charge for the Year (Note 3(b)) | 19,148,574 | 82,045,115 |
| Under / (Over) Provision in Prior Year | - | 4 |
| Tax paid during the Year: | | |
| Amount Withheld at Source | (9,574,287) | (46,734,747) |
| Amount Paid to KRA | - | (84,189,967) |
| At Year End | 15,616,453 | 6,042,166 |

22. Unutilised Grants

These are grants received during the financial year for on-going activities. However, some of the activities were not undertaken due to timing differences of the financial years of the donors and the Bureau.

| | NIFPN | UNFPA | MICS | Total |
|-------------------------|------------------|------------------|---------------|------------------|
| | | Kshs. | Kshs. | Kshs. |
| As at 01.07.2019 | - | 2,166,658 | 61,938 | 2,228,596 |
| Receipts | 57,079,875 | - | - | 57,079,875 |
| Less: Project Expenses | (52,266,925) | (4,320) | (4,320) | (52,275,565) |
| As at 30.06.2020 | 4,812,950 | 2,162,338 | 57,618 | 7,032,906 |

23. Reconciliation of Comparison of Budget and Actual Amounts

The Bureau's budget is prepared on an accrual basis. As such, the budget and the financial statements are already on the same basis and further adjustments are not required to align the financial statements to the budget. The following is a reconciliation of the period's deficit.

| | Amount Ksh. |
|--------------------------------------|-------------------------------|
| Deficit for the Year | <u>(1,829,012,824)</u> |
| Deficit per budget/actual comparison | (415,147,479) |
| Provision for Income Tax | (19,148,574) |
| Depreciation/Amortisation charges | <u>(1,394,716,771)</u> |
| | <u><u>(1,829,012,824)</u></u> |

The actual amounts received exceeded the final budget due to some activities being funded by donors on an ad hoc basis, through collaboration. The amounts received are as per Note 2(b) and (c).

24. Related Party

- a. The Bureau received grants from the Government per Note 2(a) and other grants per Note 2 (b) and (c) above.
- b. The expenses incurred and remuneration of the Chairman to the Board and the Board members are as per Note 6.

25. Pending Court Cases

The Bureau has following pending legal cases:

- a. **Seven cases have so far been filed against the Bureau by the three North Eastern Counties** and area Members of Parliament challenging the 2019 census results as indicated below:
 - (i) Nairobi High Court Petition No. 102 of 2020: County Government of Mandera –Vs- Kenya National Bureau of Statistics & 3 Others
 - (ii) Nairobi High Court Petition No. 103 of 2020: Hon. Abdullah Bashir Sheikh & 5 Others –Vs- Kenya National Bureau of Statistics & 3 Others
 - (iii) Nairobi High Court Petition No. 106 of 2020: Hon. Adan Keynan Wehlyte & 4 Others –Vs- Kenya National Bureau of Statistics & 3 Others
 - (iv) Nairobi High Court Petition No. 107 of 2020: County Government of Wajir –Vs- Kenya National Bureau of Statistics & 3 Others
 - (v) Nairobi High Court Petition No. 110 of 2020: Hon. Abdi Omar Shurie & 3 Others –Vs- Kenya National Bureau of Statistics & 3 Others
 - (vi) Nairobi High Court Petition No. 111 of 2020: County Government of Garrissa –Vs- Kenya National Bureau of Statistics & 3 Others

(vii) Garissa High Court Petition No. 3 of 2020: Abdulahi Mohamed Kanyare & 3 Others –vs- Kenya National Bureau of Statistics & 3 Others.

The above cases were **consolidated to Petition No. 4 of 2020: Hon. Abdullahi Bashir Sheikh & 24 Others –Vs- Kenya National Bureau of Statistics & 4 Others**

Ruling in the above matters was delivered on 29th June 2020, where the court gave an order and allowed petitioners to access the Bureau tablets and servers; subsequently, an application for review was filed on 14th July 2020. On two occasions, the application has not proceeded because the Respondents have not filed their responses to the application. The application is now scheduled for hearing on **23rd September 2020**. The court further directed that the orders scrutiny to be suspended until the application for review is heard.

b. Nairobi HCCC No 79 of 2010 BM Logistics VS KNBS (go down case)

This case involved the go down where the 2009 Population and Census materials were being stored. The claimant was initially claiming KShs.43 million for loss of business and rent. The claimant further amended its claim and increased the figures of its claim to **Kshs70,096,596/=**. The case was heard, concluded and judgment was to be given on notice. The court on 28th April 2020 delivered judgment and awarded the plaintiff a sum of **Kshs 20,746,800/= plus costs and interest as per copy of judgment.**

The Management has sought further advice from the AG and also requested the AG to file an appeal in the court of appeal Challenging the award as well as seek a stay of execution of the judgment. The process of appeal is ongoing. This is an active case and the Bureau is exposed to the extent of the judgment sum plus costs and interest

c. Nakuru High Court Civil Petition No. 18 of 2019: Robert Njenga –Vs- Kenya National Bureau of Statistics & 2 Others

This case was filed before High Court of Kenya at Nakuru. The KNBS County Statistical Officer and the Nakuru County Commissioner are sued as the 1st and 2nd respondents respectively. The applicants are challenging the recruitment of civil servants who were recruited to carry out census activities within Nakuru County. The two were authorized officers working on behalf of KNBS in the recruitment of 2019 census personnel within Nakuru County. The Bureau's defence as filed by the Honorable Attorney General is that all personnel involved in the 2019 census were recruited competitively, with preference for youths as enumerators while for supervisors, KNBS hired mainly experienced people including civil servants. On various dates, the matter did not proceed for hearing. The last mention date was on 8th September, 2020 when the trial Judge fixed the matter for hearing on **1st October 2020** The matter is still pending.

d. Kisumu ELRC Petition No. 25 of 2019: Michael Kojo Otieno & Another – Vs- Kenya National Bureau of Statistic & 3 Others

The above matter that was filed on 5th September 2019 in Kisumu seeking to stop payments of census allowances to civil servants who were engaged as census personnel. The same was served at the Bureau on 10th September 2019 for hearing before Kisumu High Court on 24th September 2019. On 24th it was mentioned before

Bungoma court and the court directed that all parties file responses and submissions on or before 5th November 2019. The case shall then be heard together with petition 22 of 2019 at Kisumu law courts on **17th March 2020** but could not proceed because of COVID-19. The matter was subsequently mixed for mention on 2nd September 2020 when the High court fixed the matter for hearing on **29th September 2020**. The AG is defending the matter.

e. Nakuru HCCC No 115 of 2008: Attorney General (KNBS) Vs The Standard Newspapers Limited

This case concerned an accident that occurred near Gilgil involving the Bureau's vehicle and another one owned by Standard Newspapers Limited. The Bureau is claiming KShs.1.5 million, being the value of the vehicle that was extensively damaged in the accident. The matter was heard and concluded on **5th February 2020** and awaiting judgment to be delivered on notice. The AG is representing the Bureau.

f. Nairobi Chief Magistrates Civil Case No 244 of 2015: Mareba Computers Vs KNBS

The plaintiff company had been contracted to install an Enterprise Resource programme, ERP, at the Bureau. Bulky of the contract sum was paid leaving a balance of the sum claimed in this case, that is **KShs.5,948,468/=**. Since the ERP was not implemented fully by the plaintiff, the Bureau filed counterclaim for a sum of **Kshs.23,433,873/=** being the sum that had already been paid to the plaintiff but it did not install the ERP that the Bureau had procured. Owing the value of the counterclaim, that exceeds the pecuniary jurisdiction of the Magistrates court, the matter was transferred to the High Court for final determination. The process of transfer took a while as the plaintiff was opposing the said transfer. The matter is still pending in court, and once a date is fixed by both parties, it shall proceed to hearing. The Corporation Secretary is representing the Bureau.

g. Nairobi CMCC No.1421 of 2005: Beatrice Koskey Vs The Honourable Attorney General

Motor vehicle **GK A839** was involved in an accident in the year 2004. It belonged to the then Central Bureau of Statistics. The driver died and another person who was in the vehicle with the driver also died. The wife of the deceased passenger has sued, seeking compensation. The matter is pending in court. The AG is representing the Bureau.

Appendix II: Recording of Transfers from Other Entities

| Name of Entity Transferring Funds | Nature | Date Received per Bank Statement | Total | Where Recorded | | Total Transfer during the Year |
|---|---|-------------------------------------|-------------------|--|-------------|-----------------------------------|
| | | | | Statement of Financial Statement | Receivables | |
| 1. Ministry of Planning | Exchequer Releases | Various dates per Appendix III | 10,683,140,729 | Revenue from Non- Exchange Transactions | Note 2(a) | 10,683,140,729 |
| | | Subtotal | 10,683,140,729 | | | |
| 2. Development Partners | | | | | | |
| a. OECD | Data Tool | 05.02.2020 | 1,059,660 | | | |
| OXFAM | Time Use Survey | 25.02.2020 | 594,900 | | | |
| | | Subtotal | 1,654,560 | | | |
| b. The National Treasury | Regional Integration Implementation | 07.10.2019 | 2,500,000 | | | |
| | | 18.03.2020 | 2,500,000 | | | |
| | | Subtotal | 5,000,000 | | | |
| C. UNICEF | | 10.09.2019 | 6,339,400 | | | |
| UNFPA | | 06.01.2020 | 12,194,000 | | | |
| d. National Treasury | COVID-19 Survey | 11.05.2020 | 28,443,561 | | | |
| e. Public Procurement Regulatory Authority | Market Price surveys | 14.11.2019 | 3,911,700 | | | |
| | | Subtotal | 3,911,700 | | | |
| f. Statistics Sweden | Interns | | 2,301,948 | | | |
| | | Subtotal | 2,301,948 | | | |
| | | | 59,845,169 | | | 59,845,169 |
| 3. Other Donor Funds | | | | | | |
| a. NIPFN - EU | | | 52,266,925 | | | |
| b. UNICEF | Project funds | | 4,320 | | | |
| c. UNFPA | | | 4,320 | | | |
| | | Subtotal | 52,275,565 | | | 52,275,565 |
| | TOTAL TRANSFERS | | 60 10,795,261,463 | | | 10,795,261,463 |

Revenue from Non-Exchange Transactions

Note 2 (b)

Revenue from Non-Exchange

Note 2 (C)

Appendix III: Inter - Entity Transfers
Breakdown of Transfers from The State Department for Planning

| | Bank Statement Date | Amount (KShs.) |
|------------------------------|----------------------|-----------------------|
| a. Recurrent Grants | Date Received | Recurrent |
| | 09.08.2019 | 106,257,560.80 |
| | 09.08.2019 | 1,825,325,000 |
| | 09.08.2019 | 87,500,000 |
| | 19.08.2019 | 1,825,325,000 |
| | 19.08.2019 | 1,825,325,000 |
| | 19.08.2019 | 1,825,325,000 |
| | 02.09.2019 | 84,875,000 |
| | 02.09.2019 | 89,065,335 |
| | 15.10.2019 | 84,875,000 |
| | 15.10.2019 | 89,065,335 |
| | 31.10.2019 | 110,078,055.45 |
| | 31.10.2019 | 88,083,333.35 |
| | 10.12.2019 | 440,312,222 |
| | 23.12.2019 | 440,312,221 |
| | 10.12.2019 | 352,333,334 |
| | 23.12.2019 | 352,333,332 |
| | Subtotal | 9,626,390,729 |
| b. Development Grants | | |
| | 28.10.2019 | 694,500,000 |
| | 28.10.2019 | 10,000,000 |
| | 18.06.2020 | 5,000,000 |
| | 18.06.2020 | 347,250,000 |
| | | Subtotal |
| TOTAL GOK GRANTS | | 10,683,140,729 |

Appendix IV: County Bank Account as at 30.06.2020

| S/No. | REFERENCE | BRANCH NAME | ACCOUNT NUMBER | Bal. |
|-------|-----------------|------------------|----------------|---------|
| 1 | Baringo | KCB Kabarnet | 1108009875 | 748 |
| 2 | Bomet | K.C.B Litein | 1105682595 | 376 |
| 3 | Bungoma | KCB Bungoma | 1102068675 | 7,250 |
| 4 | Busia | KCB Busia | 1105253384 | 1,124 |
| 5 | Elgeyo Marakwet | K.C.B Iten | 1103240242 | |
| 6 | Embu | KCB Embu | 1102969087 | 4,496 |
| 7 | Garissa | KCB Garissa | 1107852897 | 60,090 |
| 8 | Homabay | K.C.B Homabay | 1106831063 | 750 |
| 9 | Isiolo | KCB Meru | 1103336606 | 1 |
| 10 | Kajiado | K.C.B Kajiado | 1107696070 | 246 |
| 11 | Kakamega | KCB Kakamega | 1101951575 | 279,472 |
| 12 | Kericho | KCB Kericho | 1103619896 | 6,350 |
| 13 | Kiambu | KCB Thika | 1102292338 | 524 |
| 14 | Kilifi | K.C.B Kilifi | 1102302929 | 500 |
| 15 | Kirinyaga | KCB Kerugoya | 1104080575 | 150 |
| 16 | Kisii Central | K.C.B Kisii | 1102028681 | |
| 17 | Kisumu | K.C.B Kisumu | 1103870858 | 17,739 |
| 18 | Kitui | KCB Kitui | 1106060881 | |
| 19 | Kwale | KCB Kwale | 1142411796 | 374 |
| 20 | Laikipia | K.C.B Nanyuki | 1103191586 | |
| 21 | Lamu | KCB Lamu | 1104814412 | 300 |
| 22 | Machakos | KCB Machakos | 1106383516 | 970 |
| 23 | Makueni | KCB Wote | 1105353532 | 5,400 |
| 24 | Mandera | KCB Mandera | 1103998161 | 1,124 |
| 25 | Marsabit | KCB Marsabit | 1102671533 | 750 |
| 26 | Meru County | KCB Meru | 1103335766 | 150 |
| 27 | Migori | K.C.B Migori | 1106362446 | 7,728 |
| 28 | Mombasa | KCB Treasury Sq. | 1107642051 | 107,398 |
| 29 | Muranga | KCB Muranga | 1108577466 | |
| 30 | Nairobi | KCB Moi Avenue | 1174202351 | 1,905 |
| 31 | NAKURU | NAKURU | 1101858354 | 100 |
| 32 | NANDI County | KAPSABET | 1102099309 | |
| 33 | Narok | KCB Narok | 1102026964 | 450 |
| 34 | NYAMIRA | NYAMIRA | 1103337181 | 1,250 |
| 35 | Nyandarua | KCB Nyahururu | 1102175196 | 500 |
| 36 | Nyeri | KCB Nyeri | 1102000361 | 286 |
| 37 | Samburu | K.C.B Maralal | 1108193749 | 450 |
| 38 | Siaya | K.C.B Siaya | 1115339982 | 1,170 |
| 39 | TAITA TAVETA | WUNDANYI | 1103865854 | 179,750 |
| 40 | Tana River | KCB Hola | 1104619156 | 1,150 |
| 41 | Tharaka | KCB Chuka | 1103757067 | 1,000 |
| 42 | Trans Nzoia | KCB Kitale | 1105205592 | 450 |

Kenya National Bureau of Statistics
 Annual Reports and Financial Statements for the Year ended June 30, 2020



| | | | | |
|----|-------------|--------------|--------------|----------------|
| 43 | Turkana | K.C.B Lodwar | 1107328861 | 750 |
| 44 | Uasin Gishu | KCB Eldoret | 1102545864 | 22,948 |
| 45 | Vihiga | KCB Mbale | 1104078856 | 50 |
| 46 | Wajir | KCB Wajir | 1105259927 | 2,950 |
| 47 | West Pokot | KCB Kitale | 1105205770 | 17,050 |
| | | | TOTAL | 736,219 |

Appendix V : Projects Implementation

The projects implemented by the Bureau funded by development partners are as follows:

| Project Title | Donor | Period | Separate Donor Reporting Required per Agreement | Consolidated in these Financial Statements |
|------------------------------------|----------------|-----------|---|--|
| 2019 Population and Housing Census | UNICEF | 2019/2020 | Yes | Yes |
| NIPFN | European Union | 2019/2020 | Yes | Yes |

Appendix V: Quality Review Checklist

| Quality Review Checklist for MDAs | | | | |
|---|----------|----------|------------|----------------|
| The National Treasury – Directorate of Accounting Services and Quality Assurance | | | | |
| Quality Review Areas | Y | N | N/A | Comment |
| A) Non-Financial Information | | | | |
| Review that: | | | | |
| 1) The correct template has been adopted and recommended reporting framework adopted as provided through the National Treasury Website: http://www.treasury.go.ke/downloads/category/38-financial-reporting-templates.html | Y | | | |
| 2) The financial statements are well-formatted and aligned | | | | |
| 3) The financial statement line items including their respective notes that are not applicable in the template are removed/deleted. The numbering in the revised template has also been realigned. | Y | | | |
| 4) The financial statements are duly approved by the Accounting Officer and the Principal Accounts Controller and signed off in the: <ul style="list-style-type: none"> • Statement of Entity Management Responsibilities • Statement of Receipts and Payments • Statements of Assets and Liabilities • Statement of Cash Flows • Summary Statement of Appropriation: Recurrent and Development Combined • Summary Statement of Appropriation: Recurrent • Summary Statement of Appropriation: Development • Progress on the Follow-up of Auditor Recommendations | Y | | | |
| B) Entity Information and Overall Performance | | | | |
| 1) The key entity information and entity management has been completed. | Y | | | |
| 2) The forward by the Cabinet Secretary of the parent Ministry has been included and signed off | | | N/A | |
| 3) The statement of management responsibilities has been populated. | Y | | | |
| C) Statement of Receipts and Payments | | | | |
| Review that: | | | | |
| 1) The prior period balances agree to the audited financial statements. | Y | | | |
| 2) A breakdown listing the Transfers to and from other Government Agencies has been provided. | Y | | | |
| 3) The Transfers to and from Other Government Agencies have been fully reconciled with the recipient/disbursing entity and the duly acknowledged (stamped) | | | | |

| | | | | |
|---|---|--|-----|--|
| confirmations have been attached to the financial statements as an annex. | | | | |
| 4) The statement of receipts and payments is in agreement to the GOK IFMIS Receipts and Payments Statement generated from IFMIS. | | | | |
| 5) Exchequer releases recognized in the financial statements are in agreement to the summary from the National Treasury's Exchequer Release Report. | Y | | | |
| 6) The balances tie to the notes. | Y | | | |
| 7) Casting has been done. | Y | | | |
| | | | | |
| D) Statement of Assets & Liabilities | | | | |
| Review that: | | | | |
| 1) The prior period balances agree to the audited financial statements | Y | | | |
| 2) The statement of asset and liabilities is in agreement to the GOK IFMIS Statement of Financial Position generated from IFMIS | | | N/A | |
| 3) The balances tie to the notes. | Y | | | |
| 4) Casting has been done. | Y | | | |
| 5) The net assets balance carried forward from prior financial year agrees to the fund balance brought forward in the current financial year | Y | | | |
| 6) The net assets balance brought forward is supported by the assets and liabilities in the prior financial year. | Y | | | |
| 7) If the expense returns relating to prior years have been made in the current year, a prior year adjustment has been introduced to the Statement of Assets and Liabilities (in the "REPRESENTED BY" category) to capture these adjustments. Consequently, the fund balance brought forward in the current financial year will remain unchanged and will be the same as the fund balance carried forward from prior financial year. | | | N/A | |
| 8) Correction of errors in the prior years has been captured through a prior year adjustment. This adjustment should be adequately supported and explained in the notes to the financial statements. | | | N/A | |
| 9) The Net Financial Assets equals the Net Financial Position | Y | | | |
| | | | | |
| E) Statement of Cash flows | | | | |
| Review that: | | | | |
| 1) The opening balances agree to the audited accounts | Y | | | |
| 2) The prior period balances agree to the audited financial statements | Y | | | |
| 3) The statement of cash flow is in agreement to the GOK IFMIS Statement of Cash Flows generated from IFMIS | | | N/A | |
| 4) Casting has been done. | Y | | | |
| 5) Cash and cash equivalent balance at END of the year agrees to the cash and cash equivalent balance in the Statement of Assets and Liabilities. | Y | | | |

| | | | |
|--|--|-----|--|
| F) Summary Statement of Appropriation: Recurrent and Development Combined | | N/A | |
| Review that: | | | |
| 1) Casting has been done. | | N/A | |
| 2) The summation of the totals in the respective recurrent and development appropriations agree to the combined appropriation. | | N/A | |
| 3) A commentary has been provided for any significant underutilization (below 90% of utilization) and any overutilization (above 100%) | | N/A | |
| 4) The "Actual on comparable basis column in the Combined Statement of Appropriation agrees to the Statement of Receipts and Payments. | | N/A | |
| G) Summary Statement of Appropriation: Recurrent | | | |
| Review that: | | | |
| 1) Casting has been done. | | N/A | |
| 2) A commentary has been provided for any significant underutilization (below 90% of utilization) and any overutilization (above 100%) | | N/A | |

Additional review comments:

Name of Head of Accounting Unit:

ELIAS N NIRORE

Sign: 

Date of review: 28th Sep 2020.