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| <b>REPORT</b>                        |                                           |
| DATE:                                | 02 MAY 2024                               |
| DAY: <u>Tuesday</u>                  |                                           |
| TABLED<br>BY: <b>OF</b>              | Hon Owen Bayamp<br>Deputy majority leader |
| CLERK-AT<br>THE TABLE:               | A. Shuboko                                |

**THE AUDITOR-GENERAL**

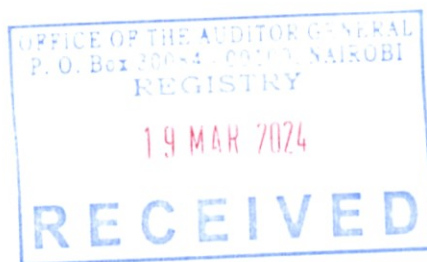
**ON**

**NATIONAL CRIME RESEARCH CENTRE**

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







**NATIONAL CRIME RESEARCH CENTRE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2023**

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





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## **1. Acronyms and Abbreviations**

|       |                                                    |
|-------|----------------------------------------------------|
| CEO   | Chief Executive Officer                            |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IPSAS | International Public Sector Accounting Standards   |
| NCRC  | National Crime Research Centre                     |
| NT    | National Treasury                                  |
| OCOB  | Office of the Controller of Budget                 |
| OAG   | Office of the Auditor General                      |
| OSHA  | Occupational Safety and Health Act of 2007         |
| PFM   | Public Finance Management                          |
| PPE   | Property Plant & Equipment                         |
| PSASB | Public Sector Accounting Standards Board           |
| SAGAs | Semi-Autonomous Government Agencies                |
| SC    | State Corporations                                 |

## **2. Key Centre's Information and Management**

### **Background information**

The National Crime Research Centre (NCRC) is a State Corporation established by the National Crime Research Centre Act No. 4 of 1997 Laws of Kenya. The Centre is mandated to carry out research into the causes of crime and its prevention and to disseminate its research findings and recommendations to the agencies of Government concerned with the administration of criminal justice and other stakeholders.

The Centre was operationalised in 2010 and was domiciled in the Office of the Attorney General with its first research activity undertaken in 2011. The Centre is currently domiciled under the Ministry of Interior and National Administration.

### **Principal Activities**

#### **The Centre is mandated to:**

- i. carry out co-ordinated research into, and evaluate the impact of, programmes pursued by the agencies responsible for the administration of criminal justice;

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- ii. collate all crime-related data;
- iii. carry out research into any criminal activity and in particular: crime causation and prevention; group or culture related crimes; socio-political and economic causes of criminal behaviour including drug trafficking, peddling or addiction; the modus operandi of persons engaged in any criminal activity; and juvenile delinquency;
- iv. carry out research into deviations from the criminal justice system with a view to increasing the awareness and responsibility of the community in the rehabilitation of criminal offenders;
- v. carry out research into the efficacy and adequacy of criminal investigation and prosecution agencies, the penal system and treatment of criminal offenders;
- vi. disseminate its research findings through publications, workshops, seminars, the mass media and other appropriate means of dissemination;
- vii. communicate its research findings and recommendations to the agencies of Government concerned with the administration of criminal justice, with a view to assisting them in their policy formulation and planning;
- viii. liaise with any other research bodies within or outside Kenya engaged in the pursuit of similar or related research; and
- ix. do all such things as appear necessary or expedient for the performance of its functions.

**Vision**

A Centre for Excellence in Crime Research.

**Mission**

To undertake quality and authentic research into causes of crime and its prevention and evaluate the impact of programmes pursued by the agencies responsible for the administration of criminal justice to inform policy.

**Core Values**

- 1. Customer focus
- 2. Integrity
- 3. Professionalism
- 4. Transparency and accountability
- 5. Respect for Diversity



6. Team work
7. Result Oriented

### **Strategic Objectives**

The strategic objectives of the Centre are drawn from its Strategic Plan 2023 – 2027 with the following key result area:

#### **i. Strategic Crime Research and Information Management**

The Centre intends to continue undertaking reliable policy-action crime research into causes of crime and its prevention and enhance access and sharing of crime research information with its stakeholders to inform relevant policies and programmes.

#### **ii. Sustainable Institutional Growth, Adaptability and Visibility**

The Centre will work towards strengthening its institutional capacity, enhance resource mobilization strategies and increase its visibility.

#### **iii. Digitalization of the Centre's Processes**

The Centre purposes to re-engineer its business processes towards enhancing its efficiency and effectiveness in service delivery. The Centre will digitalize and automate its processes in line with the Government's agenda of a digital economy.

#### **iv. Strategic Collaboration, Partnership and Networking**

The Centre endeavours to enhance and build new mutual collaborations, partnership and networking frameworks with relevant government agencies/departments, private sector, development partners, academia, civil society and the public to leverage shared synergies, resource mobilization efforts and joint research undertakings.

##### **(a) Key Management**

The Centre's strategy and management is under the following key organs:

- Governing Council
- Director/CEO
- Heads of Departments

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**(b) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2023 and who had direct fiduciary responsibility were:

| No. | Designation                                 | Name                            |
|-----|---------------------------------------------|---------------------------------|
| 1.  | Ag. Director/CEO                            | Mr. Vincent Odhiambo Opondo     |
| 2.  | Assistant Director, Research                | Mr. Stephen Masango Muteti      |
| 3.  | Principal Research Officer                  | Mr. Dickson Gitonga Njiru       |
| 4.  | Principal Research Officer                  | Ms. Phyllis Wanjiku Muriuki     |
| 5.  | Principal Research Officer                  | Mr. Kenneth Bundi Mbaya         |
| 6.  | Principal Accountant                        | Mr. Samuel Ng'ang'a Maina       |
| 7.  | Principal Legal Officer                     | Ms. Wanjiku Mwai                |
| 8.  | Principal Corporate Communication Officer   | Ms. Nancy Jebet Naburuki        |
| 9.  | Principal Supply Chain Management Officer   | Mr. Kennedy Kipchirchir Kwambai |
| 10. | Principal Human Resource Management Officer | Mr. John Kiptoo Kipkoros        |
| 11. | Principal Human Resource Management Officer | Mr. Ronald Tsuma Ruwa           |
| 12. | Principal ICT Officer                       | Ms. Rose Wanja Weru             |
| 13. | Senior Internal Auditor                     | Mr. Simon Ndahi Ndiritu         |

**(c) Fiduciary duties at the Centre**

**3. NCRC Governing Council**

In ensuring sustainable growth of the Centre, the Council provided strategic direction, exercised control and remained accountable through effective leadership, enterprise, integrity and objective judgement.

The Council is mandated to:

- Determine the Centre's mission, vision, purpose and core values;
- Review, evaluate and approve, on a regular basis, long-term plans for the Centre;
- Review, evaluate and approve the Centre's budget and financial forecasts;



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- d) Review, evaluate and approve major resource allocations and capital investments;
- e) Ensure that the procurement process is cost-effective and delivers value for money;
- f) Review and approve the operating and financial results of the Centre;
- g) Ensure effective, accurate, timely and transparent disclosure of pertinent information on the Centre's operations and performance;
- h) Ensure that effective processes and systems of risk management and internal controls are in place;
- i) Review, evaluate and approve the overall Centre's structure, the assignment of senior management responsibilities and plans for senior management development and succession;
- j) Review, evaluate and approve the remuneration structure of the Centre;
- k) Adopt, implement and monitor compliance with the Centre's Code of Conduct and Ethics;
- l) Review on a quarterly basis the attainment of targets and objectives set out in the agreed performance measurement framework with the Government of Kenya;
- m) Review periodically the Centre's strategic objectives and policies relating to sustainability and social responsibility/investment;
- n) Protect the rights of shareholders and optimize shareholder value;
- o) Enhance the Centre's public image and ensure engagement with stakeholders through effective communication;
- p) Monitor compliance with the Constitution, all applicable laws, regulations and Standards;
- q) Review, monitor and ensure that the Centre is effectively and consistently delivering on its mandate; and
- r) Any other role they are called upon to do by any relevant authority.

To effectively discharge its duties and responsibilities the Council functions through the following committees:

**Research and Development Committee**

The Council has authorized the Committee to:

- a) Ensure that the Centre has research and development standard operating procedures and policies;
- b) Make recommendations on the direction, themes and focus of research and development activities at the Centre;
- c) Review research activities of the Centre;
- d) Ensure the establishment of a quality assurance and improvement programme for research and development by the Secretariat;
- e) Support resource mobilization for research and to make recommendations on the development of research capacity and infrastructure;
- f) Consider and support the establishment of local, regional and global research partnerships/collaborations;



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- g) Make proposals to Finance and Administration Committee for funding of research activities;
- h) Ensure dissemination of research findings through various fora;
- i) Determine the Committee's schedule of meetings; and
- j) Recommend any amendments of the duties and responsibilities to the Governing Council.

**Finance and Administration Committee**

The Council has authorized the Committee to:

- a) Advise and report on matters related to finance, accounting, revenue and expenditure at the Centre;
- b) Ensure proper books and records of account of income, expenditure, assets and liabilities of the Centre are maintained;
- c) Discuss and recommend the Centre's draft copies of annual budget, annual work plan and procurement plan and submit to Council for approval and adoption;
- d) Discuss and recommend budget rationalization and submit to Council for approval and adoption;
- e) Discuss and recommend the Centre's quarterly financial statements, annual report and financial statements and submit to Council for approval and adoption;
- f) Discuss and recommend the Centre's Annual Performance Contract Targets and submit to Council for approval and adoption;
- g) Advise on matters of strategy and resolve operational matters relating to:
  - i. Resource mobilization;
  - ii. Human resource;
  - iii. Corporate affairs;
  - iv. Administrative matters; and
  - v. Investment of funds.
- h) Provide advice on policy direction in ICT related matters at the Centre;

**Legal Committee**

The Council has authorized the Committee to:

- a) Identify legal opportunities and propose remedies for identified gaps and challenges in the operationalization of the National Crime Research Act;
- b) Receive, interrogate and advice on legal issues arising from deliberations of other Committees;
- c) Advise the Council on all legal matters touching on the administration and operation of National Crime Research Centre;
- d) Review any other legislations and policies related to the Centre's mandate and propose necessary action;
- e) Continuously review and propose amendments to the National Crime Research Centre Act and regulations thereto; and
- f) Carry out any other activity necessary for the fulfillment of the mandate of the Committee.

### **Audit Committee**

The Council has authorized the Committee to:

- a) Evaluate the adequacy of management procedures with regard to issues relating to risk management, control and governance and to provide regular feedback to the Council on the adequacy and effectiveness of risk management at the Centre including the recommendations for improvement;
- b) Reviewing and approving the Internal Audit Charter, Annual Work plans, budget, activities, staffing, skills and organizational structure of the audit function;
- c) Reviewing the internal and external audit findings, recommendations and proposing corrective and preventive actions where necessary;
- d) Reviewing the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics;
- e) Initiating special audit/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency;
- f) Regularly report to the Governing Council about Committee activities, issues and related recommendations; and
- g) Monitoring utilization of the Centre's assets.

### **Office of the Auditor General (OAG)**

The oversight of the OAG is to audit and report on the use and management of public resources allocated to the Centre in line with Article 229 (6) of the Constitution of Kenya 2010.

#### **(d) NCRC's Headquarters**

P.O. Box 21180-00100  
ACK Garden Annex  
1<sup>st</sup> Ngong Avenue, Off Bishop's Road  
Nairobi, Kenya

#### **(e) NCRC's Contacts**

Telephone: (254) 20 2714735/722980102  
E-mail: [director@crimeresearch.go.ke](mailto:director@crimeresearch.go.ke)  
Website: [www.crimeresearch.go.ke](http://www.crimeresearch.go.ke)

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**(f) NCRC's Bankers**

KCB Bank Kenya Ltd  
Milimani Branch  
P.O. Box 69696-00400  
Nairobi, Kenya

**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue  
P.O. Box 40112-00200  
Nairobi, Kenya



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**The Governing Council**

| PHOTO                                                                                                                                                       | PROFILE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="199 936 603 974">Hon. Justin B. N. Muturi, EGH</p>          | <p data-bbox="662 443 1401 544">Hon. Justin B. N. Muturi, EGH was appointed the Chairman of the Governing Council of National Crime Research Centre on 27<sup>th</sup> October 2022.</p> <p data-bbox="662 577 1401 723">He is a distinguished lawyer who holds a Diploma in Law from the Kenya School of Law and a Bachelor of Laws degree (LLB) from the University of Nairobi and a member of the Law Society of Kenya (LSK).</p> <p data-bbox="662 757 1401 902">Currently he serves as the Attorney General of the Republic of Kenya and previously served as the Speaker of the Kenya National Assembly/ Chairman of the Parliamentary Service Commission from 2013 to 2022.</p> <p data-bbox="662 936 1070 974">He was born on 28<sup>th</sup> April, 1956</p>                                                                                                                                         |
|  <p data-bbox="199 1547 603 1608">Hon. Justice Jessie W. Lesiit, MBS</p> | <p data-bbox="662 1021 1401 1155">Hon. Justice Jessie W. Lesiit, MBS was appointed on 11th May, 2016 as an <i>ex-officio</i> Council Member representing the Chief Justice of the Republic of Kenya.</p> <p data-bbox="662 1189 1401 1335">She holds a Diploma in Law from the Kenya School of Law and a Bachelor of Laws degree (LLB) from the University of Nairobi and a member of the Law Society of Kenya (LSK).</p> <p data-bbox="662 1368 1401 1469">Hon. Justice Lessit is a Court of Appeal Judge with over 40 years cumulative work experience on the bench.</p> <p data-bbox="662 1503 1401 1648">She is the Vice-Chairperson of the Governing Council of the National Crime Research Centre. She serves as the Chairperson of the Legal Committee and a member of the Finance and Administration Committee.</p> <p data-bbox="662 1682 1050 1720">She was born on 8<sup>th</sup> April, 1959.</p> |

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| PHOTO                                                                                                                                                                        | PROFILE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="236 925 603 996">Mr. Japhet N. Koome, EBS, HSC, 'ndc' (K).</p>               | <p data-bbox="667 389 1382 495">Mr. Japhet N. Koome, EBS, HSC, ndc (K) was appointed on 22<sup>nd</sup> December 2022 as an <i>ex-officio</i> Governing Council member.</p> <p data-bbox="667 533 1398 674">He holds a Bachelor of Science degree in Civil Engineering. He is the Inspector General, National Police Service with over 31 years cumulative work experience in the Police Service.</p> <p data-bbox="667 712 1398 781">He is a member of the Research &amp; Development Committee and Finance &amp; Administration Committee.</p>                                                                                                                                                                                                             |
|  <p data-bbox="204 1572 571 1644">Brg. (Rtd) John K. Warioba, EBS, rcds (UK), psc (K)</p> | <p data-bbox="667 1032 1398 1173">Brg. (Rtd) John K. Warioba, EBS, rcds (UK), psc (K) was appointed on 17th November, 2021 as an <i>ex-officio</i> Governing Council member of the National Crime Research Centre.</p> <p data-bbox="667 1211 1398 1317">He holds a Master of Arts in International Security and Strategy from Kings College London and Administration and a Bachelor of Arts degree.</p> <p data-bbox="667 1355 1398 1460">Brg. (Rtd). Warioba is the Commissioner General of the Kenya Prisons Service and formally a Brigadier in the Kenya Defence Forces.</p> <p data-bbox="667 1498 1398 1570">He serves in the Research &amp; Development Committee and Audit Committee</p> <p data-bbox="667 1608 935 1644">He was born in 1962.</p> |



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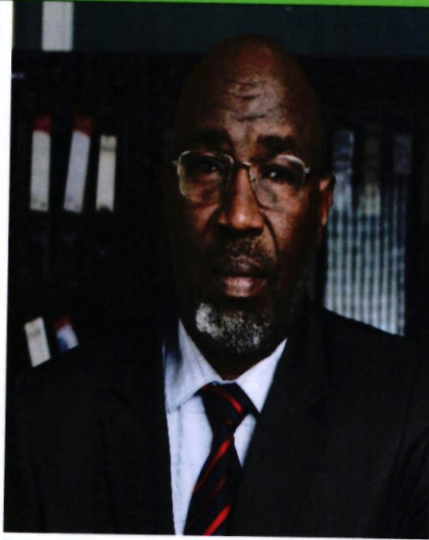
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|  <p data-bbox="209 920 523 954">Mrs. Mary W. Mbau, HSC.</p> | <p data-bbox="667 383 1407 495">Mrs. Mary W. Mbau, HSC. Was appointed on 13th August, 2017 as a Council member of the National Crime Research Centre.</p> <p data-bbox="667 562 1380 775">She holds a Master of Arts in Sociology and a Bachelor of Arts in Sociology from the University of Nairobi. She is a member of Kenya National Association of Probation Officers (KNAPO), American Sociological Association (ASA), American Probation and Parole Association (APPA) and Kenya Psychological Association (KPSYA)</p> <p data-bbox="667 797 1380 943">She is the Secretary, Probation and Aftercare Services and formally the Director of Probation Service with over 35 years cumulative work experience in the Public Service.</p> <p data-bbox="667 965 1380 1043">She is a member of Research &amp; Development Committee and Legal Committee.</p> <p data-bbox="667 1066 1098 1111">She was born on 2<sup>nd</sup> August, 1963.</p> |
|  <p data-bbox="204 1682 456 1715">Mr. Maurice Tsuma</p>   | <p data-bbox="660 1144 1390 1267">Mr. Maurice Tsuma was appointed on 14th June 2022 as a Governing Council Member of the National Crime Research Centre.</p> <p data-bbox="660 1312 1390 1435">He holds Master of Arts in Project Planning &amp; Management and a Bachelor of Arts in Sociology and Kiswahili.</p> <p data-bbox="660 1469 1390 1592">He is the Director, Children's Services, Directorate of Children Services. He has 33 years cumulative work experience in the Public Service.</p> <p data-bbox="660 1603 1390 1682">He is a member of the Research &amp; Development Committee and Finance &amp; Administration Committee.</p> <p data-bbox="660 1715 1129 1760">He was born on 31<sup>st</sup> December, 1963.</p>                                                                                                                                                                                                          |



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| PHOTO                                                                                                                  | PROFILE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p>Mr. Kenneth A. Odhiambo</p>       | <p>Mr. Kenneth Odhiambo was appointed on 9<sup>th</sup> February 2021 as an Executive Governing Council Member of the National Crime Research Centre representing the Principal Secretary, The National Treasury.</p> <p>He holds a Bachelor of Arts in Political Science and Post-Graduate Diploma in Human Resources Management.</p> <p>He is the Deputy Director, Human Resource Management at The National Treasury and Planning with over 20 years cumulative work experience in the Public Service.</p> <p>He is the Chairperson of the Finance and Administration Committee and a member of the Audit Committee.</p> <p>He was born on 11<sup>th</sup> November, 1965.</p>                                                                             |
|  <p>Ms. Jacinta N. Nyamosi, OGW</p> | <p>Ms. Jacinta N. Nyamosi was appointed on 10<sup>th</sup> November, 2020 as an Executive Governing Council Member of the National Crime Research Centre representing the Director of Public Prosecution.</p> <p>She is an Advocate of the High Court of Kenya who holds a Post Graduate Diploma in Law from the Kenya School of Law and a Bachelor of Laws (LLB).</p> <p>Currently, she is the Deputy Director, in the Department of Offences Against the Person (OAP) with 27 years cumulative work experience in the Office of the Director of Public Prosecutions and a member of the Law Society of Kenya (LSK).</p> <p>She is the Chairperson of the Audit Committee and a member of the Legal Committee.</p> <p>She was born on October, 1st 1968.</p> |

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| PHOTO                                                                                                                                                | PROFILE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="199 913 528 947">Mr. Samuel N. Wakanyua</p>          | <p data-bbox="651 387 1393 499">Mr. Samuel N. Wakanyua was appointed on 3rd October 2022 as an Independent Governing Council member of the National Crime Research Centre representing academia.</p> <p data-bbox="651 533 1345 600">He holds a Master of Arts (Sociology) and Bachelor of Arts degree (Sociology)</p> <p data-bbox="651 633 1329 779">He is a senior lecturer and dean of students, School of Social Sciences at the Catholic University of Eastern Africa (CUEA) with over 28 years cumulative work experience in academia.</p> <p data-bbox="651 813 1281 891">He is the chairperson, Research and Development Committee and a member of the Audit Committee.</p> <p data-bbox="651 925 1098 958">He was born on February 11<sup>th</sup> 1967.</p>                                         |
|  <p data-bbox="193 1525 576 1559">Mrs. Laureen N. Muisyo-Njiru</p> | <p data-bbox="643 992 1313 1126">Mrs. Laureen N. Muisyo-Njiru was appointed on 3rd October 2022 as an Independent Governing Council member of the National Crime Research Centre representing academia.</p> <p data-bbox="643 1171 1377 1339">She is an advocate of the High Court of Kenya and holds a Master's degree in Corporate and Business Law from Birmingham UK, Bachelor of Laws (LLB) and Diploma in Criminology and Social Order from the University of Nairobi.</p> <p data-bbox="643 1384 1345 1529">She is a Law Lecturer, at the Catholic University of Eastern Africa (CUEA) with over 19 years cumulative work experience in Legal, Public Service and Academia and a member of the Law Society of Kenya (LSK).</p> <p data-bbox="643 1563 1090 1597">She was born on February 2nd 1984.</p> |



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| PHOTO                                                                                                                                       | PROFILE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="204 913 438 947">Dr. Judith A. Oloo</p>     | <p data-bbox="662 383 1369 495">Dr. Judith A. Oloo was appointed on 3<sup>rd</sup> October 2022 as an Executive Governing Council member of the National Crime Research Centre representing academia.</p> <p data-bbox="647 528 1382 640">She is an Advocate of the High Court of Kenya who holds a Ph.D. in Law, Master of Laws (LLM), Bachelor of Laws (L.L.B), Bachelor of Academic Laws (BAL).</p> <p data-bbox="647 674 1393 819">She is a Senior Lecturer and Head of Public Law, Jomo Kenyatta University of Agriculture and Technology (JKUAT) Law School with 11 and 13 years of experience in the legal practice and academia respectively.</p> <p data-bbox="647 853 1393 999">She is a member of the Law Society of Kenya (LSK), Federation of Women Lawyers (FIDA-K), East Africa Law Society and Federation of Women Educationalists (FAWE).</p> <p data-bbox="647 1032 1166 1066">She is a member of the Legal Committee.</p> <p data-bbox="647 1099 1046 1133">She was born on July 28<sup>th</sup> 1982.</p> |
|  <p data-bbox="204 1641 483 1675">Dr. Mutuma Ruteere</p> | <p data-bbox="647 1133 1334 1245">Dr. Mutuma Ruteere was appointed on 1<sup>st</sup> August 2023 as the Director/CEO and Secretary to the Governing Council.</p> <p data-bbox="647 1279 1334 1424">He holds a PhD in Political Science, Master of Arts in Human Rights Theory and Practice and Bachelor of Education. He has 28 years cumulative work experience in the Public Service and Private Sector.</p> <p data-bbox="647 1458 1102 1491">He was born on 10<sup>th</sup> February, 1971</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

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| PHOTO                                                                                                             | PROFILE                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br><b>Mr. Vincent O. Opondo</b> | <p>Mr. Vincent Opondo was appointed on 1st April 2022 as the Ag. Director/CEO and Secretary to the Governing Council.</p> <p>He holds a Master of Arts Development Studies and Bachelor of Arts, Political Science &amp; Sociology with over 10 years cumulative work experience in the Public Service and Private Sector.</p> <p>He was born on 12<sup>th</sup> October, 1982.</p> |



#### **4. Management Team**

| MANAGEMENT                                                                                                              | DETAILS                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>Dr. Mutuma Ruteere</b></p>      | <p><b>Director/CEO</b><br/> <b>National Crime Research Centre</b></p> <p>Dr. Mutuma Ruteere was appointed on 1<sup>st</sup> August 2023 as the Director/CEO and Secretary to the Governing Council.</p> <p>He holds a PhD in Political Science, Master of Arts in Human Rights Theory and Practice and Bachelor of Education. He has 28 years cumulative work experience in the Public Service and Private Sector.</p> <p>He was born on 10<sup>th</sup> February, 1971</p> |
|  <p><b>Mr. Vincent O. Opondo</b></p> | <p><b>Ag. Director/CEO,</b><br/> <b>National Crime Research Centre</b></p> <p>Mr. Vincent Opondo was appointed on 1st April 2022 as the Ag. Director/CEO and Secretary to the Governing Council.</p> <p>He holds a Master of Arts Development Studies and Bachelor of Arts, Political Science &amp; Sociology with over 10 years cumulative work experience in the Public Service and Private Sector.</p>                                                                   |

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| MANAGEMENT                                                                                                                                          | DETAILS                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="212 947 528 981"><b>Mr. Stephen M. Muteti</b></p>   | <p data-bbox="651 416 1043 450"><b>Assistant Director - Research</b></p> <p data-bbox="651 488 1310 595">He holds a Master of Arts in Sociology, Bachelor of Arts, Sociology and Higher Diploma Human Resources Management.</p>                                                                                                                          |
|  <p data-bbox="209 1554 485 1588"><b>Mr. Dickson Gitonga</b></p> | <p data-bbox="639 1025 999 1059"><b>Principal Research Officer</b></p> <p data-bbox="639 1097 1337 1205">He holds a Masters of Arts in Conflict, Governance and International Development, Bachelor of Arts in Criminology and Security Studies.</p> <p data-bbox="639 1243 1177 1312">Member of Kenya Professionals Society of Criminology (KEPSOC)</p> |



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| MANAGEMENT                                                                                                                                   | DETAILS                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="229 943 475 976">Mr. Kenneth Bundi</p>       | <p data-bbox="651 409 1011 443"><b>Principal Research Officer</b></p> <p data-bbox="651 479 1259 551">He holds a Masters of Arts in Anthropology and Bachelors of Arts in Anthropology.</p> <p data-bbox="651 586 1262 620">Member of Anthropology Association of Kenya.</p> |
|  <p data-bbox="229 1541 480 1574">Ms. Phyllis Muriuki</p> | <p data-bbox="651 1014 1011 1048"><b>Principal Research Officer</b></p> <p data-bbox="651 1097 1238 1169">She holds a Bachelors degree in Sociology and Communication.</p>                                                                                                   |

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| MANAGEMENT                                                                                                            | DETAILS                                                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>Mr. Samuel Ng'ang'a</b></p>   | <p><b>Principal Accountant</b></p> <p>He holds a Bachelor's degree in International Business Administration and a Certified Public Accountant (CPA-K).</p> <p>Member of Institute of Certified Public Accountants of Kenya (ICPAK).</p>      |
|  <p><b>Ms. J. Wanjiku Mwai</b></p> | <p><b>Principal Legal Officer</b></p> <p>She is an Advocate of the High Court of Kenya who holds a Post Graduate Diploma in Law, Bachelor of Laws (LLB), and Certified Secretary (CS-K)</p> <p>Member of the Law Society of Kenya (LSK).</p> |



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| MANAGEMENT                                                                                                                                      | DETAILS                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="205 929 469 965"><b>Mr. John Kipkoros</b></p>   | <p data-bbox="646 409 1260 477"><b>Principal Human Resource and Management Officer</b></p> <p data-bbox="646 515 1260 589">He holds a Bachelor of Arts, Political Science &amp; Sociology and Higher Diploma in HRM.</p> <p data-bbox="646 622 1340 658">Member of Institute of Human Resource Management.</p>                                                                    |
|  <p data-bbox="197 1534 429 1570"><b>Mr. Ronald Ruwa</b></p> | <p data-bbox="646 1010 1254 1077"><b>Principal Human Resource and Management Officer</b></p> <p data-bbox="646 1115 1347 1256">He holds a Bachelors of Business Administration HRM option and Diploma in University of Nairobi and Higher Diploma (KNEC) in Human Resource Management</p> <p data-bbox="646 1290 1334 1326">Member of Institute of Human Resource Management.</p> |

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| MANAGEMENT                                                                                                                                          | DETAILS                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p data-bbox="193 929 635 1003"><b>Mr. Kennedy K. Kwambai</b></p> | <p data-bbox="646 421 1356 459"><b>Principal Supply Chain Management Officer</b></p> <p data-bbox="646 481 1356 593">He holds a Bachelor of Business Management and Information Technology, Post Graduate Diploma in Purchasing &amp; Supplies.</p> <p data-bbox="646 616 1356 660">Member of MKISM, MCIPS</p> |
|  <p data-bbox="193 1534 635 1608"><b>Ms. Rose W. Weru</b></p>    | <p data-bbox="646 1019 1356 1057"><b>Principal ICT Officer</b></p> <p data-bbox="646 1079 1356 1191">She holds Bachelor of Business Information Technology (BBIT) and Diploma in Information Technology</p> <p data-bbox="646 1236 1356 1281">Member of ISACA and Computer Society of Kenya</p>                |



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| MANAGEMENT                                                                                                       | DETAILS                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p>Mr. Simon N. Ndiritu</p>    | <p><b>Senior Internal Auditor</b></p> <p>He holds a Bachelor's degree in Business Administration and is a Certified Public Accountant (CPA-K)</p> <p>Member of Institute of Internal Auditors (IIA)</p> |
|  <p>Ms. Nancy J. Naburuki</p> | <p><b>Principal Corporate Communication Officer</b></p> <p>She holds Bachelor of Arts degree (Communications)</p> <p>Member Public Relations Society of Kenya (PRSK)</p>                                |

## **5. Chairman's Statement**

### **Opening Statement**

On behalf of the Governing Council, it is my humble pleasure to present the Centre's Annual Report and Financial Statement for the period ended 30<sup>th</sup> June, 2023. The report documents the key accomplishments achieved during the Financial Year as well as the challenges and futuristic outlook of the Centre.

### **Centre's Mandate**

The Centre is mandated to carry out research into the causes of crime and its prevention and to disseminate its research findings and recommendations to the agencies of Government concerned with the administration of criminal justice and other stakeholders.

### **Key Accomplishments**

#### **1. Development of Strategic Plan 2023-2027**

The Centre developed NCRC Strategic Plan 2023-2027 to guide its mandate over the next five (5) years planning period. The Strategic Plan focuses on the following key result areas:

##### **Strategic Crime Research and Information Management**

The Centre intends to continue undertaking reliable policy-action crime research into causes of crime and its prevention and enhance access and sharing of crime research information with its stakeholders to inform relevant policies and programmes.

##### **Sustainable Institutional Growth, Adaptability and Visibility**

The Centre will work towards strengthening its institutional capacity, enhance resource mobilization strategies and increase its visibility.

##### **Digitalization of the Centre's Processes**

The Centre purposes to re-engineer its business processes towards enhancing its efficiency and effectiveness in service delivery. The Centre will digitalize and automate its processes in line with the Government's agenda of a digital economy.

##### **Strategic Collaboration, Partnership and Networking**

The Centre endeavours to enhance and build new mutual collaborations, partnership and networking frameworks with relevant government agencies/departments, private sector,



development partners, academia, civil society and the public to leverage shared synergies, resource mobilization efforts and joint research undertakings.

## **2. Review of National Crime Research Centre Act**

The Centre also reviewed its enabling legislation, National Crime Research Centre Act No. 4 of 1997 vide NCRC Bill, 2023.

## **3. Appointment of New Council Members**

During the period under review three new Council members were appointed to represent academia. This increased the diversity of the Council by bringing in eminently qualified persons in the fields of criminal law, sociology and criminology.

## **4. Succession Management**

In strengthening the Centre's institutional capacity, the Centre revised the following Human Resource Policy Instruments:

- i) Human Resource Policy and Procedures Manual
- ii) Organization Structure and Staff Establishment
- iii) Career Guidelines

The following directorates and key departments were created: Corporation Secretary and Legal Services Directorate; Crime Research Directorate; Research Information Management Directorate, Corporate Services Directorate, Internal Audit and Risk Assurance Directorate; Planning & Strategy Department and Supply Chain Management Department. In addition, the Centre recruited a Director/CEO to direct the research functions of the Centre.

## **5. Research Activities**

In Crime Research initiatives, the Centre conducted research on the following thematic areas: 2022 National Crime Mapping; National Victimization Survey; ICT related-Crimes and Offences in Kenya; and Efficacy and Adequacy of the Criminal Justice System: The Case of Children in Conflict with the Law.

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NCRC disseminated research findings and recommendations and issued key policy briefs and advisories on: the Challenges of Election Crimes and Offences in Kenya; the Problem of Human Trafficking in Kenya; Public Perceptions and Experiences on the Access to Criminal Justice in Kenya; insurgence of Criminal Gangs in Kenya; infiltration of Al-Shabaab in Kenya among others.

**6. Collaborations and Partnerships**

In its endeavor to enhance and build new mutual collaborations, partnerships and networks with both state and non-state actors, NCRC signed Memorandum of Understanding (MOU) with the National Council of Non-Governmental Organizations on research, resource mobilization and capacity building and Korean International Cooperation Agency (KOICA) on technical training.

**Future outlook**

In line with the Government's development agenda, Bottom-Up Economic Transformation Agenda 2022-2027, the Council has prioritized key activities to increase the Centre's performance and efficiency in undertaking research on causes of crime, its prevention and disseminating research findings and recommendations to inform policy formulation and planning.

**Conclusion**

I wish to convey my sincere gratitude to H.E the President Hon. Dr. William Ruto, CGH, the Deputy President Hon. Rigathi Gachagua EGH, Prime Cabinet Secretary, H.E. Dr. Musalia Mudavadi, EGH, Cabinet Secretary, Ministry of Interior and National Administration Hon. (Prof.) Kithure Kindiki, EGH for your immense support and contribution towards the Centre's success.



**Hon. J. B. N. MUTURI, EGH  
ATTORNEY GENERAL/CHAIRMAN  
GOVERNING COUNCIL  
NATIONAL CRIME RESEARCH CENTRE**



## **6. Report of The Chief Executive Officer**

The Centre continued to contribute to national development as a crime research institution in generating quality and authentic evidence-based research findings and policy recommendations in the Country during the 2022/2023 fiscal year.

This report highlights the key achievements, institutional challenges and financial performance during the year.

### **Key Achievements**

The Centre acknowledges that the provision of public safety is a critical area that requires concerted efforts of all stakeholders. In realizing its mandate during the Financial Year 2022/2023, the Centre implemented and achieved the following:

**a) Undertaking Crime Research on Crime Trends, Root Causes, Consequences and prevention.**

- i. During the FY 2022/2023, the Centre conducted crime research on the following thematic areas: The 2022 National Crime Mapping Study; National Crime Victimization Survey; Information, Communication, and Technology (ICT)-related Crimes and Offences in Kenya; and Efficacy and Adequacy of the Criminal Justice System: The Case of Children in Conflict with the Law.

**b) Crime Management**

On crime management, the Centre:

- i. Prepared and shared Policy Briefs; Advisories and/or Policy Recommendations on specific crime-related issues to the Ministry of Interior and National Administration and other relevant agencies in the administration of criminal justice. Specifically, the advisories were on: Conflict Dynamics in West Pokot County; Implementation Framework on Insurgence of Criminal Gangs in Kenya; Strategies to Address Infiltration of Al-Shabaab in Kenya; Crime Hot Spots in Kenya; and Election-related Risk Factors for the Kenya General Election 2022. The policy recommendations were on: Guidelines to the National Police Service; Public Perceptions and Experiences on the Access to the Criminal Justice in

- Kenya; The Problem of Human Trafficking in Kenya; and The Challenge of Election-related Crimes and Offences in Kenya.
- ii. The Centre disseminated research reports were on; 2022 National Crime Mapping; National Crime Victimization Survey; Public Perceptions and Experiences on the Access to the Criminal Justice in Kenya; The Problem of Human Trafficking in Kenya; and The Challenge of Election-related Crimes and Offences in Kenya.
  - iii. Based on the 2022 National Crime Mapping Study, the Centre undertook County by County crime profile and updated information on the Centre's website on: Top Crimes in Kenya and National Crime Burden.

**c) Strategic Plan 2023-2027**

The Centre revised its 2018-2022 Strategic Plan and developed its 2023-2027 Strategic Plan aligned to the Bottom-Up Economic Transformation Agenda 2022-2027, Medium Term Plan IV of the Kenya Vision 2030 and other national priorities.

**d) Review of Human Resource Policy Instruments**

The Centre reviewed its Human Resource Policy Instruments: Organizational Structure, Grading and Staff Establishment; Career Guidelines; and Human Resource Policy and Procedures Manual, 2023 and recruited a Director/CEO during the year.

**e) Inter-Agency Collaborations**

In its endeavor to enhance and build mutual collaborations, partnerships and networks with both state and non-state actors, the Centre signed a Memorandum of Understanding (MOU) with the National Council of Non-Governmental Organizations on mutual areas of collaborative research, resource mobilization and capacity building.

**Challenges**

During the fiscal year, the Centre faced various challenges that ranged from budgetary cuts, late disbursement of exchequer grants; human capital constraints; other institutional and operational constraints. The Centre was allocated Kshs.178, 900,000 in FY 2022/23 whereas at the end of the financial year, the total disbursement to the Centre was Kshs. 168, 836, 875. The Centre budget was affected by a cut of Kshs. 10, 063, 125. Budgetary constraints, budget cuts and late receipt of transfer of grants expose NCRC to both operational and liquidity risks.



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The Centre had a staff in-post of 21 out of an approved establishment of 134, representing 16% of the approved staff establishment. The Research Department handling core mandate had six (6) researchers in-post during the financial year. This affected timely delivery of research outputs and other mandate areas.

**Acknowledgement**

The commendable achievements of the Centre during the financial year could not have been possible without the support from various stakeholders. The Centre acknowledges and appreciates the support of the Governing Council, NCRC Management and staff, the Ministry of Interior and National Administration, Criminal Justice System agencies, other Ministries, Departments and Agencies (MDAs), development partners, academia and the general public in the achievement of its mandate during the the period.



**DR. MUTUMA RUTEERE  
DIRECTOR/CEO  
NATIONAL CRIME RESEARCH CENTRE**

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**7. Statement of Performance Against Predetermined Objectives for FY 2022/23**

During the period under review, the Centre's strategic objective were guided by the Centre's mandate as per the table below:

| Strategic Theme                         | Objective                                                                                                                    | Key Performance Indicators                                            | Activity                                                                                      | Achievement                                                                                                                                                                                                                                                  |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategic Governance & policy direction | Adhere to corporate governance best practices                                                                                | No. of Governing Council appointed.                                   | Appointment of a diverse Governing Council                                                    | Appointment of three Governing Council members from academia                                                                                                                                                                                                 |
|                                         | Implementation of 2022/2023 Performance contract                                                                             | Development, vetting and evaluation of 2022/2023 Performance Contract | Implementation of 2022/2023 Performance contract                                              | Performance contract score (Awaiting evaluation of 2022/2023 Performance Contract)                                                                                                                                                                           |
| Kenya Annual Crime Year Book            | Development of Kenya Annual Crime Year Book                                                                                  | Kenya Annual Crime Year Book                                          | Identify four research themes                                                                 | The following research themes were identified:<br>1. 2022 National Crime Mapping<br>2. Victimization Survey<br>3. ICT Crimes and Offences in Kenya<br>4. Adequacy and Efficacy of the Criminal Justice System: The Case of Children in Conflict with the Law |
|                                         | Carry out research on thematic areas                                                                                         | No. of research studies conducted                                     | Develop proposals, collect data, analyze data and write reports on research themes identified | The following research reports were drafted:<br>1. 2022 National Crime Mapping<br>2. Victimization Survey<br>3. ICT Crimes and Offences in Kenya<br>4. Adequacy and Efficacy of the Criminal Justice System: The Case of Children in Conflict with the Law   |
|                                         | Disseminate research findings and recommendations to agencies in The criminal justice system and other relevant stakeholders | No. of research reports disseminated                                  | Disseminate and communicate research findings and recommendations through different avenues   | Communicated the following research reports with relevant stakeholders and disseminated through the Centre's website:<br>i) The Challenge of Election Crimes & offences in Kenya<br>ii) The Problem of Human Trafficking in Kenya                            |



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| Strategic Theme                                          | Objective                                                              | Key Performance Indicators                            | Activity                                                                                | Achievement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                          |                                                                        |                                                       |                                                                                         | iii) Criminality in Kenya in the context of Covid-19 in Kenya<br>iv) A study on the Access to Criminal Justice in Kenya<br>v) 2022 National Crime Mapping.                                                                                                                                                                                                                                                                                                                                                           |
|                                                          |                                                                        | No. of Issue and Policy briefs and/or recommendations | Issue policy recommendations and /or Issue briefs                                       | Issued key policy recommendations on the following thematic areas:<br>i) the Challenges of Election Crimes and Offences in Kenya<br>ii) The Problem of Human Trafficking in Kenya<br>iii) Public Perceptions and Experiences on the Access to Criminal Justice in Kenya;<br>iv) 2022 National Crime Mapping<br>v) Criminality in Kenya in the Context of Covid-19 in Kenya<br>vi) Insurgence of Criminal Gangs in Kenya;<br>vii) Infiltration of Al-Shabaab in Kenya<br>viii) Conflict Dynamics in West Pokot County |
|                                                          |                                                                        | No. of research reports printed/published             | Print and publish research reports                                                      | Two (2) research reports Printed and published<br>i. The Challenge of Election Crimes & offences in Kenya<br>ii. The Problem of Human Trafficking in Kenya                                                                                                                                                                                                                                                                                                                                                           |
| Crime research collaborative, partnership and networking | Develop strong and effective collaboration, partnerships and network ( | No. of partners and MOU's signed                      | Partner's engagements collaborators and partners through signing of MOUs and agreements | The Centre entered into an MOU with National Council of Non-Governmental Organizations                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                          | Review of NCRC Policies/documents                                      | No. of Policy documents developed/ reviewed           | Develop NCRC Strategic Plan 2023-2027 and review NCRC Act,                              | The Centre developed NCRC Strategic Plan 2023-2027 and reviewed NCRC Act                                                                                                                                                                                                                                                                                                                                                                                                                                             |

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| Strategic Theme                                                                                         | Objective                                                                  | Key Performance Indicators                                                                           | Activity                                                                           | Achievement                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                         |                                                                            |                                                                                                      | Human Resource Policy Instruments and Resource Mobilization Strategy               | vide NCRC Bill 2023, Human Resource Policy Instruments and Resource Mobilization Strategy                                                                                                                                                                                                                               |
| Human Resource Capacity in Crime Research to facilitate crime research work at all levels of Government | Establish and enhance Human Resource Capacity                              | No. of officers trained.                                                                             | Develop and implement a training programme                                         | Training of NCRC, ODPP and NPS Officers trained by Korean International Cooperation Agency (KOICA) on technical training programme on installation of security systems (Kenya)                                                                                                                                          |
|                                                                                                         | Identify, recruit, remunerate and retain staff                             | No. of staff recruited and remunerated                                                               | Recruitment of additional staff and remuneration of NCRC staff members             | Recruitment of director/CEO and remuneration of NCRC staff members                                                                                                                                                                                                                                                      |
|                                                                                                         | Implement performance management system                                    | No. of performance management system implemented                                                     | Coordination and implementation of Performance Contract staff appraisals conducted | staff performance management reports developed                                                                                                                                                                                                                                                                          |
| Resource Mobilization for Research activities                                                           | Develop and implement resource mobilization strategies                     | No. of funding sources mapped and identifies                                                         | Review of the Resource Mobilization Strategy                                       | Reviewed and approved Resource Mobilization Strategy 2023-2027                                                                                                                                                                                                                                                          |
| Upgrade ICT infrastructure and security system in the Centre                                            | Expand and maintain ICT infrastructure and security systems                | Deployment of Secure Socket Layer (SSL) Certificate                                                  | Installation of SSL certificate                                                    | Enhance Center's website improving search engine ranking on the Centre's website which increase the Centre's visibility                                                                                                                                                                                                 |
| National Crime Research Communication Strategy                                                          | Disseminate information through mass media platforms and stakeholder foras | No. of reports disseminated through mass media platforms                                             | Disseminate research reports in a user friendly format                             | Converted Crime research reports into infographics thus facilitating dissemination of the Centre's report to a wide niche in a user-friendly format                                                                                                                                                                     |
|                                                                                                         | Enhance branding of NCRC                                                   | No. of Media advertisements, exhibitions, corporate social responsibility the Centre participated in | Participated in Media advertisements, exhibitions, corporate social responsibility | <ol style="list-style-type: none"> <li>1. The Centre participated in the Nairobi International Trade Fair (NITF) at Jamhuri Gardens from 26<sup>th</sup> Sept – 2<sup>nd</sup> Oct 2023 where over 500 stakeholders interacted with the Centre's services</li> <li>2. Through the Centre's Young Researchers</li> </ol> |



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| Strategic Theme | Objective                     | Key Performance Indicators  | Activity                                                                                                                                     | Achievement                                                                                                                                                            |
|-----------------|-------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                 |                               |                             |                                                                                                                                              | Programme the Centre mentored students from Taita Taveta University on research processes, proposal development, data collection, coding & analysis and report writing |
|                 | Enhance stakeholder relations | No. of stakeholders engaged | Review the Centre's citizen service delivery charter in English and Kiswahili version and its conversion into audio/visual and sign language | Reviewed the Centre's Citizen Service Delivery Charter in English and Kiswahili version and its conversion into audio/visual and sign language                         |

## **8. Corporate Governance Statement**

The Centre's Governing Council is established under section 6 of the National Crime Research Centre Act, No. 4 of 1997 Laws of Kenya. The Council is mandated to formulate research policy and programmes of the Centre; direct the research activities of the Centre with a view to ensuring that its objects under the Act are attained and plan and organize fund-raising activities to generate funds for the Centre. In doing so, the Council is guided by the NCRC Governing Council Charter.

NCRC governance structure is summarized in the chart below:



#### **Governing Council Size, Composition and Independence**

The Governing Council consists of fifteen (15) members as follows: the Attorney General as the Chairperson; Principal Secretary to the National Treasury; the Chief Justice; Director of Public Prosecutions; Inspector General National Police Service; Commissioner for Social Services; Commissioner General of Prisons; Secretary, Probation and Aftercare Services; representatives of universities in Kenya being persons eminently qualified in the fields of criminal law, sociology or criminology; representation from non-governmental organizations nominated by the National Council of Non-Governmental Organizations and persons appointed by the Cabinet Secretary by virtue of their knowledge and expertise in specific aspects of crime-oriented research work.



### **Governing Council Appointment, Cessation and Removal**

The Cabinet Secretary responsible for the Centre selects and appoints Council members. Every appointment is by name and by notice in the Kenya Gazette. A member ceases to be a Council member if they die, resign from the office in which they represent in the Council, is convicted of a criminal offence and sentenced to a term of imprisonment or is adjudged bankrupt. A member is removed from office if they violate the Constitution or any other written law, are found guilty of gross misconduct in performance of their duties, if physically or mentally incapable of performing the functions of a Council member, if declared incompetent or neglect their duties or if absent from three consecutive meetings of the Council without a reasonable explanation.

### **Governing Council Responsibility**

The basic responsibility of Council members is to exercise their best judgment and to act in a manner that they reasonably believe to be in the best interest of the Centre and its stakeholders. In discharging that obligation, the members will be entitled to rely on the honesty and integrity of the Centre's management, staff and external professional advisors and auditors. In furtherance of its responsibilities, the Council will:

- a) Determine the Centre's mission, vision, purpose and core values;
- b) Review, evaluate and approve, on a regular basis, long-term plans for the Centre;
- c) Review, evaluate and approve the Centre's budget and financial forecasts;
- d) Review, evaluate and approve major resource allocations and capital investments;
- e) Ensure that the procurement process is cost-effective and delivers value for money;
- f) Review and approve the operating and financial results of the Centre;
- g) Ensure effective, accurate, timely and transparent disclosure of pertinent information on the Centre's operations and performance;
- h) Ensure that effective processes and systems of risk management and internal controls are in place;
- i) Review, evaluate and approve the overall Centre's structure, the assignment of senior management responsibilities and plans for senior management development and succession;
- j) Review, evaluate and approve the remuneration structure of the Centre;

- k) Adopt, implement and monitor compliance with the Centre's Code of Conduct and Ethics;
- l) Review on a quarterly basis the attainment of targets and objectives set out in the agreed performance measurement framework with the Government of Kenya;
- m) Review periodically the Centre's strategic objectives and policies relating to sustainability and social responsibility/investment;
- n) Protect the rights of shareholders and optimize shareholder value;
- o) Enhance the Centre's public image and ensure engagement with stakeholders through effective communication;
- p) Monitor compliance with the Constitution, all applicable laws, regulations and Standards;
- q) Review, monitor and ensure that the Centre is effectively and consistently delivering on its mandate; and
- r) Any other role they are called upon to do by any relevant authority.

#### **Council Induction and Continuous Skills Development**

New Council members undertake an effective induction programme in order to familiarize themselves with their responsibilities and general principles of corporate governance and Council practices. Council members have access to continuous development programs that are designed to keep them abreast with the latest developments in the research sector and corporate governance best practices.

#### **Chairperson and Director/Chief Executive Officer**

The roles of the Chairperson of the Governing Council and the Director/CEO remain distinct and separate. The Chairperson is primarily responsible for the activities of the Council. The Director/CEO is responsible for implementation of Council directions and policies; effective and efficient day to day running of the Centre and serving as the link between the Council and the Management.



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**Council Remuneration**

Council members are compensated in accordance with the prevailing relevant legislative provisions and/or guidelines from the relevant authority.

**Council and Committee meetings**

The Council and its four committees meet at least once in every three months. During the FY 2022/2023, the Council was guided by its approved almanac in discharge of its duties and responsibilities. This was guided by the Governing Council Charter, Committee Charters and government guidelines issued from time to time.

**Council and Committee meetings held during FY 2022/2023**

In Compliance with the National Crime Research Centre Act, 1997, Council Charter, Committee Charters and other relevant statutes and regulations, Council members dedicated adequate time and met in order to effectively run the Centre's mandate. Attendance of Council and Committee meetings was as follows:

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**Schedule of Attendance of Council and Committee Meetings during FY 2022/2023**

| GOVERNING COUNCIL MEETINGS |                                                                 |                      |                          | MEETINGS OF THE COMMITTEES |                          |                        |                          |                      |                          |                      |                          |
|----------------------------|-----------------------------------------------------------------|----------------------|--------------------------|----------------------------|--------------------------|------------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|
|                            | Name                                                            | No. of Meetings Held | No. of Meetings Attended | Finance & Administration   |                          | Research & Development |                          | Legal Committee      |                          | Audit Committee      |                          |
|                            |                                                                 |                      |                          | No. of Meetings Held       | No. of Meetings Attended | No. of Meetings Held   | No. of Meetings Attended | No. of Meetings Held | No. of Meetings Attended | No. of Meetings Held | No. of Meetings Attended |
| 1                          | Hon. Justin B. N Muturi, EGH                                    | 5                    | 2                        | *                          | *                        | *                      | *                        | *                    | *                        | *                    | *                        |
| 2                          | Justice Jessie Wanjiku Lesiit, MBS                              | 7                    | 5                        | 7                          | 6                        | *                      | *                        | 3                    | 2                        | *                    | *                        |
| 3                          | Dr. Resila Onyango Rep. Mr. Japhet N. Koome, EBS, HSC, ndc (K). | 7                    | 4                        | 7                          | 5                        | 4                      | 1                        | 3                    | 2                        | *                    | *                        |
| 4                          | Brg. (rtd) John K. Warioba, EBS, rcds (UK), psc(K)              | 7                    | 5                        | *                          | *                        | 4                      | 4                        | 3                    | 3                        | 4                    | 4                        |
| 5                          | Ms. Jacinta Nyamosi                                             | 7                    | 5                        | *                          | *                        | *                      | *                        | 3                    | 3                        | 4                    | 4                        |
| 6                          | Mr. Hitler Ogenche Rep. Mrs. Mary Mbau                          | 7                    | 7                        | *                          | *                        | 4                      | 4                        | *                    | *                        | 4                    | 3                        |
| 7                          | Mr. Maurice Tsuma                                               | 7                    | 6                        | 7                          | 7                        | 4                      | 4                        | 3                    | 3                        | *                    | *                        |
| 8                          | Mr. Kenneth Odhiambo                                            | 7                    | 7                        | 7                          | 6                        | *                      | *                        | *                    | *                        | 4                    | 4                        |
| 9                          | Mr. Samuel Ndiritu Wakanyua                                     | 5                    | 5                        | *                          | *                        | 2                      | 2                        | *                    | *                        | 3                    | 3                        |
| 10                         | Dr. Judith Adongo Oloo                                          | 5                    | 5                        | *                          | *                        | 2                      | 1                        | *                    | *                        | *                    | *                        |
| 11                         | Mrs. Lauren Muisyo-Njiru                                        | 5                    | 5                        | 4                          | 4                        | *                      | *                        | *                    | *                        | *                    | *                        |

Key: \* Not a Member of the Committee



**National Crime Research Centre  
Annual Report and Financial Statements  
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**Conflict of Interest**

Council members are guided by the Centre's Conflict of Interest and Whistle-Blowing policies. Further, Council members are required to declare conflict of interest if and when it arises. The Director/ CEO is the custodian to the Conflict of Interest Register.

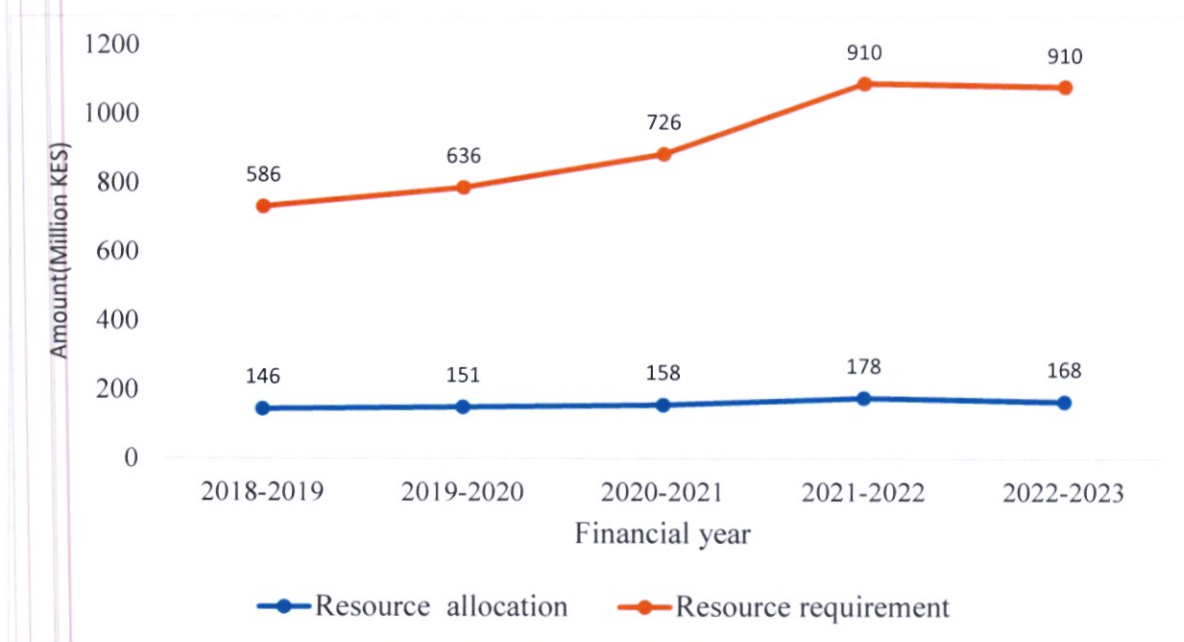
**Governance and Legal Audit**

An annual governance audit is conducted to ensure that the Centre complies with all relevant laws, ensure efficiency of internal control systems, policies, procedures and regulations are implemented to the needs of the Centre's stakeholders.

**9. Management Discussion and Analysis**

**a) Financial Performance**

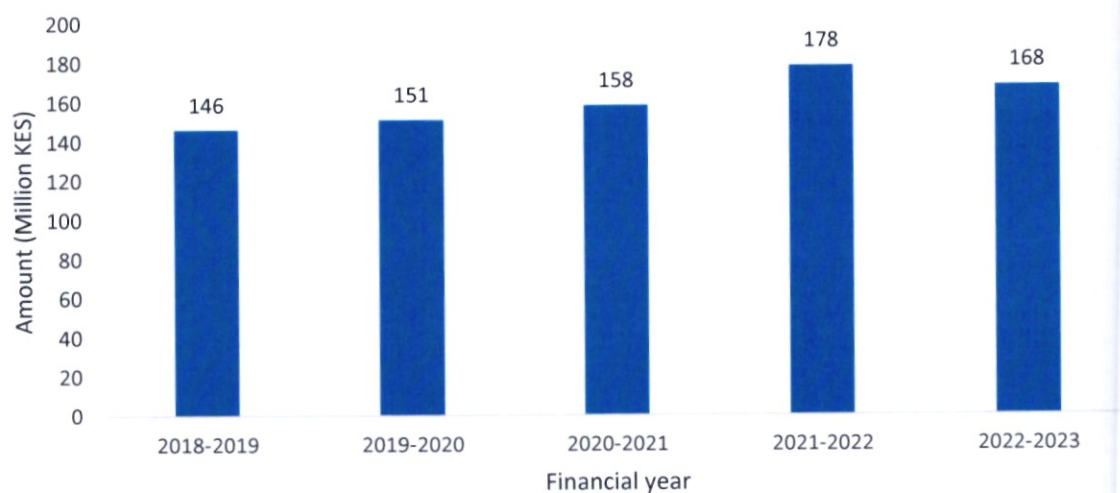
**i. Resource Requirement vs Resource Allocation**



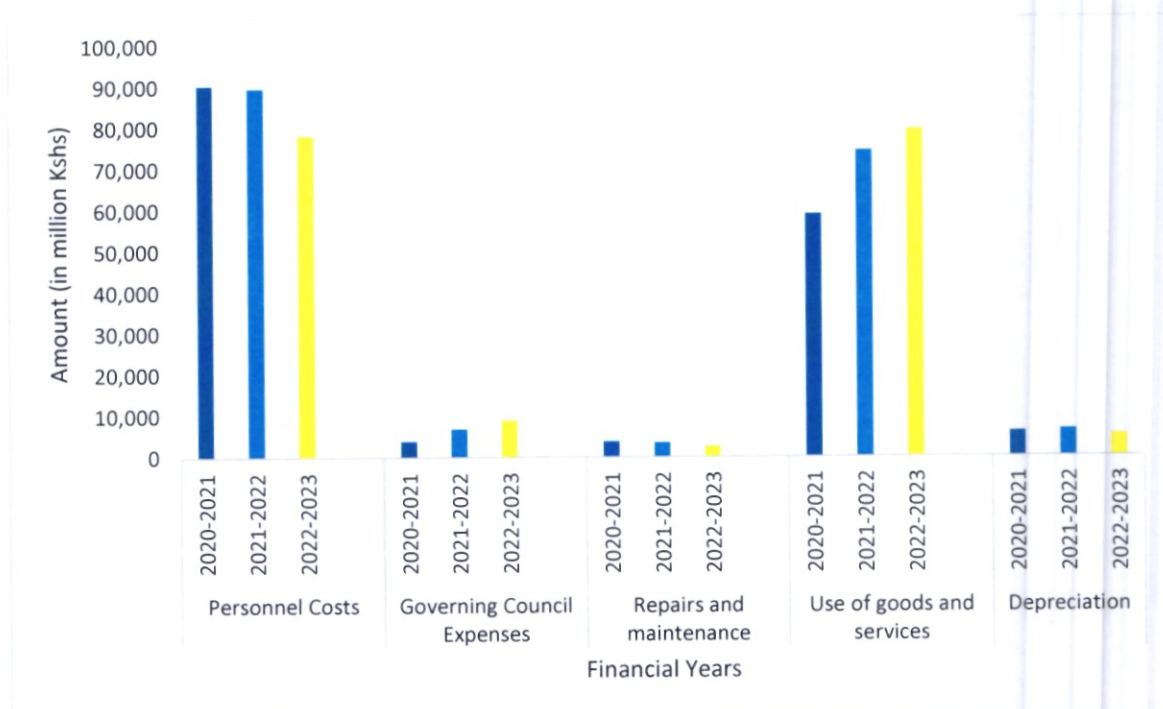
Over the years, the Centre's allocation has been less than the resource requirement by a huge margin, thus affecting the optimal realization of its mandate.

**ii. Recurrent Government Grants Trend for the years 2018/2019 – 2022/2023**

The GoK grants to the Centre decreased by Kshs. 10,063,125 in FY 2022/2023 compared to the previous year's allocation.



**iii. Recurrent Expenditure Analysis Financial Years 2020/2021 – 2022/2023**



**Notes:**

- The personnel cost decreased in the Financial Year 2022/2023 due to the exit of staff who were not replaced by the closure of the Financial Year.



- Governing Council expenses in the Financial Year 2022/2023 were higher than the previous years due to a Policy and Governance training of the Council.
- Repairs and maintenance costs were relatively within the same range for the three previous financial years.
- The expenses for the use of goods and services increased during the FY 2022/2023 due costs related to review of policy documents and recruitment of staff.

**iv. Centre's Compliance with Statutory Requirements**

There is no major non-compliance that is likely to expose the Centre to potential liability.

**v. Key Projects and Investment decisions the Centre is planning to implement**

No project was implemented during the Financial Year due to lack of budgetary allocations. The Centre has a plan to construct a data repository system and open offices in the devolved units.

**vi. Major Risks facing the Centre**

Due to budgetary constraints and late receipt of transfer of the grants, the Centre is exposed to both operational and liquidity risks. There is also human capital risk in that there is non-replacement of exiting staff and recruitment of new staff. The Centre had 22 substantive staff compared to the approved staff establishment of 134.

**vii. Material Arrears in Statutory/Financial Obligations**

There were no material arrears in statutory and financial obligations for the Centre during the Financial Year.

**viii. The Centre's financial probity and serious Governance issues**

The Centre maintained financial integrity and there were no negative governance issues during the Financial Year.

**e) Centre's Compliance with Statutory Requirements**

The Centre has fully complied with the remission of statutory deductions.

## **10. Environmental and Sustainability Reporting**

During the period under review the Centre developed strategies to ensure its sustainability. These strategies are anchored in the Strategic Plan 2023-2027 and they are to ensure that the Centre has human, financial and infrastructural resource capability and ability to adopt to the dynamic operational environment with a special focus on dynamic nature of crime.

Below is an outline of the organisation's policies and activities that promote sustainability.

### **i) Environmental Performance**

In ensuring environmental sustainability and biodiversity the Centre partnered with Kinyongori Primary School, Kiambu County and donated one hundred (100) indigenous tree seedlings.

### **ii) Employee Welfare**

The Centre is an equal opportunity employer ensuring a diverse workforce reflective of the communities in Kenya. The Centre strives to create a work environment where employees are empowered to thrive, grow and nurture talent. In doing so the Centre is guided by its Human Resource and Procedures Manual.

On skill improvements; the Centre utilized Performance Appraisal System (PAS) forms to undertake training needs assessment in order to determine officers to be trained, courses for training, identify performance gaps and aid in allocation of training budget.

During the year, NCRC officers undertook sponsored training through collaborations with state and non-state organizations such as KOICA; attended sponsored Continuing Professional Development (CPD) trainings; and were sensitised on cross cutting issues; benefitted from Centre-paid annual membership subscription fees. The Centre also undertook performance appraisal and evaluation of all staff with the aim of rewarding best performers and gifted retiring and exiting staff.

The policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA) is provided for in the Human Resource and Procedure Manual. In compliance with the policy, the Centre provided Group Personal Accident, Group Life and Medical cover. The Centre also



maintained a clean and safe working environment by providing adequate office space, putting signage and fire extinguishers and providing sanitary equipment and clean drinking water to all staff.

**iii) Market place practices**

National Crime Research Centre Supply Chain Section prepares an Annual Procurement Plan using the template issued by Public Procurement Regulatory Authority which details: the description of goods and service, time of acquisition, cost and method of procuring for the Centre. The Centre allocates 30% of its procurement to the Disadvantaged Groups through a different competitive tendering process to enhance transparency and openness.

**a) Responsible competition practice.**

The Centre upheld high standards of integrity and various mechanisms were put in place to ensure that this was achieved. The mechanisms included: all bidders were required to sign a sworn affidavit not to participate in any corrupt activity during bidding; a corruption reporting procedure was put in place to enable corruption complaints to be channelled for action; and strict adherence to the Public Procurement and Assets Disposal Act 2015 and Regulation 2020 during tendering process helped achieve good practice, fair competition and respect to suppliers.

**b) Responsible Supply Chain and Supplier relations**

Responsible supply chain was ensured by way of preparing and implementing an approved procurement plan. Good supplier relations were achieved through provision of information and prompt payments to suppliers as stipulated in the Centre's Service Charter.

**c) Responsible marketing and advertisement**

Responsible advertisement was ensured by posting of the Centre's procurement opportunities on the Public Procurement Information Portal.

**d) Product stewardship**

The main products of the Centre were crime research reports and related Issue, Policy, briefs and crime advisories. These products adhered to the requirements of research

ethics such as informed consent and confidentiality (especially as regards information provided by research subjects) and consent. The products were also aligned to the requirements and interest of the criminal justice system agencies and the general public in relation to security and crime prevention.

**iv) Corporate Social Responsibility/Community Engagements**

The Centre runs a Young Researchers Programme which is a mentorship and experience building program for the Centre's young external resource persons and students studying relevant courses in the field of social sciences. This is geared towards growing interest, experience and exposure in research processes.

**11. Report of the Governing Council**

The Governing Council submits their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the Centre's affairs.

**i) Principal Activities**

The principal activities of the Centre are to:

- Carry out research into trends, root causes, consequences of crime its prevention and management and evaluate impact of programmes pursued by the agencies responsible for the administration of criminal justice.
- Disseminate research findings to institutions in the criminal justice system and other relevant stakeholders

**ii) Results**

The results of the Centre for the year ended June 30, 2023, are set out on page 1 to 5.

**iii) Governing Council**

The members of the Governing Council who served during the year are shown on pages xi to xvi. During the year, Hon. P. Kihara Kariuki and Mr. Hillary N. Mutyambai, retired and Hon. Justin B.N. Muturi, EGH, Mr. Japhet Koome, EBS, HSC, ndc (K), Mr. Samuel Wakanyua, Mrs. Laureen N. Muisyo-Njiru and Dr. Judith A. Oloo were appointed.



**National Crime Research Centre  
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for the year ended June 30, 2023**

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**iv) Surplus Remission**

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

The Centre is not a regulatory entity and did not make any surplus during the year Financial Year 2022/2023. Hence there were no surplus remittance to the Consolidated Fund.

**v) Auditors**

The Auditor-General is responsible for the statutory audit of the Centre in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2023.

By Order of the Governing Council



.....  
Name

MUTUMWA MUTEGEKA

Secretary to the Governing Council

## **12. Statement of Governing Council Responsibilities**

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, and section 17 of the NCRC Act 1997 require the Governing Council members to prepare financial statements in respect of the Centre, which give a true and fair view of the state of affairs of the Centre at the end of the financial year and the operating results of the Centre for that year. The Council members are also required to ensure that the Centre keeps proper accounting records which disclose with reasonable accuracy the financial position of the Centre. The Council members are also responsible for safeguarding the assets of the Centre.

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

The Council members accept responsibility for the Centre'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, the State Corporations Act and NCRC Act 1997. The Council members are of the opinion that the Centre's financial statements give a true and fair view of the state of Centre's transactions during the financial year ended June 30, 2023, and of the Centre's financial position as at that date.

The Council members further confirms the completeness of the accounting records maintained for the Centre, which have been relied upon in the preparation of the Centre's financial statements as well as the adequacy of the systems of internal financial control.



**National Crime Research Centre  
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for the year ended June 30, 2023**

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Nothing has come to the attention of the Council members to indicate that the Centre 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 Centre's Financial Statements were approved by the Governing Council on 6th Oct 2023 and signed on its behalf by:

.....  
Name

Chairperson of the Governing Council

.....  
Name

Accounting Officer



# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL CRIME RESEARCH CENTRE FOR THE YEAR ENDED 30 JUNE, 2023**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Crime Research Centre set out on pages 1 to 15, which comprise the statement of financial position as at

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*Report of the Auditor-General on National Crime Research Centre for the year ended 30 June, 2023*



30 June, 2023, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Crime Research Centre as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the National Crime Research Act 1997 (revised 2012) Cap 62 of the Laws of Kenya.

### **Basis for Qualified Opinion**

#### **Trade and Other Payables**

The statement of financial position and as disclosed in Note 15 to the financial statements reflects trade and other payables of Kshs.4,540,395. Included in this balance is gratuity of Kshs.694,617 payable to an officer in financial year 2015/2016. However, the following anomalies were observed:

- i. The officer worked for both the Centre and Laikipia University from December, 2014 to June 2015 and was paid salary amounting to Kshs.968,150 and Kshs.889,012 respectively resulting in him having worked for two institutions at one point in time and having been double paid. Therefore, the gratuity owed to him of Kshs.694,617 is not valid.
- ii. The officer vide email dated 24 June, 2016 authorized the Centre to recover the payment received for six (6) months and pay off the difference. However, no action has been taken eight years down the line. This is contrary to Part II section B (14)(1) of Public Service Commission Policies and Procedures Manual, 2016 which states that it is the duty of the Authorized Officers, when making appointments under delegated authority, or in making recommendations for new appointments, to ensure that a candidate's record of previous employment is satisfactory in all respects".

In the circumstances, the ownership and recoverability of the gratuity of Kshs.694,617 could not be confirmed.

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



## **Emphasis of Matter**

### **1. Financial Performance**

The statement of financial performance reflects a deficit of Kshs.6,097,285 (2021/2022-deficit Kshs.2,147,362). Management explained that the deficit arose mainly due to depreciation and accrued expenses resulting from unfunded Exchequer. Although the Centre is dependent on Exchequer releases from the parent Ministry, persistent underfunding is likely to lead to financial difficulties in future. The underfunding affected planned activities, and may have impacted negatively on the service delivery to the public.

### **2. Pending Bills**

The statement of financial position and as disclosed in Note 15 to the financial statements reflects trade and other payables of Kshs.4,540,395 in respect of supply of goods and provision of services that were not settled during the year but were instead carried forward to year 2023/2024. Failure to settle bills during the year to which they relate adversely affects the provisions of the subsequent year to which they have to be first charged as required by Regulation 42(1) (a) of the Public Finance Management (National Government) Regulations, 2015 and Treasury Circular No. 10-2020 of 16 June, 2020 on prioritization of pending bills.

My report is not modified in respect of these matters.

### **Key Audit Matters**

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Failure to Create a Sinking Fund for Asset Replacement**

Review of documents revealed that there was no sinking fund establish contrary to Section 16(1) of State Corporation Act, 2012(1) and Section 16(2)(f) of National Crime Research Centre Act, 1997 (revised 2012) which requires every State Corporation make provision for the renewal of depreciating assets by the establishment of sinking funds and for contributions to such reserve and stabilization funds as may be required.



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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **Understaffing**

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects employee costs of Kshs.78,213,440. Review of the staff establishment revealed that the Centre had twenty-two (22) staff in post against an authorized establishment of two hundred and fourteen (214) employees resulting in understaffing of one hundred and ninety-two (192) or 90%.

In the circumstances, the understaffing may hinder the effective and efficient delivery of services by the Centre.

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

In preparing the financial statements, Management is responsible for assessing the National Crime Research Centre ability to sustain services, disclosing, as applicable,



matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Centre 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 Centre's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in



which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

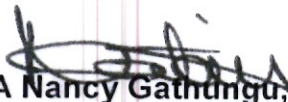
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of 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 Centre's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Centre to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Centre to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

16 April, 2024



**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2023**

**14. Statement of Financial Performance for the year ended 30 June 2023**

|                                                                                 | Notes | 2022-2023          | 2021-2022          |
|---------------------------------------------------------------------------------|-------|--------------------|--------------------|
|                                                                                 |       | Kshs               | Kshs               |
| <b>Revenue from non-exchange transactions</b>                                   |       |                    |                    |
| Transfers from State Department for Internal Security & National Administration | 5     | 168,836,875        | 178,900,000        |
| <b>Total revenue</b>                                                            |       | <b>168,836,875</b> | <b>178,900,000</b> |
| <b>Expenses</b>                                                                 |       |                    |                    |
| Use of goods and services                                                       | 6     | 79,587,211         | 74,475,097         |
| Employee costs                                                                  | 7     | 78,213,440         | 89,629,921         |
| Governing Council Expenses                                                      | 8     | 9,030,729          | 6,885,845          |
| Depreciation and amortization expense                                           | 9     | 5,353,832          | 6,542,547          |
| Repairs and maintenance                                                         | 10    | 2,748,948          | 3,513,952          |
| <b>Total expenses</b>                                                           |       | <b>174,934,160</b> | <b>181,047,362</b> |
| <b>Surplus/(deficit) for the period/year</b>                                    |       | <b>(6,097,285)</b> | <b>(2,147,362)</b> |

The Notes set out on pages 6 to 14 form an integral part of these Financial Statements.

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Governing Council by:

  
Name Andrew M. Kirega  
Accounting Officer  
Date 01/03/2024

  
Name Samuel Nyagisi  
Head of Finance  
ICPAK Member No.: 13520  
Date 01/03/2024

  
Name B. M. M. M.  
Chairman of the Council  
Date 14/03/2024

**National Crime Research Centre**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2023**

**15. Statement of Financial Position as at 30 June 2023**

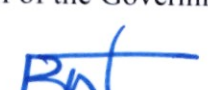
|                                            | Notes | 2022-2023         | 2021-2022         |
|--------------------------------------------|-------|-------------------|-------------------|
|                                            |       | Kshs              | Kshs              |
| <b>Assets</b>                              |       |                   |                   |
| <b>Current Assets</b>                      |       |                   |                   |
| Cash and Cash equivalents                  | 11    | 912,237           | 366,174           |
| Receivables from Non-Exchange Transactions | 12    | 9,268,809         | 9,144,561         |
| Inventories                                | 13    | 524,216           | 188,322           |
| <b>Total Current Assets</b>                |       | <b>10,705,262</b> | <b>9,699,057</b>  |
| <b>Non-Current Assets</b>                  |       |                   |                   |
| Property, Plant and Equipment              | 14    | 29,495,097        | 34,848,929        |
| <b>Total Non- Current Assets</b>           |       | <b>29,495,097</b> | <b>34,848,929</b> |
| <b>Total Assets</b>                        |       | <b>40,200,359</b> | <b>44,547,986</b> |
| <b>Liabilities</b>                         |       |                   |                   |
| <b>Current Liabilities</b>                 |       |                   |                   |
| Trade and Other Payables                   | 15    | 4,540,395         | 2,790,737         |
| <b>Total Current Liabilities</b>           |       | <b>4,540,395</b>  | <b>2,790,737</b>  |
| <b>Non-Current Liabilities</b>             |       |                   |                   |
| <b>Total Non- Current Liabilities</b>      |       |                   |                   |
| <b>Total Liabilities</b>                   |       | <b>4,540,395</b>  | <b>2,790,737</b>  |
| <b>Net Assets</b>                          |       |                   |                   |
| Accumulated Reserves                       |       | 12,295,657        | 13,039,110        |
| Capital Fund                               |       | 23,364,307        | 28,718,139        |
| <b>Total Net Assets</b>                    |       | <b>35,659,964</b> | <b>41,757,249</b> |
| <b>Total Net Assets and Liabilities</b>    |       | <b>40,200,359</b> | <b>44,547,986</b> |

The financial statements set out on pages 1 to 5 were signed on behalf of the Governing Council by:

  
 Name **MURUNA MURINDI**  
 Accounting Officer

Date **01/03/2024**

  
 Name **Samuel Njanga**  
 Head of Finance  
 ICPAK Member No.: **13520**  
 Date **01/03/2024**

  
 Name **BAT**  
 Chairman of the Council  
 Date **14/03/2024**



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**16. Statement of Changes in Net Assets for the year ended 30 June 2023**

|                                                                                       | <b>Retained earnings</b> | <b>Capital/<br/>Development<br/>Grants/Fund</b> | <b>Total</b>      |
|---------------------------------------------------------------------------------------|--------------------------|-------------------------------------------------|-------------------|
|                                                                                       | <b>Kshs</b>              | <b>Kshs</b>                                     | <b>Kshs</b>       |
| <b>As at July 1, 2021</b>                                                             | <b>14,187,031</b>        | <b>29,717,580</b>                               | <b>43,904,611</b> |
| Surplus/ deficit for the year                                                         | (2,147,362)              | -                                               | (2,147,362)       |
| Transfer to capital fund                                                              | (5,543,106)              | -                                               | (5,543,106)       |
| Asset additions                                                                       |                          | 5,543,106                                       | 5,543,106         |
| Transfer of<br>Depreciation/amortisation<br>from capital fund to<br>retained earnings | 6,542,547                | (6,542,547)                                     | -                 |
| <b>As at June 30, 2022</b>                                                            | <b>13,039,110</b>        | <b>28,718,139</b>                               | <b>41,757,249</b> |
|                                                                                       |                          |                                                 |                   |
| <b>As at July 1, 2022</b>                                                             | <b>13,039,110</b>        | <b>28,718,139</b>                               | <b>41,757,249</b> |
| Surplus/ deficit for the year                                                         | (6,097,285)              | -                                               | (6,097,285)       |
| Transfer of<br>Depreciation/amortisation<br>from capital fund to<br>retained earnings | 5,353,832                | (5,353,832)                                     | -                 |
| <b>As at June 30, 2023</b>                                                            | <b>12,295,657</b>        | <b>23,364,307</b>                               | <b>35,659,964</b> |

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

|                                                                                |       | 2022-2023          | 2021-2022          |
|--------------------------------------------------------------------------------|-------|--------------------|--------------------|
|                                                                                | Notes | Kshs               | Kshs               |
| <b>Cash flows from Operating Activities</b>                                    | 16    |                    |                    |
| <b>Receipts</b>                                                                |       |                    |                    |
| Transfers from State Department of Internal Security & National Administration | 1     | 168,836,875        | 178,900,000        |
| <b>Total receipts</b>                                                          |       | <b>168,836,875</b> | <b>178,900,000</b> |
| <b>Payments</b>                                                                |       |                    |                    |
| Use of goods and services                                                      | 6     | 79,587,211         | 74,475,097         |
| Employee costs                                                                 | 7     | 78,213,440         | 89,629,921         |
| Board Expenses                                                                 | 8     | 9,030,729          | 6,885,845          |
| Repairs and maintenance                                                        | 10    | 2,748,948          | 3,513,952          |
| <b>Total payments</b>                                                          |       | <b>169,580,328</b> | <b>174,504,815</b> |
| <b>Working capital adjustments</b>                                             |       |                    |                    |
| Increase/Decrease in receivables                                               | 12    | (124,248)          | 1,466,697          |
| Increase/Decrease in inventory                                                 | 13    | (335,894)          | 251,986            |
| Increase/Decrease in payables                                                  | 14    | 1,749,658          | (1,883,279)        |
| <b>Net cash flows from/ (used in) Operating Activities</b>                     |       | <b>546,063</b>     | <b>4,230,589</b>   |
| <b>Cash flows from investing activities</b>                                    |       |                    |                    |
| Purchase of Motor vehicle                                                      |       | -                  | (4,600,000)        |
| Purchase of office equipment                                                   |       | -                  | (943,106)          |
| <b>Net cash flows from/(used in) investing activities</b>                      |       | <b>-</b>           | <b>(5,543,106)</b> |
| <b>Cash flows from financing activities</b>                                    |       |                    |                    |
| <b>Net cash flows from financing Activities</b>                                |       | <b>-</b>           | <b>-</b>           |
| <b>Net increase/(decrease) in cash &amp; Cash equivalents</b>                  |       | <b>546,063</b>     | <b>(1,312,517)</b> |
| Cash and cash equivalents at 1 July                                            | 11    | 366,174            | 1,678,691          |
| <b>Cash and cash equivalents at 30 June</b>                                    | 11    | <b>912,237</b>     | <b>366,174</b>     |



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**18. Statement of Comparison of Budget and Actual amounts for the year ended 30<sup>th</sup> June, 2023**

|                                                                                         | Original<br>budget | Adjust-<br>ments | Final<br>budget    | Actual on<br>comparable<br>basis | Performance<br>difference | % of<br>utilization |
|-----------------------------------------------------------------------------------------|--------------------|------------------|--------------------|----------------------------------|---------------------------|---------------------|
|                                                                                         | Kshs               | Kshs             | Kshs               | Kshs                             | Kshs                      |                     |
|                                                                                         | a                  | b                | C=(a+b)            | d                                | e=(c-d)                   | f=d/c*100           |
| <b>Revenue</b>                                                                          |                    |                  |                    |                                  |                           |                     |
| Transfers from State<br>Department of Internal<br>Security & National<br>Administration | 178,900,000        | -                | 178,900,000        | 168,836,875                      | (10,063,125)              | 94%                 |
| <b>Total Income</b>                                                                     | <b>178,900,000</b> | <b>-</b>         | <b>178,900,000</b> | <b>168,836,875</b>               | <b>(10,063,125)</b>       |                     |
| <b>Expenses</b>                                                                         |                    |                  |                    |                                  |                           |                     |
| Use of Goods and<br>Services                                                            | 65,501,916         | 5,000,000        | 70,501,916         | 69,095,597                       | 1,406,319                 | 98%                 |
| Employee costs                                                                          | 83,897,564         | (5,000,000)      | 78,897,564         | 78,213,440                       | 684,124                   | 99%                 |
| Remuneration of<br>Governing Council                                                    | 8,828,000          | -                | 8,828,000          | 9,030,729                        | (202,729)                 | 102%                |
| Depreciation and<br>Amortization expense                                                | 6,500,000          | -                | 6,500,000          | 5,353,832                        | 1,146,168                 | 82%                 |
| Repairs and<br>Maintenance                                                              | 3,500,000          | -                | 3,500,000          | 2,748,948                        | 751,052                   | 79%                 |
| Contracted Services                                                                     | 10,672,520         | -                | 10,672,520         | 10,491,614                       | 180,906                   | 98%                 |
| <b>Total Expenditure</b>                                                                | <b>178,900,000</b> | <b>-</b>         | <b>178,900,000</b> | <b>174,934,160</b>               | <b>3,965,840</b>          | <b>98%</b>          |
| <b>Deficit for the period</b>                                                           | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>(6,097,285)</b>               |                           |                     |

**Budget Notes**

1. The allocated amount for the Centre for the FY 2022-2023 was Kshs 178,900,000. However, the disbursed amount totalled Kshs 168,836,875 resulting to a budget cut of Kshs 10,063,125.

## **19. Notes to the Financial Statements**

### **1. General Information**

The National Crime Research Centre is established by and derives its authority and accountability from National Crime Research Centre Act. The Centre is wholly owned by the Government of Kenya and is domiciled in Kenya. The Centre's principal activity is crime research and crime management.

### **2. Statement of Compliance and Basis of Preparation**

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

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

The financial statements have been prepared in accordance with the PFM Act 2012, the State Corporations Act 1986, National Crime Research Centre Act 1997 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

### **3. Adoption of New and Revised Standards**

The Centre did not early – adopt any new or amended standards in year 2022/2023.



#### 4. Summary of Significant Accounting Policies

##### a) Revenue recognition

##### i) Revenue from non-exchange transactions

##### Transfers from other Government Entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Centre and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income.

##### b) Budget information

The original budget for FY 2022-2023 was approved by the National Assembly on 24<sup>th</sup> June 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Centre upon receiving the respective approvals in order to conclude the final budget.

The Centre'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 section 16 of these financial statements.

**c) 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. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation rates are as below:

The assets are depreciated annually on reducing balance basis and charged to the statement of comprehensive income at the rates shown below;

|                        |       |
|------------------------|-------|
| Furniture and Fittings | 12.5% |
| Office Equipment       | 12.5% |
| Computers              | 33%   |
| Motor Vehicles         | 25%   |

Full depreciation is charged in the year of acquisition and none in the year of disposal.

**d) Inventories**

The Centre inventory comprises of consumable stores at the end of the financial year. Inventory is valued at an average cost as at the end of the financial year.

**e) Provisions**

Provisions are recognized when the Centre has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate is made of the amount of the obligation. The Centre gives provision for gratuity as per staff's contract.



**f) Employee Benefits**

**Retirement benefit plans**

The Centre provides retirement benefits for its permanent and pensionable employees and gratuity for the contracted staff. The contributions to fund the obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

**g) Related Parties**

The Centre regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Centre, or vice versa. The National Government, Council members, the CEO and Centre's senior managers are regarded as related parties.

**h) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank at the end of the financial year.

**i) Comparative figures**

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

**j) 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, 2023.

**5. Transfers from Other Government Entities**

| Description                       | 2022-2023          | 2021-2022          |
|-----------------------------------|--------------------|--------------------|
|                                   | KShs               | KShs               |
| <b>Unconditional Grants</b>       |                    |                    |
| Operational Grant                 | 168,836,875        | 178,900,000        |
| <b>Total Unconditional Grants</b> | <b>168,836,875</b> | <b>178,900,000</b> |

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

| Name of the entity sending the Grant                         | Amount recognized to Statement of Financial performance KShs. | Amount deferred under deferred income KShs. | Amount recognised in capital fund. KShs. | Total transfers 2022-23 KShs. | Prior year 2021-2022 KShs. |
|--------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------|------------------------------------------|-------------------------------|----------------------------|
| State Department Internal Security & National Administration | 168,836,875                                                   | -                                           | -                                        | 168,836,875                   | 178,900,000                |
| <b>Total</b>                                                 | <b>168,836,875</b>                                            | <b>-</b>                                    | <b>-</b>                                 | <b>168,836,875</b>            | <b>178,900,000</b>         |

**6. Use of Goods and Services**

| Description                            | 2022-2023 Kshs    | 2021-2022 Kshs    |
|----------------------------------------|-------------------|-------------------|
| Research                               | 22,635,638        | 22,399,757        |
| Subscriptions                          | 415,360           | 321,200           |
| Advertising                            | 1,483,729         | 598,681           |
| Audit Fees                             | 232,000           | 464,000           |
| Conferences and Delegations            | 5,375,857         | 4,142,899         |
| Consulting Fees                        | 1,170,784         | 1,465,413         |
| Consumables                            | 2,816,683         | 3,636,267         |
| Fuel and Oil                           | 1,930,096         | 1,879,054         |
| Insurance                              | 458,800           | 411,513           |
| Printing and Stationery                | 152,425           | 17,400            |
| Bank Charges                           | 662,075           | 325,406           |
| Rental                                 | 20,935,474        | 21,915,819        |
| Telecommunication                      | 1,967,736         | 2,190,629         |
| Training                               | 2,484,940         | 2,840,350         |
| Travel, Subsistence & Other Allowances | 8,538,519         | 4,735,200         |
| Other General Expenses                 | 8,327,095         | 7,131,509         |
| <b>Total</b>                           | <b>79,587,211</b> | <b>74,475,097</b> |



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**7. Employee Costs**

| Description                                            | 2022-2023         | 2021-2022         |
|--------------------------------------------------------|-------------------|-------------------|
|                                                        | Kshs              | Kshs              |
| Salaries and wages                                     | 27,110,991        | 33,027,247        |
| Employer contribution to health insurance schemes      | 9,320,830         | 8,592,839         |
| Employer contribution to pension schemes               | 4,346,035         | 4,568,648         |
| Travel, accommodation, subsistence, & other allowances | 27,214,251        | 30,337,025        |
| Housing benefits and allowances                        | 10,221,333        | 11,887,722        |
| Gratuity                                               | -                 | 1,216,440         |
| <b>Employee costs</b>                                  | <b>78,213,440</b> | <b>89,629,921</b> |

**8. Governing Council Expenses**

| Description              | 2022-2023        | 2021-2022        |
|--------------------------|------------------|------------------|
|                          | Kshs             | Kshs             |
| Sitting Allowances       | 4,812,454        | 4,797,575        |
| Induction and Training   | 4,023,500        | 1,975,470        |
| Travel and Accommodation | 194,775          | 112,800          |
| <b>Total</b>             | <b>9,030,729</b> | <b>6,885,845</b> |

\* The increase in Governing Council expenses was as a result of Council induction retreat conducted during the Financial Year.

**9. Depreciation and Amortization Expense**

| Description                                | 2022-2023        | 2021-2022        |
|--------------------------------------------|------------------|------------------|
|                                            | Kshs             | Kshs             |
| Property, plant and equipment              | 5,353,832        | 6,542,547        |
| <b>Total depreciation and amortization</b> | <b>5,353,832</b> | <b>6,542,547</b> |

**10. Repairs and Maintenance**

| Description                          | 2022-2023        | 2021-2022        |
|--------------------------------------|------------------|------------------|
|                                      | Kshs             | Kshs             |
| Vehicles                             | 1,954,176        | 2,355,712        |
| Furniture and Fittings               | 794,772          | 1,158,240        |
| <b>Total Repairs and Maintenance</b> | <b>2,748,948</b> | <b>3,513,952</b> |

**11. Cash and Cash Equivalents**

| Description                            | 2022-2023      | 2021-2022      |
|----------------------------------------|----------------|----------------|
|                                        | Kshs           | Kshs           |
| Current Account                        | 912,237        | 366,174        |
| <b>Total Cash and Cash Equivalents</b> | <b>912,237</b> | <b>366,174</b> |



#### 11 (a) Detailed Analysis of the Cash and Cash Equivalents

|                            |                | 2022-2023      | 2021-2022      |
|----------------------------|----------------|----------------|----------------|
| Financial Institution      | Account number | Kshs           | Kshs           |
| <b>a) Current Account</b>  |                |                |                |
| Kenya Commercial Bank      | 1122479417     | 904,334        | 351,946        |
| Kenya Commercial Bank      | 1314414895     | -              | -              |
| <b>Sub- Total</b>          |                | <b>904,334</b> | <b>351,946</b> |
| <b>b) Others (Specify)</b> |                |                |                |
| Cash in Hand               |                | 7,903          | 14,228         |
| <b>Sub- Total</b>          |                | <b>7,903</b>   | <b>14,228</b>  |
| <b>Grand Total</b>         |                | <b>912,237</b> | <b>366,174</b> |

#### 12. Receivables from Non-Exchange Transactions

##### Receivables from Non-Exchange Transactions (Current)

|                                           | 2022-2023        | 2021-2022        |
|-------------------------------------------|------------------|------------------|
| Description                               | Kshs             | Kshs             |
| Lloyd Masika – Rental Deposits            | 1,949,026        | 1,949,026        |
| Lloyd Masika – Parking Fees Deposits      | 108,000          | 108,000          |
| Lloyd Masika - Rent 1 <sup>st</sup> Floor | 770,439          | 770,439          |
| Lloyd Masika – Service charge             | 114,649          | 114,649          |
| CIC Insurance – General Life              | 480,631          | 621,941          |
| CIC Insurance – Medical Cover             | 5,401,992        | 5,052,117        |
| Safaricom Limited                         | 4,500            | 4,500            |
| Postal Corporation of Kenya               | 4,725            | 4,725            |
| The Standard Group                        | 76,995           | 71,775           |
| Vista Prime Ltd                           | 160,000          | 160,000          |
| Institute of Certified Public Accountants | 5,600            | 5,600            |
| Human Resource Institute                  | 4,500            | 4,500            |
| Kenya Library Information Services        | -                | 135,000          |
| CIC Insurance GPA                         | 187,752          | 142,289          |
| <b>Total Current Receivables</b>          | <b>9,268,809</b> | <b>9,144,561</b> |



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**13. Inventories**

| <b>Description</b> | <b>2022-2023</b> | <b>2021-2022</b> |
|--------------------|------------------|------------------|
|                    | <b>Kshs</b>      | <b>Kshs</b>      |
| Consumable Stores  | 524,217          | 188,322          |
| <b>Total</b>       | <b>524,217</b>   | <b>188,322</b>   |

**14. Property, Plant and Equipment**

|                                     | <b>Motor vehicles</b> | <b>Furniture and fittings</b> | <b>Computers</b>  | <b>Equipment</b> | <b>Total</b>       |
|-------------------------------------|-----------------------|-------------------------------|-------------------|------------------|--------------------|
| <b>Cost</b>                         | <b>Kshs</b>           | <b>Kshs</b>                   | <b>Kshs</b>       | <b>Kshs</b>      | <b>Kshs</b>        |
| <b>At 30<sup>th</sup> June 2021</b> | <b>24,438,724</b>     | <b>65,811,555</b>             | <b>13,632,071</b> | <b>3,863,830</b> | <b>107,746,180</b> |
| Additions                           | 4,600,000.00          | -                             | 758,106.00        | 185,000.00       | 5,543,106.00       |
| Disposals                           | -                     | -                             | -                 | -                | -                  |
| <b>At 30<sup>th</sup> June 2022</b> | <b>29,038,724</b>     | <b>65,811,555</b>             | <b>14,390,177</b> | <b>4,048,830</b> | <b>113,289,286</b> |
| Additions                           | -                     | -                             | -                 | -                | -                  |
| Disposals                           | -                     | -                             | -                 | -                | -                  |
| <b>At 30<sup>th</sup> June 2023</b> | <b>29,038,724</b>     | <b>65,811,555</b>             | <b>14,390,177</b> | <b>4,048,830</b> | <b>113,289,286</b> |
| <b>Depreciation and impairment</b>  |                       |                               |                   |                  |                    |
| At 30 <sup>th</sup> June 2021       | 20,964,213            | 36,061,706                    | 12,637,499        | 2,234,392        | 71,897,810         |
| Depreciation                        | 2,018,628             | 3,718,731                     | 578,384           | 226,804          | 6,542,547          |
| At 30 June 2022                     | 22,982,841            | 39,780,437                    | 13,215,883        | 2,461,196        | 78,440,357         |
| <b>Depreciation</b>                 | <b>1,513,971</b>      | <b>3,253,890</b>              | <b>387,517</b>    | <b>198,454</b>   | <b>5,353,832</b>   |
| <b>At 30 June 2023</b>              | <b>24,496,812</b>     | <b>43,034,327</b>             | <b>13,353,225</b> | <b>2,659,650</b> | <b>83,544,014</b>  |
| <b>Net book values</b>              |                       |                               |                   |                  |                    |
| <b>At 30<sup>th</sup> June 2023</b> | <b>4,541,912</b>      | <b>22,777,228</b>             | <b>786,777</b>    | <b>1,389,180</b> | <b>29,495,097</b>  |
| At 30 <sup>th</sup> June 2022       | 6,055,883             | 26,031,118                    | 1,174,294         | 1,587,634        | 34,090,823         |

#### **15. Trade and Other Payables**

| <b>Description</b>                    | <b>2022-2023</b> | <b>2021-2022</b> |
|---------------------------------------|------------------|------------------|
|                                       | <b>Kshs</b>      | <b>Kshs</b>      |
| Office of the Auditor General         | 232,000          | 696,000          |
| PAYE June 2023                        | 1,221,685        | 1,308,944        |
| Gratuity                              | 694,617          | 694,617          |
| MFI office solutions                  | -                | 91,176           |
| Lloyd Masika Ltd                      | 2,392,093        | -                |
| <b>Total trade and other payables</b> | <b>4,540,395</b> | <b>2,790,737</b> |

#### **16. Cash Generated from Operations**

|                                                | <b>2022-2023</b>   | <b>2021-2022</b>   |
|------------------------------------------------|--------------------|--------------------|
|                                                | <b>Kshs</b>        | <b>Kshs</b>        |
| <b>Surplus/Deficit for the year before tax</b> | <b>(6,097,285)</b> | <b>(2,147,362)</b> |
| <b>Adjusted for:</b>                           |                    |                    |
| Depreciation                                   | 5,353,832          | 6,542,547          |
| <b>Working capital adjustments</b>             |                    |                    |
| Increase/Decrease in inventory                 | (335,894)          | 251,986            |
| Increase/Decrease in receivables               | (124,248)          | 1,466,697          |
| Increase/Decrease in payables                  | 1,749,658          | (1,883,279)        |
| <b>Net cash flow from operating activities</b> | <b>546,063</b>     | <b>4,230,589</b>   |

#### **17. Financial Risk Management**

The Centre's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

#### **18. Events after the Reporting Period**

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

#### **19. Ultimate and Holding Entity**

The Centre is a State Corporation under the Ministry of Interior and National Administration. Its ultimate parent is the Government of Kenya.

#### **20. Currency**

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



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**Appendices**

**Appendix 1: Implementation Status of Auditor-General's Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--------------------------------------------|-----------------------------------|---------------------|-----------------------------------|------------------------------------------------------------------|
|                                            | None                              | N/a                 | N/a                               | N/a                                                              |
|                                            |                                   |                     |                                   |                                                                  |
|                                            |                                   |                     |                                   |                                                                  |

.....  


Director/CEO

*M. T. M. M. T. E. E. E.*

Date: *01/03/2024* .....

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**Appendix II: Transfers from Other Government Entities**

| Name of the MDA/Donor Transferring the funds                     | Date received as per bank statement | Nature: Recurrent/Development/Others | Total Amount - KES | Statement of Financial Performance | Where Recorded/Recognized |                 |             |                           | Total Transfers during the Year |
|------------------------------------------------------------------|-------------------------------------|--------------------------------------|--------------------|------------------------------------|---------------------------|-----------------|-------------|---------------------------|---------------------------------|
|                                                                  |                                     |                                      |                    |                                    | Capital Fund              | Deferred Income | Receivables | Others - must be specific |                                 |
| State Department for Internal Security & National Administration | 03/08/2022                          | Recurrent                            | 44,725,000         | 44,725,000                         | -                         | -               | -           | -                         | 44,725,000                      |
| State Department for Internal Security & National Administration | 15/11/2022                          | Recurrent                            | 44,725,000         | 44,725,000                         | -                         | -               | -           | -                         | 44,725,000                      |
| State Department for Internal Security & National Administration | 16/02/2023                          | Recurrent                            | 44,725,000         | 44,725,000                         | -                         | -               | -           | -                         | 44,725,000                      |
| State Department for Internal Security & National Administration | 25/05/2023                          | Recurrent                            | 34,661,875         | 34,661,875                         | -                         | -               | -           | -                         | 34,661,875                      |
| <b>Total</b>                                                     |                                     |                                      | <b>168,836,875</b> | <b>168,836,875</b>                 | -                         | -               | -           | -                         | <b>168,836,875</b>              |



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**Appendix III: Confirmation of Inter-Entity Transfers**

| Amounts Disbursed by Ministry of Interior and National Administration as at 30 <sup>th</sup> June 2023 |                |                                 |                                         |                              |                          |                                                                              |                              |
|--------------------------------------------------------------------------------------------------------|----------------|---------------------------------|-----------------------------------------|------------------------------|--------------------------|------------------------------------------------------------------------------|------------------------------|
| Reference Number                                                                                       | Date Disbursed | Recurrent GoK Grants (Ksh)<br>a | Development GoK/Donor Grants (ksh)<br>b | Inter-Ministerial (ksh)<br>c | Total (ksh)<br>D=(a+b+c) | Amount disbursed by the Ministry as at 30 <sup>th</sup> June 2023 (ksh)<br>e | Differences (Ksh)<br>=( d-e) |
| FT22215PFNV3                                                                                           | 03/08/2022     | 44,725,000.00                   | -                                       | -                            | 44,725,000.00            | 44,725,000.00                                                                | -                            |
| FT223191R7FX                                                                                           | 15/11/2022     | 44,725,000.00                   | -                                       | -                            | 44,725,000.00            | 44,725,000.00                                                                | -                            |
| FT23047WCIIMB                                                                                          | 16/02/2023     | 44,725,000.00                   | -                                       | -                            | 44,725,000.00            | 44,725,000.00                                                                | -                            |
| FT23145FKDSP                                                                                           | 25/05/2023     | 34,661,875.00                   | -                                       | -                            | 34,661,875.00            | 34,661,875.00                                                                | -                            |
| <b>TOTAL</b>                                                                                           |                |                                 |                                         |                              |                          | <b>168,836,875.00</b>                                                        |                              |

