

REPUBLIC OF KENYA

PARLIAMENT  
OF KENYA  
LIBRARY



**OAG**



**OFFICE OF THE AUDITOR-GENERAL**

*Enhancing Accountability*

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL CRIME RESEARCH CENTRE**

**FOR THE YEAR ENDED**

**30 JUNE, 2022**

THE NATIONAL ASSEMBLY  
PAPERS Laid

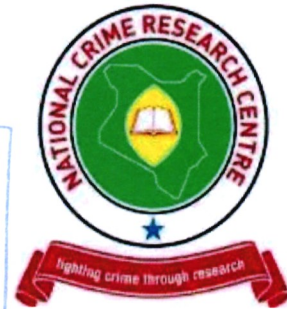
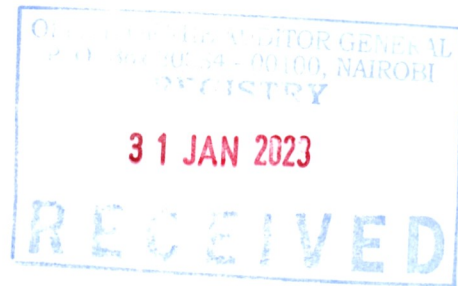
DATE: 26 APR 2023 DAY: wednesday

TABLED  
BY:

Hon Naomi Wago  
Deputy Majority Whip

CLERK-AT  
THE-TABLE:

Finlay Moinuki



**NATIONAL CRIME RESEARCH CENTRE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDING**

**30<sup>TH</sup> JUNE 2022**

---

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

**National Crime Research Centre**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022**

---

Table of Contents	Page
1. Key Centre's Information and Management.....	iii
2. The Governing Council .....	ix
3. Management Team.....	xviii
4. Chairman's Statement.....	xxii
5. Report of the Chief Executive Officer .....	xxiv
6. Statement of Performance against Predetermined Objectives for FY 2021/22.....	xxvi
7. Corporate Governance Statement .....	xxix
8. Management Discussion and Analysis.....	xxxv
9. Environmental and Sustainability Reporting.....	xxxviii
10. Report of the Governing Council .....	xli
11. Statement of Governing Council Responsibilities.....	xliii
12. Report of the Independent Auditor for the National Crime Research Centre.....	xlv
13. Statement of Financial Performance for the year ended 30 June 2022.....	1
14. Statement of Financial Position as at 30 June 2022.....	2
15. Statement of Changes in Net Assets for the year ended 30 June 2022 .....	3
16. Statement of Cash Flows for the year ended 30 June 2022 .....	4
17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2022.....	5
18. Notes to the Financial Statements.....	6
Appendices.....	16

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

**1. Key Centre's Information and Management**

**(a) Background information**

The National Crime Research Centre (NCRC) is a State Corporation in the Ministry of Interior and Coordination of National Government established by the National Crime Research Centre Act No. 4 of 1997 (Revised 2012), Cap 62 Laws of Kenya. The Centre is mandated to carry out research into the causes of crime and its prevention and to disseminate research findings to such institutions as the NCRC Governing Council may, from time to time, determine for appropriate action.

**(b) Principal Activities**

**The functions of the Centre as per the Act are 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;
- 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

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

- 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.

**The Vision of the Centre is:** “To be a World Class Crime Research Institution”.

**The Mission is to:** Provide quality and authentic research into crime, causes of crime and its prevention with a view to achieving a crime free society.

**(c) Key Management**

The Centre’s day-to-day management is under the following key organs:

- Governing Council
- Director/CEO
- Heads of Departments

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Director/CEO	Mr. Gerard E. Wandera
2.	Ag. Director/CEO	Mr. Vincent O. Opondo
3.	Head of Research	Mr. Stephen M. Muteti
4.	Head of Finance and Accounts	Mr. Samuel Ng’ang’a
5.	Head of Legal Affairs	Ms. J. Wanjiku Mwai
6.	Head of Corporate Affairs	Ms. Nancy Naburuki
7.	Head of Supply Chain Management	Mr. Kennedy Kwambai
8.	Head of Human Resource Management and Administration	Mr. John K. Kipkoros
9.	Head of Internal Audit	Mr. Simon Nderitu

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

<b>No.</b>	<b>Designation</b>	<b>Name</b>
10.	Head of ICT	Ms. Rose Weru

**(e) Fiduciary Oversight Arrangements**

**Accounting Officer in the parent Ministry**

The key fiduciary oversight arrangements of the Accounting Officer in the parent Ministry is to ensure that the resources allocated to the Centre are used in a way that is: lawful and authorized; and effective, efficient, economical and transparent.

**NCRC Governing Council**

The Governing Council's oversight arrangements include:

- i. Review, evaluate and approve, on a regular basis, long-term plans for the Centre;
- ii. Review, evaluate and approve the Centre's budget and financial forecasts;
- iii. Review, evaluate and approve major resource allocations and capital investments;
- iv. Ensure that the procurement process is cost-effective and delivers value for money;
- v. Review and approve the operating and financial results of the Centre;
- vi. Ensure that effective processes and systems of risk management and internal controls are in place;
- vii. Review, evaluate and approve the remuneration structure of the Centre;
- viii. Review periodically the Centre's strategic objectives and policies relating to sustainability and social responsibility/investment;
- ix. Protect the rights of shareholders and optimize shareholder value;
- x. Monitor compliance with the Constitution, all applicable laws, regulations and Standards; and
- xi. Review, monitor and ensure that the Centre is effectively and consistently delivering on its mandate.

***Finance & Administration Committee***

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

The key fiduciary oversight arrangements of the Committee are to:

- i. Advise and report on matters related to finance, accounting, revenue and expenditure at the Centre;
- ii. 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;
- iii. Discuss and recommend the Centre's Annual Performance Contract Targets and submit to Council for approval and adoption;
- iv. Ensure proper books and records of account of income, expenditure, assets and liabilities of the Centre are maintained;
- v. Discuss and recommend the Centre's quarterly financial statements, annual report and financial statements and submit to Council for approval and adoption;
- vi. Advice on matters of a strategic nature and resolve matters of operational nature related to resource mobilization, administrative matters and investment of funds; and
- vii. Discuss and recommend budget rationalization and submit to Council for approval and adoption.

***Audit Committee***

Oversight responsibilities of the Committee include:

- i. Evaluating the adequacy of management procedures with regard to issues relating to risk management, control and governance and to provide regular feedback to the Governing Council on the adequacy and effectiveness of risk management at the Centre including the recommendations for improvement.
- ii. Reviewing and approving the Internal Audit Charter, Annual Work plans, budget, activities, staffing, skills and organizational structure of the Centre.
- iii. 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.
- iv. Initiating special audit/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Chief Executive Officer.

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

**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.

**(f) NCRC's Headquarters**

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

**(g) 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)

**(h) NCRC's Bankers**

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

**(i) Independent Auditors**

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

**(j) Principal Legal Adviser**

The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---



P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**



**2. The Governing Council**

Ref	Member	Details
1.	 <p data-bbox="300 1149 794 1227">Hon. P. Kihara Kariuki</p>	<p data-bbox="922 539 1394 611">Attorney General of the Republic of Kenya</p> <p data-bbox="922 645 1378 716">Chairperson, Governing Council, National Crime Research Centre</p> <p data-bbox="922 750 1299 786">Executive Council Member</p> <p data-bbox="922 824 1353 860">Post Graduate Diploma in Law</p> <p data-bbox="922 898 1235 934">Bachelor of Laws (LLB)</p> <p data-bbox="922 972 1426 1043">Over 40 years cumulative work experience in the legal field</p> <p data-bbox="922 1128 1331 1164">Date of Birth: 11<sup>th</sup> May, 1954</p>
2.	 <p data-bbox="300 1877 794 1942">Hon. Justice Jessie W. Lesiit, MBS</p>	<p data-bbox="922 1227 1378 1299">Judge of the Court of Appeal of Kenya</p> <p data-bbox="922 1332 1394 1440">Vice Chairperson, Governing Council, National Crime Research Centre</p> <p data-bbox="922 1473 1299 1509">Executive Council Member</p> <p data-bbox="922 1547 1347 1583">Chairperson, Legal Committee</p> <p data-bbox="922 1621 1353 1657">Post-Graduate Diploma in Law</p> <p data-bbox="922 1695 1235 1731">Bachelor of Laws (LLB)</p> <p data-bbox="922 1769 1426 1841">40 years cumulative work experience in the Judiciary</p> <p data-bbox="922 1879 1283 1915">Date of Birth: April 1959</p>

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

<p>3.</p>	 <p><b>Mr. Hillary N. Mutyambai, MGH, nsc (AU)</b></p>	<p>Inspector General, National Police Service</p> <p>Executive Council Member</p> <p>Master of Arts Degree in National Security Policy - Australian National University.</p> <p>Bachelor's Degree - University of Nairobi Special training on Counter- Terrorism and advanced security and Policing, Intelligence and Counter Terrorism</p> <p>31 years cumulative work experience in the Police Service</p> <p>Date of Birth: 1964</p>
<p>4.</p>	 <p><b>Mr. Wycliffe Ogallo, EBS</b></p>	<p>Commissioner General of Prisons, Kenya Prisons Service</p> <p>Master Degree Public Policy and Administration</p> <p>Bachelor of Arts Degree (Hons)</p> <p>Date of Birth: 2<sup>nd</sup> January 1960 (Retired on: 18<sup>th</sup> November, 2021)</p>



**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

		<p>Commissioner General of Prisons, Kenya Prisons Service</p> <p>Executive Council Member</p> <p>Master's Degree in Public Policy and Administration</p> <p>Bachelor of Arts</p> <p>Over 30 years cumulative work experience in the Public Service</p> <p>Date of Birth: 1962</p>
<p>5.</p>		<p>Secretary, Probation and Aftercare Services</p> <p>Executive Council Member</p> <p>Master of Arts in Sociology</p> <p>Bachelor of Arts in Sociology</p> <p>Over 35 years cumulative work experience in the Public Service</p> <p>Date of Birth: 1961</p>



Brg. (Rtd) John K. Warioba, EBS, rcds (UK), psc (K)

Mrs. Mary W. Mbau, HSC.



**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

<p>6.</p>	 <p><b>Mr. Noah M.O. Sanganyi, HSC.</b></p>	<p>Director of Children Services, Executive Council Member</p> <p>Master of Arts in Sociology</p> <p>Bachelor of Arts in Social Work</p> <p>Over 35 years cumulative work experience in the Public Service</p> <p>Date of Birth: 1962 (Retired on: 31<sup>st</sup> December, 2021)</p>
	 <p><b>Mr. Maurice Tsuma</b></p>	<p>Director, Children’s Services Directorate of Children Services</p> <p>Executive Council Member Master of Arts in Project Planning and Management</p> <p>Bachelor of Arts in Sociology and Kiswahili</p> <p>32 years cumulative work experience in the Public Service</p> <p>Date of Birth: 31<sup>st</sup> December, 1963</p>

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

<p>7.</p>	 <p>Mr. Kenneth Odhiambo</p>	<p>Deputy Director, Human Resource Management, The National Treasury</p> <p>Executive Council Member</p> <p>Bachelor of Arts in Political Science</p> <p>Post-Graduate Diploma in Human Resources Management</p> <p>Certificate in Public Finance Management</p> <p>Over 20 years cumulative work experience in the Public Service</p> <p>Date of Birth: 11<sup>th</sup> November, 1965</p>
<p>8.</p>	 <p>Mr. Dickson L. Magotsi</p>	<p>Snr. Deputy Secretary, Ministry of Interior &amp; Coordination of National Government</p> <p>Executive Council Member</p> <p>Master's Degree in International Conflict Management</p> <p>Bachelor Degree in Political Science</p> <p>Over 20 years cumulative work experience in the Public Service</p> <p>Date of Birth: 30<sup>th</sup> July, 1971</p>


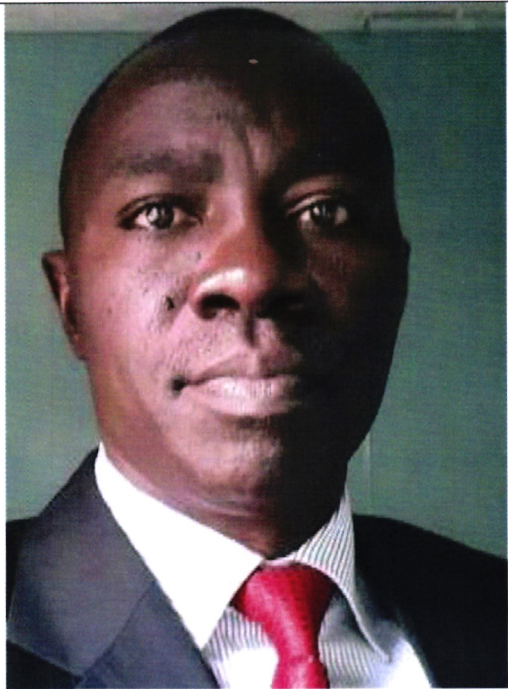
**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

<p>9.</p>	 <p>Ms. Jacinta N. Nyamosi</p>	<p>Ag. Deputy Director, Office of the Director of Public Prosecutions (ODPP)</p> <p>Executive Council Member</p> <p>Advocate of the High Court of Kenya</p> <p>Post Graduate Diploma in Law Bachelor of Law (LLB)</p> <p>26 years cumulative work experience in the Office of the Director of Public Prosecutions</p> <p>Date of Birth: October, 1<sup>st</sup> 1968</p>
<p>10.</p>	 <p>Prof. Robinson M. Ocharo</p>	<p>Associate Professor, Department of Sociology &amp; Social Work, University of Nairobi</p> <p>Executive Council Member</p> <p>Chairperson, Research and Development Committee</p> <p>PhD in Agricultural Extension Master of Arts in Rural Sociology and Community Development Bachelor of Arts in Sociology Certificate in Management of Land Acquisition, Resettlement &amp; Rehabilitation (MLARR) Certificate in Disaster Management Emergency Response Certificate in Post – Disaster Recovery Framework Over 27 years cumulative work experience as a University Lecturer</p> <p>Date of Birth: 1961 (Retired on: 12<sup>th</sup> May, 2022)</p>

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**


<p>11.</p>	 <p>Prof. Sylvia W. Kang'ara</p>	<p>Associate Professor of Law, Strathmore University</p> <p>Independent Council Member</p> <p>Advocate of High Court of Kenya Doctor of Juridical Sciences (SJD) Master of Laws (LLM)</p> <p>Post-Graduate Diploma in Law</p> <p>Bachelor of Laws (LLB)</p> <p>Over 20 years cumulative work experience as a Lecturer in Law and 10 years' experience as an Advocate</p> <p>Date of Birth: 1973</p> <p>(Retired on: 12<sup>th</sup> May, 2022)</p>
<p>12.</p>	 <p>Mrs. Jacqueline Mbogo-Asinuli</p>	<p>Chief of Party, Coffey International, Nairobi</p> <p>Independent Council Member Chairperson, Finance and Administration Committee</p> <p>Master of Arts in Development Studies</p> <p>Bachelor of Education</p> <p>Over 20 years cumulative work experience in the Security and Justice, Peace Building, Conflict Management and Public Health</p> <p>Date of Birth: 2<sup>nd</sup> December, 1976</p> <p>(Retired on: 12<sup>th</sup> May, 2022)</p>

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

<p>13.</p>	 <p><b>Dr. Francis K. Arap Sang, CBS</b></p>	<p>Assistant Professor of Criminal Justice Program, United States International University (USIU) Africa</p> <p>Independent Council Member Chairperson, Audit Committee</p> <p>PhD in Sociology, Washington International University- USA Master of Science Degree in Criminal Justice, Leicester University - UK Graduate Strategic Police Leadership Bramshill Police Staff College – UK</p> <p>Over 30 years cumulative work experience in the Public Service and 10 years' experience as University Lecturer</p> <p>Date of Birth: 25<sup>th</sup> January, 1952 (Retired on: 31<sup>st</sup> December, 2021)</p>
<p>14.</p>	 <p><b>Mr. Gerard E. Wandera</b></p>	<p>Secretary, Governing Council Master's in Business Administration Bachelor of Arts, Business Administration &amp; Economics Higher Diploma in Sales &amp; Marketing Diploma in Purchasing &amp; Supplies Diploma in Crime &amp; Violence Prevention</p> <p>Certificate in Public Policy &amp; Research Consultancy</p> <p>Over 20 years cumulative work experience in the Public Service</p> <p>Date of Birth: 27<sup>th</sup> July, 1969 (Retired on: 1<sup>st</sup> April, 2022)</p>



**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---




	<p>Ag. Secretary, Governing Council</p> <p>Master of Arts Development Studies</p> <p>Bachelor of Arts, Political Science &amp; Sociology</p> <p>Certificate in Forensic Investigations</p> <p>Over 15 years cumulative work experience in the Public Service and Private Sector</p> <p>Date of Birth: 12<sup>th</sup> October, 1982</p>
--	---




**Mr. Vincent O. Opondo**

**3. Management Team**



	<b>Management</b>	<b>Details</b>
1.	 <p><b>Mr. Gerard E. Wandera</b></p>	<p><b>Director/CEO, National Crime Research Centre</b> Master's in Business Administration Bachelor of Arts, Business Administration &amp; Economics Higher Diploma in Sales &amp; Marketing Diploma in Purchasing &amp; Supplies Diploma in Crime &amp; Violence Prevention  Certificate in Public Policy &amp; Research Consultancy</p>
	 <p><b>Mr. Vincent O. Opondo</b></p>	<p><b>Ag. Director/CEO, National Crime Research Centre</b> Master of Arts Development Studies  Bachelor of Arts, Political Science &amp; Sociology  Certificate in Forensic Investigations</p>

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

2.	 <p><b>Mr. Stephen M. Muteti</b></p>	<p><b>Head of Research</b> Master of Arts in Sociology,  Bachelor of Arts, Sociology,  Higher Diploma Human Resources Management</p>
3.	 <p><b>Mr. Samuel Ng'ang'a</b></p>	<p><b>Head of Finance and Accounts</b> BSc, International Business Administration – Accounting option  Certified Public Accountant (CPA-K)</p>
4.	 <p><b>Ms. J. Wanjiku Mwai</b></p>	<p><b>Head of Legal Affairs</b> Post Graduate Diploma in Law  Bachelor of Laws (LLB)</p>

<p>5.</p>	 <p><b>Mr. John Kipkoros</b></p>	<p><b>Head of Human Resources Management and Administration</b></p> <p>Bachelor of Arts, Political Science &amp; Sociology</p> <p>Higher Diploma in HRM</p>
<p>6.</p>	 <p><b>Mr. Kennedy K. Kwambai</b></p>	<p><b>Head of Supply Chain Management</b></p> <p>Bachelor of Business Management and Information Technology,</p> <p>Post Graduate Diploma in Purchasing &amp; Supplies</p> <p>Certificate in Project Management</p> <p>Member of MKISM,MCIPS</p>
	 <p><b>Ms. Rose W. Weru</b></p>	<p><b>Head of ICT</b></p> <p>Bachelor of Business Information Technology (BBIT)</p> <p>Diploma in Information Technology</p> <p>Member of ISACA and Computer Society of Kenya</p>

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

7.		<p><b>Head of Internal Audit</b> Bachelor of Business Administration Certified Public Accountant (CPA-K)</p>
8.		<p><b>Head of Corporate Affairs</b> Bachelor of Arts (Communications) Certificate in Peer Education</p>

**Mr. Simon N. Ndiritu**

**Ms. Nancy J. Naburuki**

#### **4. Chairman's Statement**

The National Crime Research Centre (NCRC) is a State Corporation established by the National Crime Research Act Cap 62 Laws of Kenya. It is mandated to carry out research into the causes of crime, and its prevention and to disseminate research findings and recommendations to Government Agencies concerned with the Administration of Criminal Justice with a view to assisting them in policy formulation and planning. Executive Order Number 1 of June 2018 moved NCRC from the Office of the Attorney General and Department of Justice to the Ministry of Interior and Coordination of National Government. The Executive Order also expanded the Centre's mandate to include crime management.

During the Financial Year 2021/2022, the Centre continued to contribute to national development, as a crime research enabler and coordination agency through two-pronged approaches aimed at informing and strengthening the administration of criminal justice in the country. These included: carrying out research on crime trends, root causes, consequences and prevention in critical thematic crime research areas; and undertaking evidence-based crime management through the dissemination of research findings and recommendations; printing and publishing of research reports; issuing of policy and/or issue briefs, crime advisories; uploading research reports on the Centre's digital platforms; updating and publishing statistics of top crimes on the Centre's digital platforms; publishing Annual Crime Yearbook in the Centre's digital platforms; maintaining Crime Data Repository and Crime Reporting and undertaking resource mobilization for crime research. The core mandate activities were aligned to MTP III and the Government's Big 4 Agenda, the Kenya Constitution and Kenya Vision 2030 and generally to Sustainable Development Goals (SDGs), and African Union Agenda 2063. It is important to note that the continued prioritization and execution of targeted activities led to the sterling performance in the FY 2020/2021 where NCRC was rated very good with a composite score of 2.9221 by the Performance Contracting department.

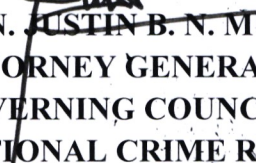
I wish to observe that the realization of the Centre's mandate was not devoid of challenges, with the key ones being inadequate financial, infrastructural and human resources. Specifically, budgetary funding remained at **below 10.0% of the required** financial resource (that is, Kshs.

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

178 Million against 1.936 Billion) while staffing levels remained **below 12.0%** of the approved establishment (that is, 25 in-post against the approved staff establishment of 214). The effect of these challenges was the slowing down the realization of the Centre's mandate and targeted activities. Towards mitigating the challenges, the Governing Council and the Centre's management plans to increasingly engage relevant government agencies and non-state partners/collaborators for enhanced financial and infrastructural resourcing so as to improve operational efficiency.

The Council sincerely acknowledges and appreciates the continued support of the National Treasury and Planning, the parent Ministry, NCRC stakeholders, partners, collaborators, and the commitment of the management to the outstanding performance that have earned the Centre recognition and performance accolades from both state and non-state actors.

  
**HON. JUSTIN B. N. MUTURI  
ATTORNEY GENERAL/CHAIRMAN  
GOVERNING COUNCIL  
NATIONAL CRIME RESEARCH CENTRE**

## **5. Report of the Chief Executive Officer**

I am pleased to present the National Crime Research Centre's Annual Report and Financial Statement for Financial Year 2021/2022 which is a statutory obligation. During the fiscal year, the Centre continued with its commitment to fight crime through evidence-based research.

This report highlights the key achievements, institutional challenges and financial performance during the year. The financial statement for the financial year ending 30<sup>th</sup> June 2022 was prepared in compliance with the Public Finance Management Act, 2012.

### **Key Achievements**

In realizing its key mandate during the Financial Year 2021/2022, the Centre implemented programmed activities in the following ways:

#### **a) Undertaking research on crime trends, root causes, consequences and prevention.**

- i. The Centre's thematic research areas covered were: Study on the Challenge of Election-related Crimes and Offences in Kenya; Study on Public Perception and Experience on Access to Criminal Justice in Kenya; Study on the Problem of Human Trafficking in Kenya; and Study on Criminality in the Context of Covid-19 in Kenya.
- ii. In collaboration with REINVENT- Kenya, conducted a Case Study in Mitigation of Election-Related Crimes and Offences in Kenya: Lessons from Nakuru County. The study findings and recommendations were shared with relevant stakeholders for action.
- iii. In partnership with Kenya School of Government and USIU-Africa, the Centre participated in research conducted in March, 2022 on cattle rustling in Kerio Valley.

#### **b) Crime Management**

On crime management, the Centre:

- i. Prepared and shared advisories and issue and/or policy recommendations on specific crime-related issues to key agencies in the administration of criminal justice. Specifically, three (3) advisories on Cross Border Organized Crimes, Secondary Schools Fires and

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

Violence and Election-related Risk Factors for the Kenya General Election 2022; one hundred and ten (110) policy recommendations for addressing organized criminal gangs in the country (7), The Challenge of Election-related Crimes and Offences in Kenya (5); The Problem of Human Trafficking in Kenya (14); Factors Shaping Police Performance in Kenya (12); Status of Child Protection in Charitable Children Institutions in Kenya (19), Baseline survey on Land Related Crimes in Kenya (11), 2020 National Crime Mapping Study (24), Role of Chiefs in Crime and Security Management in Kenya (8); and Rapid Assessment study on Urban and Peri-urban Residential Housing-related Crimes in Nairobi, Mombasa and Kisumu Cities (10).

- ii. Undertook County by County crime profile streaming and shared information on top crimes in Kenya; crime hotspots; National Crime Burden in Kenya on the Centre's website.
- iii. Collated crime data from various agencies to enhance generation of national crime trends and provide coordinated crime research platform for practitioners and scholars to access information.
- iv. Analysed all the crime data received from the Centre's Mobile Phone Crime Reporting Application.

**c) Inter-agency Collaborations**

The Centre signed a Memorandum of Understanding with the University of Embu.

The Centre appreciates the immense support accorded by various state and non-state actors in realising the achievements during this period.



**VINCENT O. OPONDO**  
**Ag. DIRECTOR/CEO**  
**NATIONAL CRIME RESEARCH CENTRE**

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

**6. Statement of Performance against Predetermined Objectives for FY 2021/22**

The Centre's strategic pillars are summarised as follows:

- Crime Research
- Crime Management
- Administrative Services

The Centre develops its annual workplan based on the above pillars. Assessment of the Board's performance against its annual workplan is done annually. The Centre achieved its targets set for FY 2021/2022 period as indicated in the table below:

Programme Activity	Key outputs	Key performance indicators	Achievement	Achievement	Target	Achievement
Activity			2019/20	2020/21	2021/22	2021/22
Research on Causes of crime and its prevention	Inform policy and planning in the criminal justice system	Number of institutional research reports	4	4	4	4
		No. of joint crime researches	2	1	0	1
Disseminate research findings and recommendations to agencies in the criminal justice system and public	Increased access and sharing of crime research information	No. of Issue and Policy briefs and/or recommendations	10	16	20	110
		Publications	0	6	9	9
		National Conference	0	1	0	0
Crime Incidence monitoring	Real-time crime and incidence capture and reporting	Crime research app. (Report a crime/incidence Online	100%	100%	100%	100%
		No. of incidences /crime reported and updated	100%	100%	100%	100%
Crime data repository management	Secure National Crime Repository	No. of collated crime reports	100%	100%	100%	100%

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

Programme Activity	Key outputs	Key performance indicators	Achievement	Achievement	Target	Achievement
Activity			2019/20	2020/21	2021/22	2021/22
Crime research collaborative, partnership and networking	To strengthen and promote inter-agency collaboration at County, National and International levels.	No. of partners and MOU's signed	1	6	1	1
	Review of NCRC documents	No. of Policy documents,	1	3	4	4
	Performance Contract cross cutting issues	% Performance contract reports	100%	100%	100%	100%

The Strategic Objectives of the Centre are to:

- a) Develop a National Crime Year Book on crime trends, roots, consequences and prevention;
- b) Enhance access and management of crime;
- c) Develop and implement an effective communication strategy to facilitate sharing of crime research information with agencies in the administration of criminal justice, the public and other interested stakeholders;
- d) Enhance human resource capacity that will facilitate crime research work at all levels of Government;
- e) Strengthen and promote inter-agency and collaboration at county, national and international levels;
- f) Develop and implement relevant ICT policies, standards and procedures; and
- g) Develop and implement Financial Policy and Funding Strategies.

The strategic objectives were anchored on the following strategic pillars:

- i. Crime Research
- ii. Crime Management
- iii. Administrative Services

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

The activities towards the achievement and outputs under each of the strategic pillar were realised through the performance contract targets indicated below.

**FY 2021/2022 Performance Contract targets under the Crime Research Pillar**

	<b>Sub-Indicator</b>	<b>Unit of Measure</b>	<b>Target</b>	<b>Completion Date</b>	<b>Achievement</b>
1.	Election Crimes & Offences in Kenya	%	25	30/06/2022	25
2.	Human Trafficking in Kenya	%	25	30/06/2022	25
3.	Criminality in Kenya in the context of Covid-19 in Kenya	%	25	30/06/2022	25
4.	A study on the Performance of Judiciary in the Administration of Criminal Justice	%	25	30/06/2022	25

**FY 2021/2022 Performance Contract targets under the Crime Management Pillar**

	<b>Sub-Indicator</b>	<b>Unit of Measure</b>	<b>Target</b>	<b>Completion Date</b>	<b>Achievement</b>
1.	Issue twenty (20) policy recommendations and /or Issue briefs	%	20	30/06/2022	20
2.	Disseminate research findings and recommendations for Status of child protection in charitable children's institutions (CCI's), Land Related Crimes, Factors shaping police performance; Role of chiefs in localized crime and security management in Kenya, 2020 National crime mapping, urban and peri-urban residential housing related crimes in Nairobi, Kisumu & Mombasa cities	%	20	30/06/2022	20
3.	Publish Annual Crime Yearbook in the Centre's Digital platforms	%	11	30/06/2022	11
4.	Maintain Crime Data Repository and Crime Reporting	%	10	30/06/2022	10
5.	Undertake Resource mobilization for Crime Research.	%	10	30/06/2022	10
6.	Print and publish nine (9) research reports	%	9	30/06/2022	9
7.	Upload research reports on the Centre's digital platforms	%	10	30/06/2022	10
8.	Update and publish statistics of top crimes on the Centre's digital platforms	%	10	30/06/2022	10

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

**FY 2021/2022 Performance Contract targets under the Administrative Services Pillar**

	<b>Sub-Indicator</b>	<b>Unit of Measure</b>	<b>Weight (%)</b>	<b>Target</b>	<b>Achievement</b>
1.	Absorption of Allocated Funds (GoK)	%	5	100	100
2.	Pending Bills	%	5	1	1
3.	Implementation of Citizens' Service Delivery Charter	%	4	100	100
4.	Resolution of Public Complaints	%	3	100	97
5.	Promote and Strengthen Inter-Agency Collaboration	%	6	100	100
6.	Implementation of Presidential Directives	%	2	100	100
7.	Access to Government Procurement Opportunities (AGPO)	Kshs.	3	2,342,840	2,342,840
8.	Promotion of Local Content in Procurement	Kshs.	2	19,334,916	19,334,916
9.	Asset Management	%	1	100	100
10.	Road Safety Mainstreaming	%	1	100	92
11.	Corruption Prevention	%	2	100	92
12.	Youth Internships/Industrial Attachments/Apprenticeships	No.	1	47	47
13.	Competence Development	%	1	100	100
14.	Disability Mainstreaming	%	1	100	15
15.	Gender Mainstreaming	%	1	100	100
16.	Prevention of Alcohol and Drug Abuse	%	1	100	100
17.	Prevention of HIV Infections and Non-Communicable Diseases	%	1	100	100
18.	Safety and Security Measures	%	1	100	100
19.	National Cohesion and Values	%	2	100	97

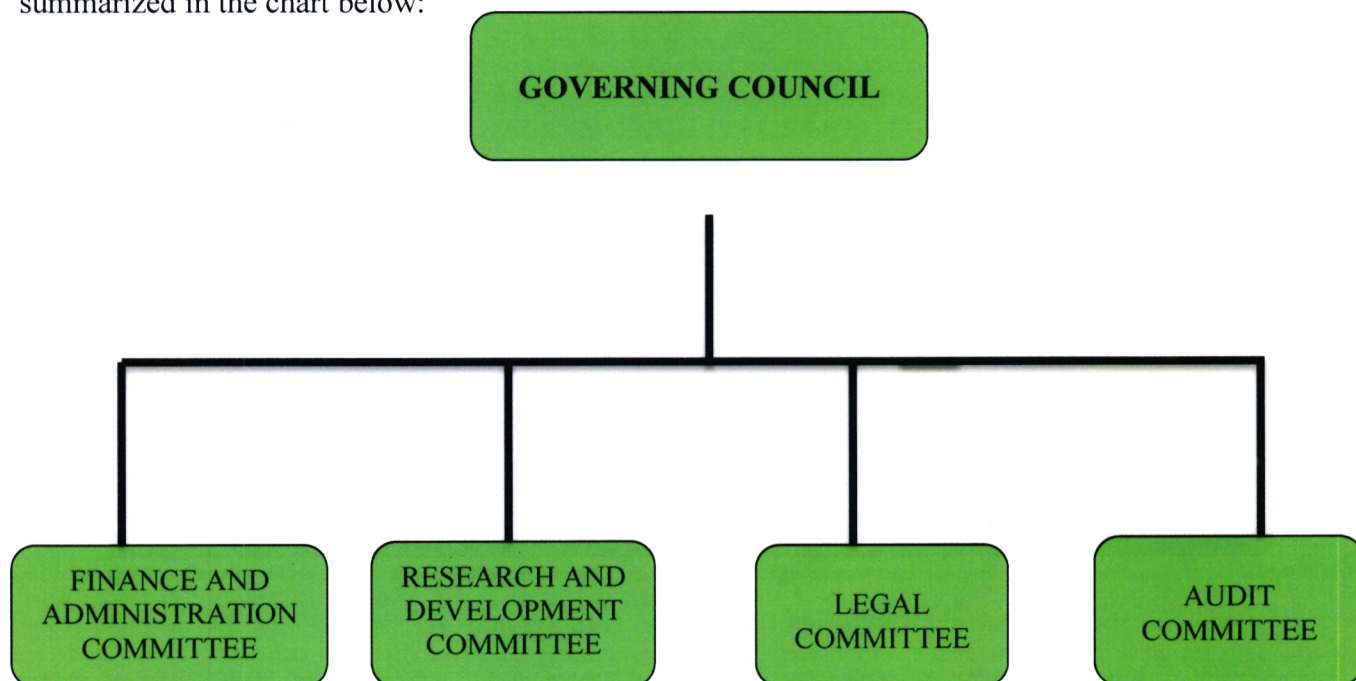
**7. Corporate Governance Statement**

NCRC Governing Council is established under section 6 of the National Crime Research Centre Act, Cap 62 Laws of Kenya. The Council is committed to ensuring that the Centre conducts its business guided by the Centre's core values that include public safety, integrity, professionalism,

transparency and accountability, research confidentiality, collaboration and partnership, creativity and innovation and inclusivity and public participation.

The principles and standards adhered to by the Council have been developed with close reference to the Constitution of Kenya 2010 and *Mwongozo*: the Code of Governance for State Corporations. NCRC governance structure is

summarized in the chart below:



**Governing Council size, Composition and Independence**

The Governing Council consists of fourteen (14) members; eight (8) being *ex-officio* members by virtue of the various government offices they hold. The Council draws its membership from key stakeholders in security and crime prevention and criminal law sector in the country. Therefore, its membership is drawn from the following offices: Office of the Attorney General, Principal Secretary to the Treasury, the Chief Justice, Director of Public Prosecutions, Inspector General of Police, Commissioner for Social Services, Commissioner General of Prisons, Director of Probation and Aftercare Services, representatives of universities in Kenya being persons eminently qualified in the fields of criminal law, sociology or criminology and representation from non-governmental organizations.

Governing Council members are independent of management and owe their allegiance to the Centre and not their nominating agencies when conducting the Centre's business.

### **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 the 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 rely on the integrity of the Centre's management, staff and its external professional advisors and auditors.

In furtherance of the Council's responsibilities, the Council members undertake the following:

- (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;

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

- (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) Enhance the Centre's public image and ensure engagement with stakeholders through effective communication;
- (o) Monitor compliance with the Constitution, all applicable laws, regulations and Standards; and
- (p) Review, monitor and ensure that the Centre is effectively and consistently delivering on its mandate.
- (q) 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 continuing development programs that are designed to keep them abreast with the latest developments in the research sector's best practice, corporate governance and critical issues relating to operations of the public sector.

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

---

**Chairperson and Director/Chief Executive Officer**

The roles of the Chairperson of the Governing Council and Director/CEO remain distinct and separate. The Chairperson is primarily responsible for the activities of the Council and its Committees. The Director/CEO is responsible for overseeing the execution of the Council's directions and policies to ensure desirable outcome, effective and efficient day to day running of the Centre and serving as the link between the Council and the Management of the Centre.

**Council Remuneration**

Council members are paid sitting allowances for every meeting attended.

**Council and Committee meetings**

The Council and its four committees meet at least once in every three months. During the FY 2021/2022, the Council had a work plan and a calendar of meetings which were adopted by the Council in advance and sent to all members. Adequate notice for each meeting and agenda as well as documents for discussion are sent to Council members in advance to allow time for appropriate review.

**Council and Committee meetings held during FY 2021/2022**

In Compliance with the National Crime Research Centre Act, Cap 62 LoK and *Mwongozo*, the Code of Governance for State Corporations, Council members dedicated adequate time and met as required in order to effectively transact business of the Centre. The number of Council and Committee meetings as well as attendance is as indicated in the table below:

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022**

GOVERNING COUNCIL MEETINGS			MEETINGS OF THE COMMITTEES								
No.	Name	No. of Meetings	No. of Meetings Attended	Finance & Administration		Research & Development		Legal		Audit	
				No. of Meetings	No. of Meetings Attended	No. of Meetings	No. of Meetings Attended	No. of Meetings	No. of Meetings Attended	No. of Meetings	No. of Meetings Attended
1.	Hon. Justice Paul Kihara Kariuki	6	1								
2.	Justice Jessie W. Lesit	6	6			4	3				
3.	Mr. Hilary Mutyambai	6	4			4	4			4	2
4.	Mr. Kenneth Odhiambo	6	6	8	7					4	4
5.	Ms. Jacinta Nyamosi	6	3	8	7			4	2		
6.	Mr. Noah Sanganyi (Outgoing member from 31 <sup>st</sup> December, 2021)	2	2			2	2	2	1		
	Mr. Maurice Tsuma (Incoming member)	4	2			2	1	2	1		
7.	Mr. Wycliffe Ogallo	2	2							1	
	Mr. John Warioba	4	4			4	4			3	2
8.	Mrs. Mary Mbau	6	5	8	8			4	4		
9.	Prof. Robinson Ocharo (Outgoing Member from 12 <sup>th</sup> May, 2022)	6	5			4	4			4	3
10.	Dr. Francis Kipkurui arap Sang (Outgoing member from 31 <sup>st</sup> December, 2021)	6	2					4	1	4	2
11.	Prof. Sylvia Wairimu Kang'ara (Outgoing member from 12 <sup>th</sup> May, 2022)	6	4	8	6			4	3		
12.	Ms. Jacqueline Mbogosi Asinuli (Outgoing member from 12 <sup>th</sup> May, 2022)	6	5	8	8	4	3				
13.	Mr. Dickson Magotsi	6	6			4	4			4	4

**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022.**

**Conflict of Interest**

Council members are required to declare conflict of interest if and when it arises. The Director/CEO keeps a record of conflicts of interest declared for accountability purposes.

**Council Charter**

The Governing Council is guided by the Council Charter in carrying out its duties and responsibilities to the Centre. The Charter provides for statement of good governance that Council members are required to adhere to, guiding principles, size, composition and appointment of Council members, cessation and removal of members and practices to be followed by the members.

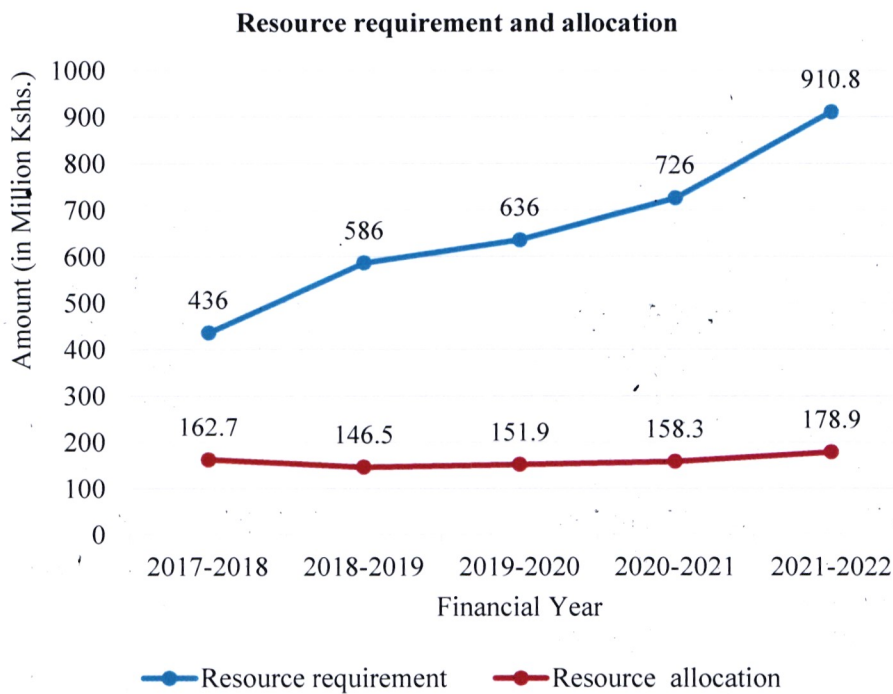
**Governance Audit**

The Governing Council ensures that a governance audit of the Centre is undertaken. The audit is geared towards ensuring that the Centre conforms to the highest standards of good governance.

**8. Management Discussion and Analysis**

**a) Financial Performance**

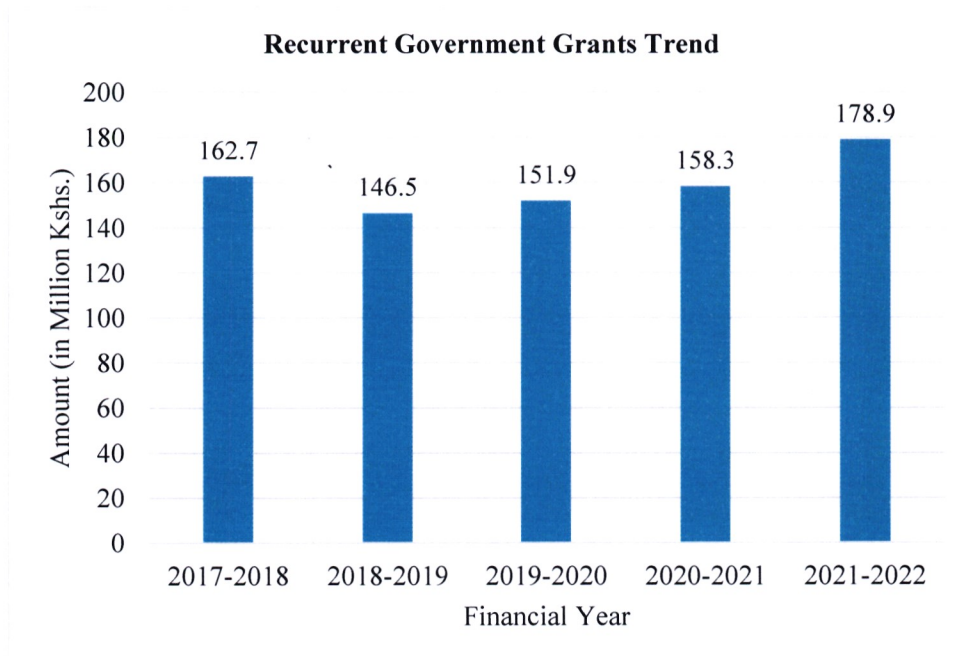
**i. Resource Requirement vs Resource Allocation**



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**

The Grants to the Centre increased by Kshs. 20,571,394 in FY 2021/2022 from the previous year's allocation.



**iii. Recurrent Expenditure Analysis Financial Years 2018/2019 – 2021/2022**

The personnel cost decreased in the Financial Year 2021/2022 due to the exit of staff who were not replaced by the closure of the Financial Year.

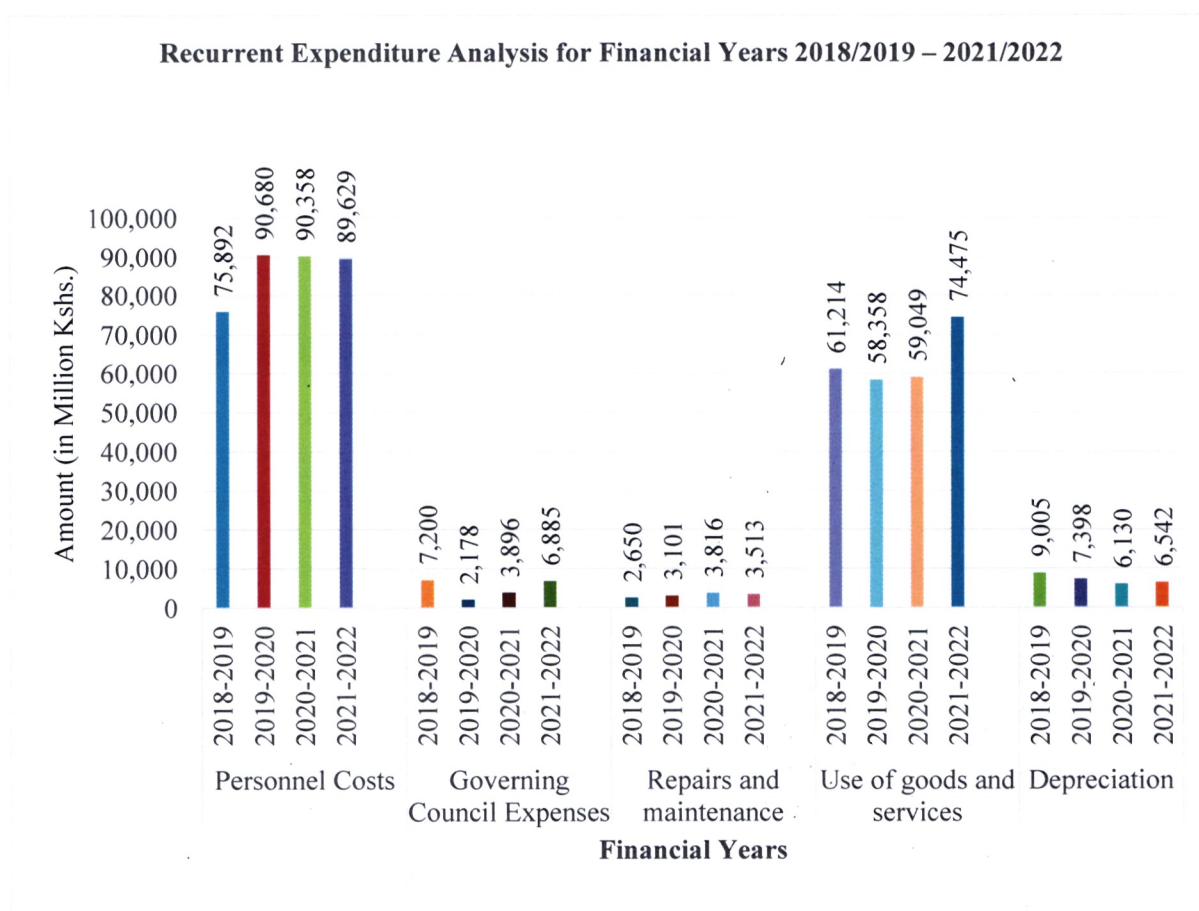
Governing Council expenses in the Financial Year 2021/2022 were higher than the previous years due to a Policy and Governance training of the Council.

Repairs and maintenance costs were relatively within the same range for the three previous financial years.

**National Crime Research Centre  
Annual Report and Financial Statements  
for the year ended June 30, 2022.**

The expenses for the use of goods and services increased during the FY 2021/2022 due to the transition from COVID-19 mitigation of working from home to in-person office environment.

The depreciation expenses increased during the FY 2021/2022 due to purchase of additional assets.



**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 24 substantive staff compared to the approved staff establishment of 214.

**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.

**9. Environmental and Sustainability Reporting**

National Crime Research Centre exists to transform lives, this is our purpose which is the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

**i) Sustainability strategy and profile**

Towards ensuring sustainability, the Centre: continued with collaboration, partnership, networking and coordination frameworks to enhance sustainability of research activities; strengthened its linkages with institutions under National Council on the Administration of Justice (NCAJ) to benefit from economies of scale on shared platforms; enhanced the Young Researchers' Programme through the student attachment and internships aimed at creating a critical mass of crime researchers for the future; prioritized improvement of research outputs

which triggered increased demand for the outputs from stakeholders; and continued to mobilise financial, human and infrastructural resources from state and non-state actors.

**ii) Environmental Performance**

During the year under review, NCRC used its social media platform to advocate for the need to take care of our water bodies as its contribution during the World Water Day celebrated on 22<sup>nd</sup> March, 2022; planted trees at Kinyongori Primary School in Limuru, Kiambu County; and disseminated a research reports on “Urban and Peri-Urban Residential Housing-related crimes in Nairobi, Mombasa and Kisumu Counties” and “Baseline Survey on Land-related Crimes in Kenya” which highlighted environmental crimes.

**iii) Employee Welfare**

NCRC is an equal opportunity employer guided by the NCRC Human Resource and Procedure Manual which in its formulation took into account relevant laws and regulations governing hiring of employees. The policy takes into consideration gender ratio, stakeholder engagements and is in the review process of improvement to be consistent with current Human Resource developments and legislations.

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.

**iv) 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 Centres allocates 30% of its procurement to the Disadvantaged Groups through h 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 of 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.

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

The Centre donated and planted trees at Kinyongori Primary School in Limuru, Kiambu County. The pupils adopted the trees and appreciated the role of the Centre in environmental conservation. The activity was a contribution towards improving Kenya's forest cover and associated ecosystem.

**10. Report of the Governing Council**

The Governing Council submits their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the Centre's affairs.

**i) Principal Activities**

The principal activities of the Centre are crime research and crime management. The specific research activities are: crime advisory; data repository; report dissemination; reporting; and prevention.

**ii) Results**

The results of the Centre for the year ended June 30, 2022, are set out on page 1 to 4.

**iii) Governing Council**

The members of the Governing Council who served during the year are shown on pages viii to xvi. During the year, Mr. Noah M.O. Sanganyi, Prof. Robinson M. Ocharo, Dr. Sylvia W. Kangara, Mrs. Jackline Mbogo-Asinuli and Dr. Francis K. Sang retired and Mr. Maurice Tsuma was appointed with effect from 17<sup>th</sup> June, 2022.

**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

**National Crime Research Centre  
Annual Report and Financial Statements  
for the year ended June 30, 2022.**

---

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 2021/2022. 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, 2022.

By Order of the Governing Council

.....  


Name **VINCENT O. OPONDO**  
Secretary to the Governing Council

### **11. 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, 2022. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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, 2022, and of the Centre's financial position as at that date.

**National Crime Research Centre  
Annual Report and Financial Statements  
for the year ended June 30, 2022.**

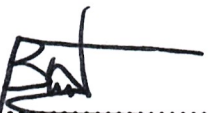
---

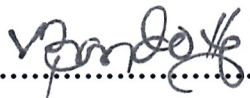
The Council members further confirms the completeness of the accounting records maintained for the Centre, which have been relied upon in the preparation of the Centre's financial statements as well as the adequacy of the systems of internal financial control.

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**

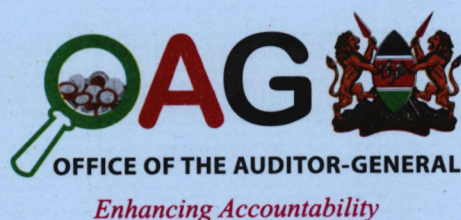
The Centre's Financial Statements were approved by the Governing Council on 30/01/ 2023 and signed on its behalf by:

  
.....  
Name  
Chairperson of the Governing Council

  
.....  
Name VINCENT O. OPONDO  
Accounting Officer

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL CRIME RESEARCH CENTRE FOR THE YEAR ENDED 30 JUNE, 2022**

---

### **PREAMBLE**

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided 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**

#### **Opinion**

I have audited the accompanying financial statements of National Crime Research Centre set out on pages 1 to 17, which comprise the statement of financial position as at 30 June, 2022, 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, the financial statements present fairly, in all material respects, the financial position of the National Crime Research Centre as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (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 Opinion**

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.

### **Key Audit Matters**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal 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 the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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


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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

  
**CPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**28 March, 2023**



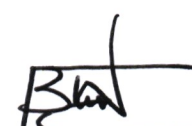
**National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022.**

**13. Statement of Financial Performance for the year ended 30 June 2022**

	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from State Department for Interior	5	178,900,000	158,328,606
<b>Total revenue</b>		<b>178,900,000</b>	<b>158,328,606</b>
<b>Expenses</b>			
Use of goods and services	6	74,475,097	60,393,376
Employee costs	7	89,629,921	89,014,621
Governing Council Expenses	8	6,885,845	3,896,200
Depreciation and amortization expense	9	6,542,547	6,130,790
Repairs and maintenance	10	3,513,952	3,816,718
<b>Total expenses</b>		<b>181,047,362</b>	<b>163,251,705</b>
<b>Surplus/(deficit) for the period/year</b>		<b>(2,147,362)</b>	<b>(4,923,099)</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:


		
Accounting Officer	Head of Finance	Chairman of the Council
Name: VINCENT O. OPONDO	Name: Samuel Nyang'oro	Name:
	ICPAK Member Number:	
	13520	
Date 30/01/2023	Date 30/01/2023	Date

National Crime Research Centre  
Annual Report and Financial Statements  
For the year ended June 30, 2022.


14. Statement of Financial Position as at 30 June 2022


	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	11	366,174	1,678,691
Receivables from Non-Exchange Transactions	12	9,144,561	10,611,258
Inventories	13	188,322	440,308
<b>Total Current Assets</b>		<b>9,699,057</b>	<b>12,730,257</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	14	34,848,929	35,848,370
<b>Total Non- Current Assets</b>		<b>34,848,929</b>	<b>35,848,370</b>
<b>Total Assets</b>		<b>44,547,986</b>	<b>48,578,627</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	15	2,790,737	4,674,016
<b>Total Current Liabilities</b>		<b>2,790,737</b>	<b>4,674,016</b>
<b>Non-Current Liabilities</b>		0	0
<b>Total Non- Current Liabilities</b>		<b>0</b>	<b>0</b>
<b>Total Liabilities</b>		<b>2,790,737</b>	<b>4,674,016</b>
<b>Net Assets</b>			
Accumulated Reserves		13,039,110	14,187,031
Capital Fund		28,718,139	29,717,580
<b>Total Net Assets</b>		<b>41,757,249</b>	<b>43,904,611</b>
<b>Total Net Assets and Liabilities</b>		<b>44,547,986</b>	<b>48,578,627</b>

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

  
Name VINCENT O. OPONDO  
Accounting Officer

Date 30/01/2023

  
Name Samuel Nyaupa  
Head of Finance 13928  
ICPAK Member Number:  
Date 30/01/2023

  
Name  
Chairman of the Council  
Date

15. Statement of Changes in Net Assets for the year ended 30 June 2022

	Retained earnings	Capital/ Development Grants/Fund	Total
	Kshs	Kshs	Kshs
<b>As at July 1, 2020</b>	<b>12,979,340</b>	<b>35,848,370</b>	<b>48,827,710</b>
Surplus/ deficit for the year	(4,923,099)	-	(4,923,099)
Transfer of Depreciation/amortisation from capital fund to retained earnings	6,130,790	(6,130,790)	-
<b>As at June 30, 2021</b>	<b>14,187,031</b>	<b>29,717,580</b>	<b>43,904,611</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 Depreciation/amortisation from capital fund to 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>

**National Crime Research Centre  
Annual Report and Financial Statements  
for the year ended June 30, 2022.**

**16. Statement of Cash Flows for the year ended 30 June 2022**

		2021-2022	2020-2021
	Notes	Kshs	Kshs
<b>Cash flows from Operating Activities</b>			
<b>Receipts</b>			
Transfers from State Department of Interior	1	178,900,000	158,328,606
<b>Total receipts</b>		<b>178,900,000</b>	<b>158,328,606</b>
<b>Payments</b>			
Use of goods and services	6	74,475,097	60,393,376
Employee costs	7	89,629,921	89,014,621
Board Expenses	8	6,885,845	3,896,200
Repairs and maintenance	9	3,513,952	3,816,718
<b>Total payments</b>		<b>174,504,815</b>	<b>157,120,915</b>
		<b>4,395,185</b>	<b>1,207,691</b>
<b>Working capital adjustments</b>			
Increase/Decrease in receivables	12	1,466,697	(128,751)
Increase/Decrease in inventory	13	251,986	(14,243)
Increase/Decrease in payables	15	(1,883,279)	(564,645)
<b>Net cash flows from/(used in) Operating Activities</b>		<b>4,230,589</b>	<b>500,052</b>
<b>Cash flows from investing activities</b>			
Purchase of Motor vehicle	14	(4,600,000)	0
Purchase of office equipment	14	(943,106)	0
<b>Net cash flows from/(used in) investing activities</b>		<b>(5,543,106)</b>	<b>0</b>
<b>Cash flows from financing activities</b>			
<b>Net cash flows from financing Activities</b>		<b>0</b>	<b>0</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>			
		<b>(1,312,517)</b>	<b>500,053</b>
Cash and cash equivalents at 1 July	11	1,678,691	1,178,638
<b>Cash and cash equivalents at 30 June</b>	<b>11</b>	<b>366,174</b>	<b>1,678,691</b>

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

.....  .....

Name: VINCENT O. OPORO  
Accounting Officer

Date 30/01/2023

.....  .....

Name: Samuel Njaya  
Head of Finance  
ICPAK M/No: 13520

Date 30/01/2023

.....  .....

Name:  
Chairman of the Council

Date

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

**17. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2022**

	<b>Original budget</b>	<b>Adjustments</b>	<b>Final budget</b>	<b>Actual on comparable basis</b>	<b>Performance difference</b>	<b>% of utilization</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
	<b>a</b>	<b>b</b>	<b>C=(a+b)</b>	<b>d</b>	<b>e=(c-d)</b>	<b>f=d/c*100</b>
<b>Revenue</b>						
Transfers from State Department of Interior	178,900,000	-	178,900,000	178,900,000	0	0%
<b>Total Income</b>	<b>178,900,000</b>	<b>-</b>	<b>178,900,000</b>	<b>178,900,000</b>	<b>0</b>	<b>0%</b>
<b>Expenses</b>						
Use of Goods and Services	74,988,007	-	74,988,007	74,475,097	512,910	<b>0.6%</b>
Employee costs	82,163,984	-	82,163,984	88,413,481	(6,249,497)	<b>7.6%</b>
Remuneration of Governing Council	10,221,000	-	10,221,000	6,885,845	3,335,155	<b>32%</b>
Depreciation and Amortization expense	6,500,000	-	6,500,000	6,542,547	(42,547)	<b>0.6%</b>
Repairs and Maintenance	3,500,000	-	3,500,000	3,513,952	(13,952)	<b>0.3%</b>
Contracted Services	1,527,009	-	1,527,009	1,216,440	310,569	<b>20%</b>
<b>Total Expenditure</b>	<b>178,900,000</b>	<b>-</b>	<b>178,900,000</b>	<b>181,047,362</b>	<b>(2,147,362)</b>	<b>1.2%</b>
<b>Deficit for the period</b>	<b>0</b>		<b>0</b>	<b>(2,147,362)</b>	<b>(2,147,362)</b>	<b>1.2%</b>

**Budget Notes**

1. The variation in the budget for remuneration to governing council was as a result of retirement of Council members during the Year. The replacements were effected after the year end.
2. The contracted services variation was occasioned by billings of Motor vehicle insurance that were invoiced after the end of the financial year.

## **18. 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, NCRC Act 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 2021/2022.

#### **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 2021-2022 was approved by the National Assembly on 14<sup>th</sup> January 2021. 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.

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

---

**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, 2022.

**5. Transfers from Other Government Entities**

Description	2021-2022	2020-2021
	KShs	KShs
<b>Unconditional Grants</b>		
Operational Grant	178,900,000	158,328,606
<b>Total Unconditional Grants</b>	<b>178,900,000</b>	<b>158,328,606</b>

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

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

Name of the entity sending the Grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total transfers 2021-22	Prior year 2020-2021
	KShs.	KShs.	KShs.	KShs.	KShs.
State Department for Interior, Ministry of Interior and Coordination of National Government	178,900,000	0	0	178,900,000	158,328,606
<b>Total</b>	<b>178,900,000</b>	<b>0</b>	<b>0</b>	<b>178,900,000</b>	<b>158,328,606</b>

Note:

Funds received by the Centre during the Financial Year 2021/22 were under recurrent budget but Kshs 5,543,106 was transferred to Capital expenditure.

**6. Use of Goods and Services**

Description	2021-2022	2020-2021
	Kshs	Kshs
Research	22,399,757	20,339,024
Subscriptions	321,200	301,800
Advertising	598,681	334,737
Audit Fees	464,000	232,000
Conferences and Delegations	4,142,899	3,281,355
Consulting Fees	1,465,413	458,269
Consumables	3,636,267	5,317,569
Fuel and Oil	1,879,054	1,323,190
Insurance	411,513	327,086
Printing and Stationery	17,400	1,128,718
Bank Charges	325,406	329,415
Rental	21,915,819	20,374,455
Telecommunication	2,190,629	1,455,619
Training	2,840,350	956,569
Travel, Subsistence & Other Allowances	4,735,200	1,344,200
Other General Expenses	7,131,509	2,889,370
<b>Total</b>	<b>74,475,097</b>	<b>60,393,376</b>

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

**7. Employee Costs**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Salaries and wages	33,027,247	34,829,538
Employer contribution to health insurance schemes	8,592,839	8,492,770
Employer contribution to pension schemes	4,568,648	4,751,476
Travel, accommodation, subsistence, & other allowances	30,337,025	27,085,583
Housing benefits and allowances	11,887,722	12,233,334
Gratuity	1,216,440	1,621,920
<b>Employee costs</b>	<b>89,629,921</b>	<b>89,014,621</b>

**8. Governing Council Expenses**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Sitting Allowances	4,797,575	3,896,200
Induction and Training	1,975,470	0
Travel and Accommodation	112,800	0
<b>Total</b>	<b>6,885,845</b>	<b>3,896,200</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**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Property, plant and equipment	6,542,547	6,130,790
<b>Total depreciation and amortization</b>	<b>6,542,547</b>	<b>6,130,790</b>

**10. Repairs and Maintenance**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Vehicles	2,355,712	2,584,660
Furniture and Fittings	1,158,240	1,232,058
<b>Total Repairs and Maintenance</b>	<b>3,513,952</b>	<b>3,816,718</b>

**11. Cash and Cash Equivalents**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Current Account	366,174	1,678,691
<b>Total Cash and Cash Equivalents</b>	<b>366,174</b>	<b>1,678,691</b>

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

		2021-2022	2020-2021
Financial Institution	Account number	Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1122479417	351,946	1,484,059
<b>Sub- Total</b>		<b>351,946</b>	<b>1,484,059</b>
<b>b) Others(Specify)</b>			
Cash In Hand		14,228	194,632
<b>Sub- Total</b>		<b>14,228</b>	<b>194,632</b>
<b>Grand Total</b>		<b>366,174</b>	<b>1,678,691</b>

12. Receivables from Exchange Transactions

Receivables from Exchange Transactions (Current)

	2021-2022	2020-2021
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	0
Lloyd Masika – Service charge	114,649	0
CIC Insurance – General Life	621,941	639,984
CIC Insurance – Medical Cover	5,052,117	4,891,065
Lloyd Masika – Rent	0	2,479,748
Safaricom Limited	4,500	4,500
Postal Corporation of Kenya	4,725	4,725
The Standard Group	71,775	115,493
Vista Prime Ltd	160,000	120,000
Institute of Certified Public Accountants	5,600	5,600
Human Resource Institute	4,500	4,500
Kenya Library Information Services	135,000	135,000
CIC Insurance GPA	142,289	153,617
<b>Total Current Receivables</b>	<b>9,144,561</b>	<b>10,611,258</b>

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

**13. Inventories**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Consumable Stores	188,322	440,308
<b>Total</b>	<b>188,322</b>	<b>440,308</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>
As At 1 July 2020	24,438,724	65,811,555	13,632,071	3,863,830	107,746,180
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Transfers/Adjustments	0	0	0	0	0
<b>As 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	0	758,106	185,000	5,543,106
Disposals	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0
<b>As 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>
<b>Depreciation And Impairment</b>					
At 1 July 2020	19,806,042	31,811,728	12,147,635	2,001,615	65,767,020
Depreciation	1,158,171	4,249,978	489,864	232,777	6,130,790
Impairment	0	0	0	0	0
Transfers/ Adjustments					
<b>As At 30 June 2021</b>	<b>20,964,213</b>	<b>36,061,706</b>	<b>12,637,499</b>	<b>2,234,392</b>	<b>71,897,810</b>
Depreciation	2,018,628	3,718,731	578,384	226,804	6,542,547
Disposals	0	0	0	0	0
Impairment	0	0	0	0	0
Transfer/Adjustment	0	0	0	0	0
<b>As At 30<sup>th</sup> June 2022</b>	<b>22,982,841</b>	<b>39,780,437</b>	<b>13,215,883</b>	<b>2,461,196</b>	<b>78,440,357</b>
<b>Net Book Values</b>					
<b>As At 30<sup>th</sup> June 2022</b>	<b>6,055,883</b>	<b>26,031,118</b>	<b>1,174,294</b>	<b>1,587,634</b>	<b>34,848,929</b>
<b>As At 30<sup>th</sup> June 2021</b>	<b>3,474,511</b>	<b>29,749,849</b>	<b>994,572</b>	<b>1,629,438</b>	<b>35,848,370</b>

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

**15. Trade and Other Payables**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Office of the Auditor General	696,000	464,000
PAYE June 2022	1,308,944	0
Gratuity	694,617	4,210,016
MFI office solutions	91,176	0
<b>Total trade and other payables</b>	<b>2,790,737</b>	<b>4,674,016</b>

**16. Cash Generated from Operations**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Surplus/Deficit for the year before tax</b>	<b>(7,690,468)</b>	<b>(4,923,099)</b>
<b>Adjusted for:</b>		
Depreciation	6,542,547	6,130,790
<b>Working capital adjustments</b>		
Increase/Decrease in inventory	251,986	(14,243)
Increase/Decrease in receivables	1,466,697	(128,751)
Increase/Decrease in payables	(1,883,279)	(564,645)
<b>Net cash flow from operating activities</b>	<b>(1,312,517)</b>	<b>500,052</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 Coordination of National Government. Its ultimate parent is the Government of Kenya.

**20. Currency**

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

National Crime Research Centre  
 Annual Reports and Financial Statements  
 for the year ended June 30, 2022.

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

Date: 30/01/2023  
 .....

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

**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	
Ministry of Interior and Coordination of National Government	03/08/2021	Recurrent	44,725,000	44,725,000	-	-	-	-	44,725,000
Ministry of Interior and Coordination of National Government	19/10/2021	Recurrent	44,725,000	44,725,000	-	-	-	-	44,725,000
Ministry of Interior and Coordination of National Government	08/02/2022	Recurrent	44,725,000	44,725,000	-	-	-	-	44,725,000
Ministry of Interior and Coordination of National Government	19/04/2022	Recurrent	44,725,000	44,725,000	-	-	-	-	44,725,000
<b>Total</b>			<b>178,900,000</b>	<b>178,900,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>178,900,000</b>

**National Crime Research Centre  
Annual Reports and Financial Statements  
for the year ended June 30, 2022.**

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

Confirmation of amounts received by ( National Crime Research Centre) as at 30 <sup>th</sup> June 2022							
Amounts Disbursed by Ministry of Interior as at 30 <sup>th</sup> June 2022							
Reference Number	Date Disbursed	Recurrent GoK Grants (Ksh) a	Development GoK/Donor Grants (ksh) B	Inter- Ministerial (ksh) c	Total (ksh) D=(a+b+c)	Amount received by (NCRC) as at 30 <sup>th</sup> June 2022 (ksh) e	Differences (Ksh) =( d-e)
FT21215D2F2I	03/08/2021	44,725,000.00	0	0	44,725,000.00	44,725,000.00	0.00
FT21292YBCJH	19/10/2021	44,725,000.00	0	0	44,725,000.00	44,725,000.00	0.00
FT22039D9D45	08/02/2022	44,725,000.00	0	0	44,725,000.00	44,725,000.00	0.00
FT22109BP04H	19/04/2022	44,725,000.00	0	0	44,725,000.00	44,725,000.00	0.00
<b>TOTAL</b>		<b>178,900,000.00</b>	<b>0</b>	<b>0</b>	<b>178,900,000.00</b>		<b>0.00</b>

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

Head of Accounts, State Department for Interior and Citizen Services

Name: JAMES K. KABORI

Signature: [Signature]

Date: 21/07/2022

Head of Accounts & Finance, National Crime Research Centre

Name: SAMUEL NGANGA MATNA

Signature: [Signature]

Date: 25/07/2022

