

REPUBLIC OF KENYA



*Enhancing Accountability*

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## REPORT

OF

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 06 MAR 2025 Thursday

THE AUDITOR-GENERAL

TABLED  
BY:

Hon. Naomi Waga MP  
Deputy Majority Party Whip

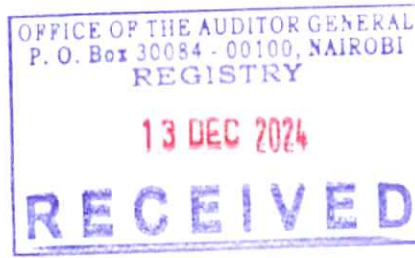
CLERK-AT  
THE-TABLE:

A. Shibusko

ON

## OCCUPATION SAFETY AND HEALTH FUND

FOR THE YEAR ENDED  
30 JUNE, 2024



*A Healthy Worker in a  
Safe Work Environment*

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**OCCUPATIONAL HEALTH AND SAFETY FUND  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2024**

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

*Occupational Safety and Health Fund*  
**Annual Report and Financial Statements**  
**for the year ended June 30, 2024.**

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## **1. Acronyms and Definition of Key Terms**

### **A: Acronyms**

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
ILO	International Labour Organization
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor

### **B: Definition of Key Terms**

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

**Comparative Year-** Means the prior period.

*(This list is an indication of the common acronyms and abbreviations; The Entity should customize the acronyms and abbreviation to capture all that has been used in the preparation*

## **2. Key OSH Information and Management**

### **(a) Background information**

The Occupational Safety and Health Fund was established under the Government Financial Management (Occupational Safety and Health Fund) regulations on 11th February 2011 vide legal notice No. 14 of 2011. This therefore means that the Fund is administered by the incorporated/ established under The State Department for Labour and Skills Development, in the Directorate of Occupational Safety and Health Services (DOSHS) as provided for in the Occupational Safety and Health Act (OSHA), 2007. DOSHS draws its mandate from the Presidential Executive Order No. 2 of 2023 and has 31 field offices in 29 counties, namely, Nairobi, Kiambu, Machakos, Kajiado, Garissa, Mombasa, Kwale, Kilifi, TaitaTaveta, Meru, Embu, Kirinyaga, Muranga, Nyeri, Nakuru, Uasin Gishu, Kericho, Laikipia, Nyandarua, Nandi, Narok, Trans Nzoia, Kisumu, Kakamega, Bungoma, Homabay, Kisii, Vihiga and Siaya Counties, with Sub-county offices in Athi River and Naivasha.

### **(b) Principal Activities**

The vision and mission define the principle activities of the State Department for Labour and Skills Development.

**Vision:** A globally competitive workforce and a decent environment.

**Mission:** Develop and implement policies and programmes for a highly productive workforce through creation of a safe working environment, promotion of industrial peace, effective human resource planning and development, social security, productivity promotion and sustainability job creation.

The purpose of the Occupational Safety and Health Fund are anchored in the core functions which include:

- (i) securing the development and coordination of a sound and effective occupational safety and health system;
- (ii) implementing an effective system for the prevention of occupational accidents and diseases, ill health and damage to property at workplaces;
- (iii) carrying out research on occupational safety and health, including research on factors leading to occupational accidents and diseases;
- (iv) developing and disseminate information materials, such as safety posters and pamphlets, newsletters and guidance notes on occupational safety and health including the holding of safety exhibitions, and awareness creation opportunities among employer's employees and the general public; and
- (v) promoting occupational safety and health through the holding of annual safety award events for outstanding performance in safety and health among the enterprises and persons employed.



**(c) Key Management**



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

1.	Management/Council	DOSHS, State Department of Labour and Skills Development/NACOSH
2.	Accounting Officer, Principal Secretary Labour	Shadrack Mwadime
3.	Head of DOSHS, Secretary OSH	Dr. Musa Nyandusi
4.	Chairman NACOSH	Ali Wario

**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

 <p><b>Dr. Musa Nyandusi</b> Secretary-OSH</p>	<p>Dr Musa Nyandusi, Secretary, Occupational Safety and Health has a Bachelor's Degree of Medicine and Bachelors degree of Surgery (MBCHB) and Master's Degree of Medicine (MMED) Specializing in Otorhinolaryngology and Head and Neck Surgery.</p> <p>He has a vast experience in occupational health practice and management,</p> <p>He is a board member of The National Industrial Training Authority (NITA)</p> <p>He is also a Board Member National Nuclear Regulatory authority (NNuRA)</p>
 <p><b>Simon Mathenge Wanyitu</b> (Head Administration Unit)</p>	<p>Mr. Simon Mathenge Wanyitu is a safety, health and environment consultant and the Head Administration Unit of the Directorate of Occupational Safety and Health Services, a public entity charged with the implementation of the National Safety Policy.</p> <p>He is a holder of Bachelor's degree in Science from Jomo Kenyatta University of Agriculture &amp; Technology</p> <p>He is and heading the Administration Unit,</p>

 <p><b>Isaac Mosigeria Mochama</b>          (Head of Accounting Unit-          CPAK M/NO 12719)</p>	<p>Mr Isaac Mosigeria Mochama is the Head of Finance at the Directorate of Occupational Safety and Health Services.</p> <p>He is a holder of CPA(K), BCOMs (Finance) from Kabarak University.</p> <p>Post graduate Diploma in Tax from Kenya School of Revenue (KESRA).</p>
 <p><b>Jones Nyakundi</b>          (Head of Procurement )</p>	<p>Mr Jones Nyakundi, Senior Supply Chain Management Officer is the Head, of Procurement.</p> <p>He has Degree in purchasing and management from JKUAT University, a Diploma in purchasing and Supplies management from the University of Nairobi.</p> <p>He has worked in the ministry of Defense, National Treasury and now Ministry of labour</p>

**(c) Fiduciary Oversight Arrangements**

**Audit and Finance Committee Activities**

The Fund undergoes both internal and external audit processes in accordance to relevant laws and regulations. The internal audit unit of the State Department for Labour and Skills Development oversee the establishment and maintenance of effective internal control systems to safeguard assets and ensure reliable financial reporting. They also assess and manage risks that could impact the Fund’s financial health and operational effectiveness ensuring that the Fund complies with all relevant laws, regulations, and policies.

In addition, the office of the Auditor General in accordance with the auditing calendar, conducts audit on management of the Fund.

**Key OSH Information and Management (continued)**

**Parliamentary Oversight Committee**

The committee of the National Assembly established is implicit in dealing with OSH fund by bearing the responsibility of:

- (a) Monitoring all budgetary matters relating to OSH Fund and reporting the matters to Parliament.
- (b) Monitor adherence of the OSH (Occupational Safety and Health Services) managing OSH Fund to the principles of the public finance, the Constitution 2010 and provisions of Public Management Act, 2012.
- (c) Examine financial statements and documents in respect of OSH Fund submitted and make recommendations to the National Assembly.
- (d) Providing extension of the management of the OSH Fund at the lapse of period operation of the fund by amending of Government Financial Management (Occupational Safety and Health Fund) Regulations.

**Development Partner**

The OSH Fund is yet to make any arrangements with development partners.

**Other Oversight Arrangements**

The National Council for Occupational Safety and Health (NACOSH) is established pursuant to section 27 of the Occupational Safety and Health Act, 2007. Under the Government Financial Management (Occupational Safety and Health Fund) Regulations, the Council has the mandate of approving the work programmes funded by the Fund. The Finance, Legal and Communication committee of the NACOSH oversees the Policy, legal issues and the financial management issues of the fund. The committee submits quarterly reports of OSH Fund programmes to NACOSH which in turn advises the Cabinet Secretary of Labour and Social Protection.

**(f) OSH Headquarters**

The Occupational Safety and Health Fund offices is located at  
Commercial Street, Safety House,  
Industrial Area  
P.O. Box 34120 - 00100,  
Nairobi, Kenya

**(g) OSH Contacts**

Telephone: +254 (020) 2667722  
Email: [doshdept@yahoo.com](mailto:doshdept@yahoo.com)  
[doshdept@labour.go.ke](mailto:doshdept@labour.go.ke)  
Website: [www.labour.go.ke](http://www.labour.go.ke)

**(h) OSH Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Kenya Commercial Bank  
Account No.1130057321  
Industrial Area Branch  
Nairobi.

**(i) Independent Auditor**





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

**3. The Board of Directors/Council**

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<p><b>Council Chairman</b></p>  <p><b>Hon. Ali Wario, CBS</b></p>	<p>He was born on 5<sup>th</sup> May 1970. He has Bachelors of Arts Degree – Sociology and Political Science from University of Nairobi.</p> <p>He has been a member of parliament for Bura Constituency and chairperson of select committee on regional integration and departmental committee on labour and social work in the National Assembly. He has also been a chairperson of africa union – special task force on pastoral policy and a chairperson of Kenya livestock marketing council.</p>
<p><b>Council Members</b></p>	
 <p><b>James Ouma Nyambune</b>  <b>Ministry of Education</b></p>	<p>He was born on 20<sup>th</sup> May 1965. He has masters of technology in education from University of Eldoret and bachelor of technology in Education from Moi University.</p> <p>He is the currently the deputy director of technical education in the ministry of education.</p>
 <p><b>Timothy Irimu Ruhiu</b>  <b>Private Member</b></p>	<p>He was born on 14<sup>th</sup> August 1958. He has masters in mechanical engineering from Mosco Auto Mechanical Institute.</p> <p>He has been head of production operations and Safety Health and Environment (SHE) Manager at East African Portland Cement Company.</p>
 <p><b>Charles Owelle</b>  <b>FKE</b></p>	<p>He was born on 2<sup>nd</sup> September 1958. He is Managing Director of Canon Agro Agencies.</p> <p>He has BSc. in Agriculture and MBA in Strategic Management</p>
	<p>He was born on 14<sup>th</sup> June 1956. He has Masters of Science</p>



Obed Manasse Mnene  
**Private Member**

degree in Occupational Hygiene from University of Newcastle upon Tyne and Bachelor of Science degree in Maths, Physics and Computer Science from University of Nairobi. He has been focal person on all matters of Health, Safety and Environment Management at Foto Energy Systems – South Sudan, Consultant Safety and Environment Officer at Sino Hydro Corporation – Kenya and Health, Safety and Environment Officer at Operations and Maintenance Solutions – Kenya.



Robert Nderitu, OGW  
**KNBS**

He was born on 19<sup>th</sup> July 1969. He is a statistician by profession and has over 20 years' experience in the public service.

He holds a Master of Science Degree (Statistics) from Kenyatta University and has expertise in official statistics, strategic management, surveys and censuses implementation and project management.

He is a qualified quality management system internal auditor and currently heads a team of champions, implementing the ISO 9001:2015 Quality Management System in the Bureau. He is a member of the Kenya National Statistical Society.

Currently, he is the Director in charge of Production Statistics at Kenya National Bureau of Statistics.

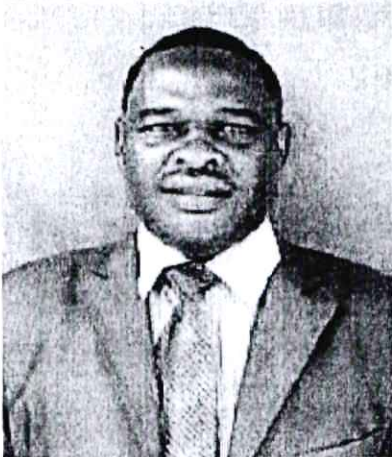




Rebecca Okello  
**COTU**

She was born on 19<sup>th</sup> February 1991. She holds a degree in Environmental Science from Pwani University.

She is currently working at the Central Organization of Trade Union as a program officer under the climate change and environmental program, HIV and AIDS. She is also the Head of Occupational Safety and Health Department.

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 <p>Robert Orina  <b>NEMA</b></p>	<p>He was born on 8<sup>th</sup> September 1968. He is NEMA Chief Enforcement Officer. Have a Msc. in Land and Water management and BSc. in Agriculture from the University of Nairobi. Currently working as the Ag, Deputy Director Compliance in NEMA. Has a cumulative work experience of 23 years in the Public Sector</p>
 <p>Grace Nyakio Njenga  <b>Government Chemist</b></p>	<p>She was born on 6<sup>th</sup> April 1974. She has a Bachelor Degree in Science from Jomo Kenyatta University of Agriculture and Technology.</p> <p>She works with Government Chemist Department. She is currently Assistant Government Chemist in the Government Chemist Department. She is an experienced chemist with broad skills in forensic and analytical chemistry.</p>
 <p>Philip Olong'ojine  <b>Private Member</b></p>	<p>He was born on 1<sup>st</sup> September 1953. He has a higher diploma in medicine and surgery (paeds) from KMTC Nairobi and master of arts in community/pastoral care and HIV/AIDS from the University of Wales, Lampeter UK and St. Pauls University Limuru Kenya.</p> <p>He has over 20 years of professional experience in health management of public institutions across Kenya mainly Moi University.</p>



Anthony Wainaina  
**MOH**

He has master's degree in public health (Epidemiology & Population Health from Maseno University, Kenya and is currently pursuing master's degree in chemicals management from the University of Cape Town. A Public Health Professional with over twenty-nine (29) years of experience in the Public Health space and currently Head, Division of Environmental Health Ministry of Health, Kenya



Dr. Mary Onsarigo  
**NACOSTI**

She was born on 19<sup>th</sup> June 1972. She has a PhD in Agricultural Biotechnology from Queensland university of Technology, Australia, Masters Degree in Agricultural Biotechnology from Kenyatta University, Master's Degree in Information Technology from University of Manchester (UK) and a Bachelor's Degree in Education Science from Moi University.

She is currently an employee of the Kenya National Commission for Science Technology and Innovation.







Dr. Musa Nyandusi  
**Secretary-OSH**

He has a Bachelor's Degree of Medicine and Bachelors degree of Surgery (MBCHB) and Master's Degree of Medicine (MMED) Specializing in Otorhinolaryngology and Head and Neck Surgery.

He has a vast experience in occupational health practice and management,

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**4. Key Management Team**

1.	 <p><b>Dr. Musa Nyandusi</b>  <b>Secretary-OSH and</b>  <b>Secretary, NACOSH</b></p>	<p>He has a Bachelor’s Degree of Medicine and Bachelors degree of Surgery (MBCHB) and Master’s Degree of Medicine (MMED) Specializing in Otorhinolaryngology and Head and Neck Surgery. He has a vast experience in occupational health practice and management,</p>
2.	 <p><b>Simon Mathenge Wanyitu</b>          (Head Administration Unit)</p>	<p>Mr. Simon Mathenge Wanyitu is a safety, health and environment consultant and the Head Administration Unit of the Directorate of Occupational Safety and Health Services, a public entity charged with the implementation of the National Safety Policy.</p> <p>He is a holder of Bachelor’s degree in Science from Jomo Kenyatta University of Agriculture &amp; Technology</p> <p>He is and heading the Administration Unit,</p>
3.	 <p><b>Isaac Mosigeria Mochama</b>          (Head of Accounting Unit)</p>	<p>Mr Isaac Mosigeria Mochama is the Head of Accounting Unit at the Directorate of Occupational Safety and Health Services.</p> <p>He is a holder of CPA(K), ( M/No. 12719), BCOMs (Finance) from Kabarak University and a Post graduate Diploma in Tax from Kenya School of Revenue (KESRA).</p>
4.	 <p><b>Jones Nyakundi</b>          (Head of Supplies Management Unit)</p>	<p>Mr Jones Nyakundi, is the Head, of Procurement. He has Degree in purchasing and management from JKUAT University, a Diploma in purchasing and Supplies management from the University of Nairobi.</p> <p>He has a vast experience in the supplies chain management profession in the public service.</p>

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

The National Council for Occupational Safety and Health (NACOSH) is established under section 27 of the Occupational Safety and Health Act (OSHA 2007) with an advisory role to the cabinet secretary responsible for labour and social protection on matters of occupational safety and health (OSH). In addition, the OSH Fund regulations under the Public Finance Management Act gives NACOSH the mandate to approve expenditure of the Occupational Safety and Health Fund (OSH Fund) at the beginning of each financial year in accordance with the work plan and budget prepared by the Directorate of Occupational Safety and Health Services (DOSHS).

The role of NACOSH is to provide strategic direction to the Directorate of Occupational Safety and Health Services. This is especially in view of the fact that the field of OSH is wide and undergoes rapid changes in practice and in tandem with the developments in industry and the workplaces in general. This strategic direction includes policy as well as legislative changes, promotion of best practices in OSH, maintenance and development of a safety and health preventative culture, creation of awareness on OSH in the Country, innovative ways of administering OSH, process re-engineering, leveraging on technology, resources mobilization and access to organs of state such as the legislative assembly, the judiciary as well as private entities involved in Occupational Safety and Health (OSH).

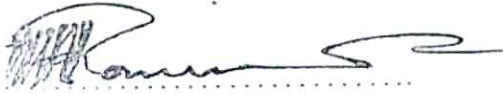
Drawing from a diverse membership both in private and public institutions, NACOSH provides DOSHS with a view of stakeholder representation and makes the administration of OSH more responsive to the needs of all the players in OSH matters.

The Council has been instrumental in providing leadership that has enabled among other initiatives, research on “assessing workers knowledge on occupational safety and health (OSH) legislation in the workplace”, commemoration of the World Day for Safety and Health at Work every year with marked improvements in each consecutive year, formulation of advisories after visits to specific industry sectors and selected DOSHS field offices, provision of oversight in the collection and expenditure of OSH Fund and initiation of legislative reforms towards improving the administration of OSH in Kenya through review of the principal legislations of OSHA and WIBA as well as various subsidiary legislations amongst many other initiatives.

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I look forward with great expectations to the achievement of the Directorate's goals of reducing cases of workplace accidents, diseases and ill-health every passing year. With this positive trend, we will eventually attain the Directorate's Vision of "a healthy worker in a safe work environment".



**Hon. Ali Wario CBS,**  
**Chairperson NACOSH**

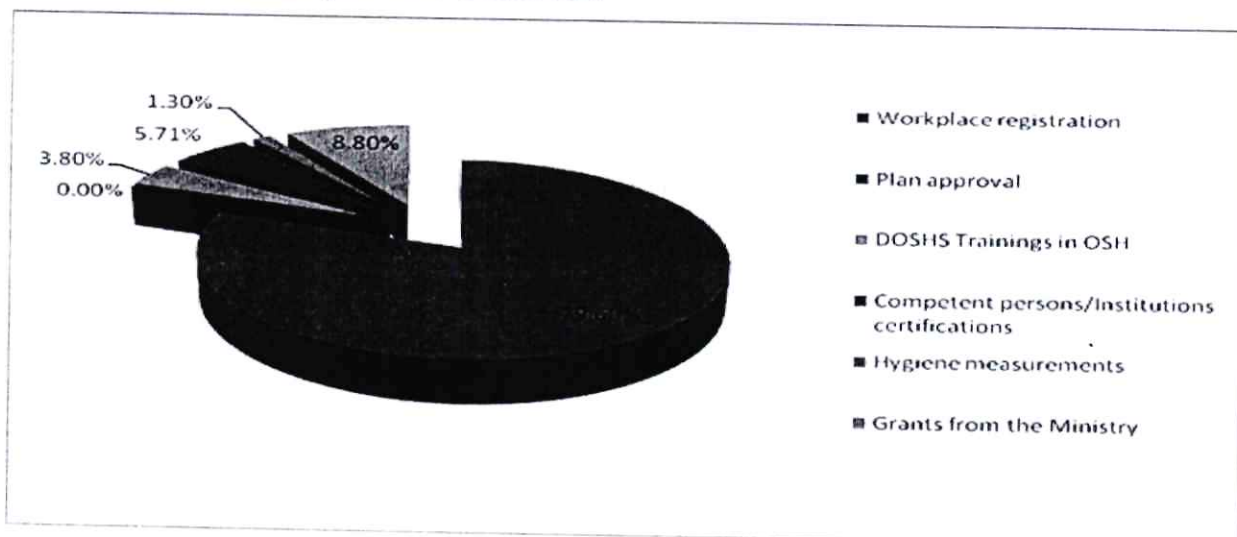
## **6. Report of the Secretary OSH**

The Secretary, Occupational Safety & Health (OSH) administers the Fund in consultation with NACOSH. Existing Government financial and procurement regulations and procedures applies in the administration of the Fund.

Occupational Safety and Health Fund is established under Section 126 of OSHA, 2007. The Fund was actualized under section 26 of the Government Financial Management Act, 2004 and the Government Financial Management (Occupational Safety and Health Fund) Regulations, 2011 Legal Notice No, 14. Monies in the fund are Sourced from Parliament appropriation; grants and donations; annual levy charged on all workplaces registered under Occupational Safety and Health Act; and income generated from the proceeds of the Fund. The expenditure on the Fund is on the basis of preparation and approval of annual work programmes and cost estimates by the NACOSH at the beginning of every financial year to which the funds relate. The fund collections have been in the form of fees charged during registration and renewal of workplace certificates, fees for approval of building plans, fees charged for conducting Occupational Safety and Health training for OSH Committees in workplaces, competent persons & institutions registrations and renewal fees in the proportions outlined as hereunder.

During the 2023/24 Financial Year, a total of Kshs. 145,733,678 was collected from various programmes under the OSH Fund work plan. Majority of the funds are from workplace registration programme where workplaces pay into the fund the OSH Levy and a certification fee upon registration or renewal under the Occupational Safety and Health Act, 2007.

### **Proportions of monies paid into OSH Fund**



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### **Achievements**

Monies from OSH Fund account is utilized in the execution of approved annual work programmes.

In the year ending 30<sup>th</sup> June 2024, the Directorate of Occupational safety and Health Services had the following:-

1. The Occupational Safety and Health Management Information System (OSHMIS) was developed and implemented.
2. Arising from the development of OSHMIS, all the 146 Occupational Safety and Health Officers were sensitized in the use.
3. Arising from the development of OSHMIS, all the 823 Occupational Safety and Health approved persons and institutions were sensitized in the use.
4. A number of trainings were held online to sensitize workers and employers on the use of OSHMIS
5. All services offered by the Directorate of Occupational Safety and Health Services were uploaded onto the digital platform.
6. The Directorate of Occupational Safety and Health Services acquired an ambulant unit.
7. Ministries, Departments, Agencies of Government and County Governments were brought on board within purview of the Occupational Safety and Health when a new unit namely Public Sector OSH was established.

### **Lessons Learnt**

1. The ambulant unit enabled field work to be more comprehensive with all OSH services available as one package when a field visit is made.
2. The OSHMIS remarkably shortened the period of time to execute some OSH services with Workplace Registration being reduced from 3 weeks to a couple of minutes.
3. The OSHMIS was able to rid cases of quack services and forgery because of the Geo-location function in the system.
4. Ministries, Departments, Agencies of Government and County Governments embraced issues of Occupational Safety and Health and eager to move a step further in implementation of the requirements.

### **Challenges**

1. Issues of change management arose during the implementation of the OSHMIS. Many people had been used to the manual ways of OSH operations.
2. Sustainability of the OSHMIS has financial implications and this will have to be factored in future financial projections. OSH Fund was often inadequate for the programme as this system was a donation.
3. Technology and the digital world is very dynamic. Other newer systems may emerge rendering the OSHMIS old fashioned.

**Way Forward**

1. Partnerships will be key in keeping in tandem with emerging technologies and digital economies.
2. Sustainability and servicing of the OSHMIS and Ambulant unit will have to be factored in the future financial estimates to evoke financial support from GoK towards the two.
3. Sustainability of OSH in the public sector will require partnerships with the MDACs. We are hopeful that moving forward, we shall be able to harness this possibility through increased cooperation with state agencies and county governments to realize this goal.



Signed.

**Dr. Musa Nyandusi (MBCHB, MMED)**  
**Secretary OSH**

## **7. Statement of Performance against Predetermined Objectives for FY 2023/2024**

Management of the OSH Fund follows a five-year Strategic Plan which informs the annual budget and the performance contract and report on the extent of the OSH's progress in attaining the objectives of the strategy.

At the lapse of an annual financial period a report on the targets met those not met challenges and opportunities of the OSH in implementation of its Strategic Plan is made. This report is made in accordance with section 81 (2) (f) of the Public Finance Management Act requires that, at the end of each financial year, the accounting officer when preparing financial statement of each Government OSH. The statement should be in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board which outlines the OSH's performance against predetermined objectives/targets This statement details the OSH's financial activities for the 2022/23 FY in the said format.

The National Council for Occupational Safety and Health has the strategic main objective of advising the Cabinet Secretary on—

- (a) The formulation and development of national occupational safety and health, policy framework;
- (b) Legislative proposals on occupational safety and health, including ways and means to give effect to International Labour Organization Conventions, and other international conventions and instruments relating to occupational safety, health, compensation and rehabilitation services;
- (c) Strategic means of promoting the best practices in occupational safety and health;
- (d) The establishment, maintenance and development of a safety and health preventative culture;
- (e) The reviewing of the provisions of the Occupational Safety And Health Act, rules and regulations, standards, industry codes of practice;
- (f) The statistical analysis of work related deaths and injuries; and
- (g) Formulation and publication of standards, specifications or other forms of guidance for the purpose of assisting employers, employees and other users to maintain appropriate standards of occupational health and safety

The Council may—

- (a) Establish committees in respect of different industries for the purpose of assisting the Council to perform its functions in relation to industry codes of practice ; and
- (b) investigate and make recommendations to the Cabinet Secretary on any matter connected with the safety and health of persons at work.

The Council may—

- (a) Establish committees in respect of different industries for the purpose of assisting the Council to perform its functions in relation to industry codes of practice; and
- (b) Establish such other committees as it deems necessary for the purpose of assisting the Council to perform its functions.

### **Achievements Under Performance Contracts**

- a) The National Occupational Safety and Health (OSH) policy was developed in 2011 and is under implementation.
- b) Among the Legislative reforms that are targeted include ratification of International Labour Organization Conventions C155 and C187.
- c) The World Day for safety and Health is marked on 28<sup>th</sup> of April every year and it's a strategic means of promoting the best OSH practices and preventive culture.
- d) The annual OSH Awards have established a preventive OSH Culture.
- e) The OSH Act and Work Injury Benefit Act are under review and the Bills are at an advanced stage of the legislative process.
- f) All data relating to workplace accidents are maintained at DOSHS for statistical analysis and OSH planning.
- g) A number of standard operating procedures have been developed to govern OSH services.

The Council has four constituent committees which operates under particular term of reference to execute its Legal mandate. They include:

- i) Finance, Legal and Communication Committee.
- ii) Agriculture, Health and Service Sector Committee.

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- iii) Extractive and Construction Sector Committee.
- iv) Manufacturing Sector Committee.

**Progress on the attainment of Strategic Objectives through Performance Contracting**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide a SWOT analysis for tracking progress on attaining the stated objectives:

Skilled and competent staff	<ul style="list-style-type: none"> <li>• Efficient and effective service delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Motivation and continuous capacity building</li> </ul>
Institutional, legal and policy framework	<ul style="list-style-type: none"> <li>• Conducive environment for implementation of programmes and projects</li> </ul>	<ul style="list-style-type: none"> <li>• Regular review of institutional, legal and policy frameworks to address emerging issues</li> </ul>
Representation in 29 counties and 2 sub-Counties serving all regions in Kenya.	<ul style="list-style-type: none"> <li>• Facilitates outreach of programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen capacity at all levels</li> <li>• Building partnership and Strengthening coordination nationally.</li> </ul>
ICT infrastructure and supporting skills	<ul style="list-style-type: none"> <li>• Facilitates outreach of programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Embrace ICT in all activities.</li> </ul>
	<ul style="list-style-type: none"> <li>• Efficiency in service delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous improvement on ICT skills and infrastructure upgrading</li> </ul>
Inadequate resources (finances, infrastructure, equipment, vehicles)	<ul style="list-style-type: none"> <li>• Hamper service delivery</li> <li>• Delay in project completion</li> <li>• Inhibit adequate Training</li> </ul>	<ul style="list-style-type: none"> <li>• Lobby and mobilize for resources</li> <li>• Enhance partnership and collaboration</li> </ul>
Low Staffing (low staff levels against approved staff establishment)	<ul style="list-style-type: none"> <li>• Poor service delivery</li> <li>• Poor succession management.</li> </ul>	<ul style="list-style-type: none"> <li>• Recruit more staff</li> </ul>
Poor Retention of technical staff	<ul style="list-style-type: none"> <li>• Poor service delivery</li> <li>• Poor knowledge management</li> </ul>	<ul style="list-style-type: none"> <li>• Improve work environment.</li> </ul>

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Lack of Specialized Skills in OSH disciplines	<ul style="list-style-type: none"> <li>• Gaps in implementation of OSH disciplines.</li> </ul>	<ul style="list-style-type: none"> <li>• Train Technical Staff in all OSH disciplines.</li> </ul>
Inadequate enforcement of reward and sanctions strategy	<ul style="list-style-type: none"> <li>• Low staff morale</li> </ul>	<ul style="list-style-type: none"> <li>• Revitalize reward and sanctions strategy</li> </ul>
Weak M&E framework	<ul style="list-style-type: none"> <li>• Inadequate evidence-based decision making</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen M&amp;E system</li> </ul>
Lack of alternative Dispute resolution (ADR) mechanism.	<ul style="list-style-type: none"> <li>• Prolonged disputes</li> </ul>	<ul style="list-style-type: none"> <li>• Developing ADR guidelines</li> </ul>
Inadequate Representation in all Counties	<ul style="list-style-type: none"> <li>• Poor service delivery</li> <li>• Inadequate recognition</li> </ul>	<ul style="list-style-type: none"> <li>• Representation in all Counties</li> </ul>
Employer liability-based scheme (Blame based)	<ul style="list-style-type: none"> <li>• Inadequate compensation</li> <li>• Prolonged settlement of claims by employers.</li> <li>• Delayed Resolution on litigation.</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of Social insurance-based scheme.</li> </ul>
Lack of Autonomy in decision making and Resource allocation.	<ul style="list-style-type: none"> <li>• Inadequate coverage of Counties</li> <li>• Poor resource allocation</li> </ul>	<ul style="list-style-type: none"> <li>• Transformation of DOSHS into an Authority</li> </ul>
Low visibility of the Directorate	<ul style="list-style-type: none"> <li>• Inadequate recognition</li> <li>• Inadequate support</li> <li>• Negative public image</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement Directorate's communication strategy</li> <li>• Enhance awareness of Directorate's programmes and activities</li> </ul>
Inadequate coverage on SMEs and Public Sector Organizations.	<ul style="list-style-type: none"> <li>• Poor Safety Culture</li> </ul>	<ul style="list-style-type: none"> <li>• Mainstreaming OSH in SMEs and Public Sector Organizations.</li> </ul>
Lack of policies addressing Mental Health and Non-Communicable Diseases (NCDs).	<ul style="list-style-type: none"> <li>• High prevalence</li> <li>• Lack of intervention mechanisms.</li> </ul>	<ul style="list-style-type: none"> <li>• Development of policy and guidelines on Mental Health and Non-Communicable Diseases (NCDs).</li> </ul>
Declaration of Occupational Safety and Health as a Fundamental Principle and Right at work by the ILO.	<ul style="list-style-type: none"> <li>• Recognition and enhanced support in OSH programmes globally.</li> </ul>	<ul style="list-style-type: none"> <li>• Institutional collaboration with ILO and local Organizations.</li> </ul>

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Prominence of mental health as a workplace problem internationally.	<ul style="list-style-type: none"> <li>• Increased awareness</li> <li>• Demand for interventions</li> <li>• Increased resource allocation.</li> </ul>	<ul style="list-style-type: none"> <li>• Development and implementation of mental health &amp; NCDs programmes.</li> </ul>
Political good will	<ul style="list-style-type: none"> <li>• Recognition and enhanced support from government</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous advocacy</li> </ul>
Support and collaboration from stakeholder and development partners	<ul style="list-style-type: none"> <li>• Complement governments support</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance collaboration and networking</li> </ul>
Existence of National Digital Superhighway Plan	<ul style="list-style-type: none"> <li>• Improved efficiency and effectiveness of service delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Develop, maintain and create awareness on e-programmes</li> </ul>
Emerging OSH issues	<ul style="list-style-type: none"> <li>• Develop new interventions</li> </ul>	<ul style="list-style-type: none"> <li>• Development of policies and guidelines</li> </ul>
Overlapping of mandate at both levels of Government and within MDAs	<ul style="list-style-type: none"> <li>• Competing priorities</li> <li>• Lack of accountability</li> <li>• Compromised service delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Create dialogue forum to lobby relevant arms of government to clarify and enforce mandates across ministries</li> <li>• Engagement with relevant arms of government to ensure due diligence</li> <li>• Enhance collaboration and support continuous engagement</li> </ul>
Inadequate Staffing Levels	Work overload	
Staff Stagnation		
Rapid growth of the informal sector.	<ul style="list-style-type: none"> <li>• Poor Safety Culture</li> </ul>	<ul style="list-style-type: none"> <li>• Mainstreaming OSH in the informal sector.</li> </ul>

### 8. Corporate Governance Statement

Corporate governance is the process by which institutions are directed, controlled and held to account.

#### Council meetings.

The Council holds meetings at least four (4) times a year. Preceding each of the Council Meetings is a Meeting Convened by each of the four (4) Committees listed here under. Every year a Calender is drawn for the Council Meetings in that year. The Council members are given appropriate and timely information so that they can maintain full and effective control over strategic, financial, operational and compliance issues. The Accounting Officer has the responsibility for establishing and maintaining the institutions internal controls in financial, operational and compliance issues as well as implementing strategies for the long-term success of the institution.

#### NACOSH MEETINGS

<b>Date</b>	<b>Type of activity</b>	<b>Agenda</b>
02/08/2023	NACOSH Full Council Meeting	<ol style="list-style-type: none"> <li>1. Welcoming remarks.</li> <li>2. Induction of members.</li> <li>3. Election of the Vice Chairperson.</li> <li>4. DOSHS expectations on current NACOSH.</li> </ol>
07/08/2023	NACOSH Full Council Meeting	<ol style="list-style-type: none"> <li>1. Presentation, discussion and approval of draft 2023/24FY OSH Fund Work Plan.</li> </ol>
11-12/10/2023 17-18/10/2023	ECC, FLC, AHS & MS Committee meetings.	<ol style="list-style-type: none"> <li>1. Formulation of TORs</li> <li>2. Preparation of annual work plan/three-year work plan.</li> </ol>
21-24/11/2023	ECC, FLC, AHS & MS Committee meetings	<ol style="list-style-type: none"> <li>1. Finalization of formulation of TORs and committee's work plan</li> </ol>
14/12/2023	NACOSH Full Council Meeting.	<ol style="list-style-type: none"> <li>1. Presentation of committee chairperson's reports,</li> </ol>

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		discussion and adoption of Committee's TORs and Work Plans.
15-18/01/2024	ECC, FLC, AHS, MS	<ol style="list-style-type: none"> <li>1. Discussion of deliberations of the Full Council on the ECC chairperson's report.</li> <li>2. Presentation and discussion of Factories and other places of work (noise prevention and control) rules.</li> <li>3. Presentation and discussion of draft OSH compliance guideline for MSE sector.</li> <li>4. Discussion and scheduling of workplace visits.</li> </ol>
7/2/2024	Special FLC Meeting	<ol style="list-style-type: none"> <li>1. Review of OSH Fund performance report for the period ending 31st December, 2023.</li> <li>2. Review of OSH Fund 2023/2024 FY Work plan for adoption.</li> </ol>
08/02/2024	NACOSH Full Council Meeting.	<ol style="list-style-type: none"> <li>1. Presentation and adoption of FLC chairperson's report on: -             <ol style="list-style-type: none"> <li>a. OSH Fund performance report for the period ending 31<sup>st</sup> December,</li> </ol> </li> </ol>

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		2023.  2. Presentation, discussions and approval of the reviewed OSH Fund 2023/2024 FY Work plan.
04/03/2024	Visits – FLC	Visit to Nakuru DOSHS Offices
14/03/2024	Visits – ECC	Visit to artisanal mines situated within Kakamega County
19/03/2024	Visits – MS	Visit to Surge Energy Ltd and Kreative Concrete Products Ltd situated within Kajiado County
21/03/2024	Visits – AHS	Visit to Machakos County Referral Hospital and Bristol Park Hospital situated within Machakos County
23-28/04/24	NACOSH members Induction, ECC, FLC, AHS, MS meetings & WDSH Participation	1. Review of report on field visits.  2. Committee report for presentation to full NACOSH.
25/04/24	NACOSH Full Council Meeting.	1. Presentation of committees' chairperson's reports

**Council committees**

The Council has four sub-committees, which regularly meet under the terms of reference set by the Council. They are:

- a) Agricultural committee
- b) Extractive and constructive committee
- c) Finance and legal committee
- d) Manufacturing and service committee

### **Succession Plan**

Occupational Safety and Health Fund Council members are appointed by the Accounting Officer and later gazetted in Kenya gazette. The Council is composed of eleven members and three co-opted members. All the Council members are non-executive. The current Council is the third and was appointed by the Cabinet Secretary:-

### **Appointment and removal of Council members**

Occupational Safety and Health Fund Council members are appointed by the Accounting Officer and later gazetted in Kenya gazette. The Council is composed of eleven members and three co-opted members. All the Council members are non-executive. The current Council is the third and was appointed by the Cabinet Secretary, Ministry for Labour on 20<sup>th</sup> September, 2019 and 17<sup>th</sup> January, 2020 and their term ends in 2022. The Council members can be removed from the office if they contravene chapter six of the constitution.

### **Roles, functions and Induction of the Council**

The National Council for Occupational Safety and Health (NACOSH) is a body established under the Occupational Safety and Health act,2007(OSHA,2007). The mandate of the Council is to advise the Cabinet Secretary responsible for labour on matters relating to the improvement of occupational safety and health and hence the quality of working life in Kenya including policies, legislations and strategies of promoting best practices in Occupational Safety and Health (OSH). It is also charged with the establishment, maintenance and development of safety and health preventive culture.

In addition, the OSH Fund regulations under the Public Finance Management Act gives NACOSH the mandate to approve expenditure of OSH Fund at the beginning of each financial year in accordance with the work planned budget prepared by DOSHS. Before commencement of Operations of the Council members are inducted through the activities of DOSHS and the roles to be played by the council. With regards to conflict of interest the Laws,relating to Conflict of Intrest come into play and all Council Members are made privy to the same.

### **Remuneration of the Council**

The Council is not on a salary, because they are not full time employees, nevertheless their expenses are reimbursable and they are paid sitting allowance and any other allowances that are relevant to them according to Public Service and National Treasury Circulars.

### **Ethics and Conduct**

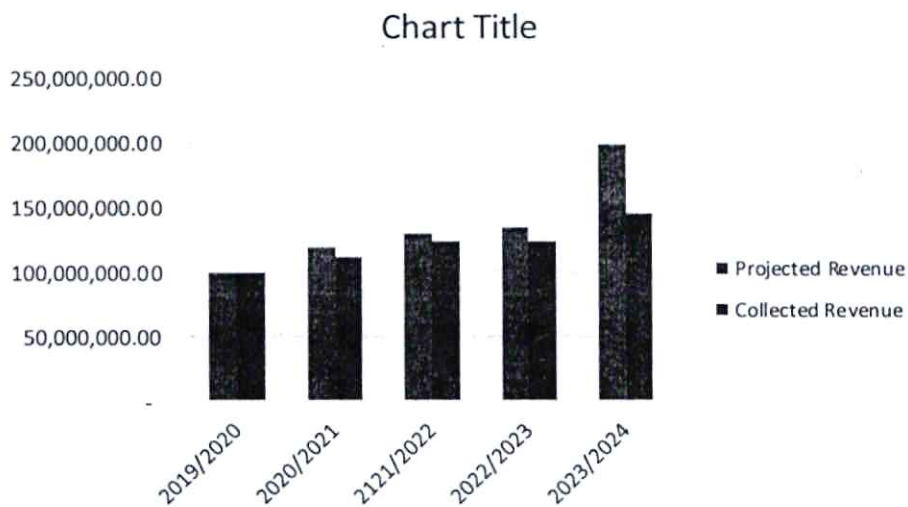
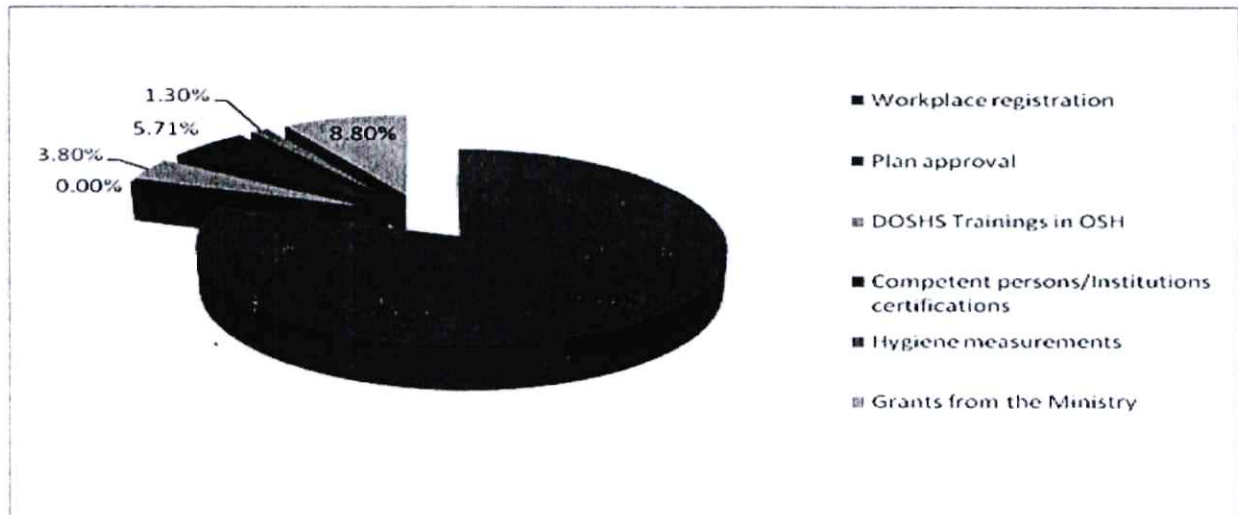
The Council members are committed to the need to conduct the operations of the institution with integrity and in accordance with generally accepted corporate practice and endorse the internationally developed principles of corporate governance. They also adhere to chapter six and twelve of the Kenyan Constitution.

Matters to do with Corporate Governance of the Council are provided in the 3<sup>rd</sup> Schedule of the OSH Act.2007.

The function and role of the Council as stipulated in the OSH Act is devoid of Whistle blowing.

**9. Management Discussion and Analysis**

Management is guided by an Annual Work plan which outlines activities of the fund for the year under review. Performance indicators and expected outputs are clearly articulated and the OSH/individuals tasked with achieving the set objectives as outlined here below.



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

The DOSHS has the mandate of entering, inspecting and examining workplaces, and every part thereof to ensure safety and health. DOSHS has responsibility of taking measurements and photographs and making such recordings as may necessary for the purposes of any examinations or investigation under the Occupational Safety and Health Act, 2007. It is also responsible for taking and removing samples of any articles or substances found at any place of work. It has responsibility of examining registers, certificates, notices and documents kept in pursuance of the Act and to inspect, examine and copy any of them. DOSHS also has responsibility of examining every person found in a workplace and require every such person to sign a declaration of the truth of the matters respecting which he is so examined. DOSHS has a responsibility of carrying out such medical examinations as may be necessary for the purposes of his duties under the Act.

### **i) Sustainability strategy and profile**

The Ministry of Labour and Social Protection and International Labour Organization (ILO) have a long history of partnership. In all the laws whose provisions the Ministry administers, there is a lot that has been borrowed from the ILO Conventions. Among the conventions, recommendations and protocols that relate to the pieces of legislation administered by the Ministry are: -

- Labour Inspection Convention No. 81 (1947).
- Labour Inspection Recommendation No. 81 (1947).
- ILO Protocol of 1995 to Convention 81
- Occupational Safety and Health Convention – C155 of 1981
- Occupational Safety and Health Services Convention – C161 of 1985
- Safety and Health in Construction Convention – C167 of 1988
- Promotional Framework for Occupational Safety and Health Convention, C187 of 2006
- Employment injury Benefits convention – C121 of 1964
- Violence and Harassment Convention – C190 of 2019,

to name just but a few.

ILO has been a partner in many other fronts geared towards ensuring that workplaces in the country endeavour to comply with International Labour Standards (ILS) and adopt Acceptable Conditions of Work (ACW). Compliance with international provisions has a ripple effect of yielding workplace

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compliance with national laws. In relation to the safety and health of workers, partnership with ILO embraces the adoption of occupational safety and health as a fundamental principle and right at work. The following has been achieved from the partnership;

- i. Technical officers from DOSHS benefited from training on capacity building.
- ii. The Ministry's inspectorate will soon benefit from establishment of an Electronic Case Management System (ECMS) which will go a long way in elevating to a digital platform in execution of Ministry's mandate.
- iii. A number of field work tools applied at workplaces were reviewed courtesy of this partnership. The reviewed tools include those for medical surveillance, assessment and examination, safety inspections and examinations, Occupational hygiene measurements, workplace registration and injury compensation tools
- iv. 2 Acts namely Occupational Safety and Health Act, 2007 and Work Injury Benefits Act, 2007 are under review and ILO has been instrumental in input to the drafts.
- v. Development of a labour inspection tool kit for use by labour and Occupational Safety & Health (OSH) officers.
- vi. The following legislations subsidiary to the Occupational Safety and Health Act, 2007 were reviewed courtesy of ILO.
  - The Factories (Protection of Eyes) Rules, 1978 L.N. 44
  - The Factories (Docks) Rules 1962 L.N.306
  - The Factories (Woodworking Machinery) Rules 1959 L.N.431.

**ii) Environmental performance /climate change/ mitigation of natural disasters**

The Directorate of Occupational Safety and Health Services ensures compliance with the Occupational Safety and Health Act 2007, and for processing injury compensation claims under the Work Injury Benefits Act 2007 ("WIBA). Occupational Safety and Health is a work environment within the larger environment.

**iii) Employee welfare**

The hiring of staff in the DOSHS has always been done at the Public Service Commission where regulations and guidelines of recruitment of public servants prevail. Public Service policies guiding the hiring process and whether the gender ratio, are applied. Improvement of skills and career management, appraisal, and reward system are applied for all members of staff in DOSHS. All technical officers in DOSHS are appointed with requirements provided for in section 26 of the

Occupational Safety and Health Act, 2007 which require that the appointee must be a holder of a degree in science, medicine, engineering, chemistry, physics, biochemistry, nursing, zoology, computer science, occupational safety and health or industrial hygiene. Thereafter the appointee also known as the occupational safety and health officer will have his name published in the Gazette. DOSHS initiated the development of the National Occupational Safety and Health Policy in compliance with Occupational Safety and Health Act of 2007, (OSHA). Technical officer in DOSHS, being practitioners of occupational safety and health oversee compliance and form part thereof.

**iv)Market place practices-**

Business practices in DOSHS are maintained in accordance with the relevant laws relating to the business in question. Suppliers of DOSHS are responsibly treated and paid promptly by honouring contracts and respecting payment practices in accordance with the Public Procurement and Disposal Act.

**a) *Responsible competition practice.***

The Directorate of Occupational Safety and Health Services, implements principles that helps foster a healthy competitive environment, where businesses can thrive ethically and sustainably through compliance of occupational safety and health standards. Such principles include: -

**1. Anti-Corruption:**

- **Clear Policies:** The Directorate adheres to the anti-corruption policies and codes of conduct set by the government for all MDCAs.
- **Training & Awareness:** Members of the Council and staff are reminded on anti-corruption laws and ethical behavior during induction and skills development trainings.

**2. Responsible Political Involvement:**

- **Compliance:** The Directorate adheres to all legal requirements and guidelines regarding political involvement and lobbying.

**3. Fair Competition:**

- **Ethical Marketing:** Efforts are made to eliminate any false advertising, misleading claims, and unfair marketing practices. This is also enshrined in the OSHA, 2007 for inspectors/officers not to disclose any trade secrets of enterprises.

**4. Respect for Competitors:**

**Collaboration:** Engage in industry associations or initiatives that promote fair practices and collaboration in the promotion safety and health standards in industry

**b) *Responsible Supply chain and supplier relations***

**1. Honoring Contracts:**

- **Clear Agreements:** The Directorate drafts clear, detailed contracts that outline terms, conditions, and expectations for both parties as per procurement regulations.
- **Open Communication:** it also maintains transparent and regular communication with suppliers to address any concerns or changes promptly.

**2. Respecting Payment Practices:**

- **Prompt Payments:** DOSHS endeavours to pay invoices on time and avoid delaying payments unnecessarily. To improve the efficiency of the payment processing systems, digitalization is being considered in the next phase of the development of the OSH management information system.

**3. Building Strong Relationships:**

- **Regular Feedback:** DOSHS provides its suppliers constructive feedback and engage in continuous improvement efforts together.

**4. Ethical Sourcing:**

- **Compliance:** The Supply Chain Management unit of DOSHS ensures that suppliers adhere to relevant legal and regulatory standards.

**c) *Responsible marketing and advertisement***

Efforts that the Directorate of Occupational Safety and Health Services uses to build trust with its customers and create a positive, ethical brand image and enumerated herein below.

**1. Truthful Advertising:**

- **Honesty:** DOSHS ensures all advertisement materials accurately represent the services offered and avoids making exaggerations.

**2. Respect for Privacy:**

- **Data Protection:** As a data controller registered with the Office of the Data Protection Commissioner (ODPC), the Directorate safeguards customer data and only use it with in accordance to data protection law and regulations.

**3. Fair Pricing Practices:**

- **No Hidden Fees:** DOSHS clearly discloses all costs associated with goods and services as provided for in the Occupational Safety and Health (Fees charged for OSH Services) Regulations, No. 50 of 2022.

**4. Continuous Improvement:**

- **Feedback Mechanisms:** The Directorate encourages and acts on feedback from customers and stakeholders to improve ethical standards.

**d) Product stewardship**

DOSHS endeavours to implement measures, geared to build trust with consumers, foster compliance, and inculcate a positive safety and health culture to occupiers and employers through the following means: -

**1. Transparent Communication:**

- **Clear Information:** Provides clear, accurate, and accessible information about services, including pricing, terms, and conditions.

**2. Fair Treatment:**

- **Equal Opportunity:** Treats all customers fairly and without discrimination based on race, gender, age and disability.

**3. Consumer Privacy:**

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- **Data Protection:** Implements data protection measures to safeguard consumers' personal information.

**4. Product Safety and Quality:**

- **Safety Standards:** Ensure services meet all relevant safety and quality standards and regulations.

**5. Corporate Responsibility:** Commit to ethical business practices and corporate social responsibility initiatives.

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

The Directorate of Occupational safety and Health Services has on an annual basis taken its place in sensitizing workers and the general public on matters occupational safety and health during the World Day for Safety and Health at Work. This is achieved through forums in all media platforms. The DOSHS has also in the same period conducted occupational medical camps for persons working in the informal and MSE sectors.

Activities	Outputs	Output Indicators	Unit of Measure	Target for 5 Years (2018/19 to 2022/23)	Achievements for 5 Years (2018/19 to 2022/23)
Lobby for enactment and implementation of Bills on Occupational Safety and Health	Operationalize Occupational Safety and Health (OSH) Bill, Work injury compensation Bill and OSH Practitioners Bill	Operational OSH Act, WIC Act, OSH Practitioners Act	Status	OSH Act, WIC Act, OSH Practitioners Act	Drafts are at the AGS office, after initial rejection by National Treasury for amendments.
	Occupational Safety, Health and Work Injury Compensation Authority (OSHICA) established	Operational OSHICA	Status	OSHICA	Drafts are at the AGS office, after initial rejection by National Treasury for amendments.
	Occupational diseases fund established	Operational occupational diseases Fund	Status	100%	No action yet as legal framework still pending
	Operational OSHP	Operational professional body	Status	Operational OSHP Act	Zero draft prepared
Review the OSH Policy	OSH Policy Reviewed	Operational Policy	Status	OSH Policy Reviewed	Commenced but no major steps taken.

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Activities	Outputs	Output Indicators	Unit of Measure	Target for 5 Years (2018/19 to 2022/23)	Achievements for 5 Years (2018/19 to 2022/23)
Develop and review OSH subsidiary legislations, regulations, codes of practice and guidelines in existing and emerging sectors	Oil, Gas, mining, biohazard exposure and HIV/AIDS at Work regulations developed	No. of regulations developed	3	3	oil and gas regulations prepared and are at the age for legal drafting
	Scaffolding, medical examinations and safety Codes of Practice (CoPs) developed	No. of CoPs Developed	Status		Ongoing awaiting printed
	Max and min Work Injury compensation amounts, BOHS and approved persons guidelines developed	No. of guidelines developed	Number	4	Approved persons and OSH standing instructions developed
	Existing OSH rules and codes of practice (CoPs) reviewed	No. of existing rules and CoPs reviewed	Number	3	COPs reviewed but not printed yet.
Ratify ILO conventions 155, 161, 187 and 121	Conventions ratified	No. of ratified conventions	Number	5 ILO C155, C161, C187, C121 ratified	Non ratified
Finalize and implement the National Policy and the policy on HIV and AIDS at work	Policy on HIV&AIDS at work finalized and implemented	Operational Policy on HIV&AIDS at work	Number	12	Not yet developed
capacity building for DOSHS Staff on specialized areas of OSH	Staff Trained on specialized OSH areas	No. of staff trained on oil and gas, prosecution and occupational hygiene	Number	450	180 officers trained in Oil and Gas, Child labour, prosecution and Occupational Hygiene.
Enhance the collection capacity of the OSH Fund	workplaces contributing to OSH fund increased	No. of Number of workplaces contributing to OSH Fund	Number	75,000	68036 workplaces contributed to the fund

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Activities	Outputs	Output Indicators	Unit of Measure	Target for 5 Years (2018/19 to 2022/23)	Achievements for 5 Years (2018/19 to 2022/23)
Mainstream Basic Occupational Health Services (BOHS) into primary healthcare System	Reporting tool for reporting of occupational disease in primary health care developed	Operational BOHS tool	Status	Status	Not implemented
	Reports of patients with work related injuries and diseases from primary health care facilities submitted.	No. of reports submitted.	Number	168	None
	Workers in health care facilities sensitized on Basic Occupational Health Services (BOHS)	No. of health care facilities sensitized on BOHS	Number	89	145
	Work injury evaluation panels in level 5 hospitals operationalized	No of WIEP operationalized	Status	47	None
	Occupational diseases data collected and compiled	No. of reports on OD data compiled	Number	168	None
Implement ILO's Work Improvement Neighbourhood Development (WIND) programme in 4 crop production sub-sectors	ILO's WIND programme implemented	Programme report	Status	Rice, Sugarcane, Tea, Maize Coffee	Held one for Rice farmers
	Farmers sensitized on programme	No. of farmers sensitized	Number	2,638	500
	TOT course for leaders mounted	No. of leaders trained	Number	112	None
	Monitoring and evaluation on OSH improvements conducted	M&E report	%	100%	None
Improve Occupational safety and	Sensitization workshops for jua kali artisans held	No. of jua kali artisans sensitized	Number	16,350	1400

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Activities	Outputs	Output Indicators	Unit of Measure	Target for 5 Years (2018/19 to 2022/23)	Achievements for 5 Years (2018/19 to 2022/23)
health standards in Micro and Small Enterprises (MSEs)					
Mainstreaming OSH in construction industry through scrutiny and approval of and scaffolds	Architectural plans for buildings scrutinized for safety	No. of architectural plans scrutinized	Number	1,383	435
	Architectural plans for buildings approved	No. of architectural plans approved	Number	1,034	405
	Scaffolds for working at height certified	No. of scaffold certified	Number	870	None
Hold annual OSH awards and awareness campaigns	World day for safety and health at work event held and report compiled	Event report	Number	5	4 held except 2021 due to COVID
	Annual OSH Conference held	OSH Conference report	Number	5	3
Develop and implement a ranking mechanism to award safety and health improvements in workplaces	OSH Awards competitors awarded	No. of OSH awardees	Number	84	80
Develop and implement a national communication strategy on OSH	Communication strategy on OSH developed and implemented	Operational Strategy	Status Number	Implemented strategies	not
Develop capacity in training and research on	workers and employers trained on OSH, first aid and fire safety	No. of workers trained	Number	41,500	53000

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Activities	Outputs	Output Indicators	Unit of Measure	Target for 5 Years (2018/19 to 2022/23)	Achievements for 5 Years (2018/19 to 2022/23)
Occupational Safety and Health (OSH)	Research on OSH areas undertaken	No. of research reports published	Number	562	0
	Skills imparted in 16 OSH competencies	No of graduate trainees	Status		None
Develop an integrated Occupational Safety and Health Information Management System (OSH-MIS) and digital information centre	Integrated OSH-MIS developed	OSH-MIS	%	100%	In progress at procurement stage
	Updated library and library catalogue	Operational digital information centre	Number		Not yet
Carry out a baseline survey of number of workplaces, hazardous industrial plants, workers in hazardous occupations and major hazard installations	Survey on workplaces conducted	No. of Counties covered in baseline survey	Number	46	2
Conduct Medical examination of workers in hazardous occupations	Workers in hazardous occupations medically examined	No of workers examined	Number	126,240	421,000
Examine and test hazardous industrial plant and equipment	hazardous industrial plant and equipment examined and tested	No. of plant examined and tested	Number	16500	82500

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Activities	Outputs	Output Indicators	Unit of Measure	Target for 5 Years (2018/19 to 2022/23)	Achievements for 5 Years (2018/19 to 2022/23)
Purchase and maintain specialized equipment and Laboratory materials	Specialized field equipment purchased and maintained	No. and type of equipment purchased/maintained	Number	33 Medical eqpt 57 Hygiene eqpt 24 Safety eqpt	To Send
Carry out inspections and audits for compliance with OSH Act.	OSH inspections and Audits carried out	- No. of OSH inspections and Audits carried out - No. of prosecutions cases conducted	Number	104,000	120,000
	workplace contaminants evaluated	No. of workplaces evaluated	Number	276	9572
Process and facilitate settlement of work injury benefits claims	WIB claims settled	percentage of WIB claims settled	%	60%	43
Complete and operationalize the occupational safety and health institute	Building Completed	Completed building	%	100%	87
	Institute equipped	No. and type of equipment purchased	%	57.6%	0
Safety house rehabilitated	Rehabilitated premises	% Rehabilitation rate	76%	100%	Phase 1 100%

formal sector (MSMEs).

### **11. Report of the Council Members**

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

#### **i) Principal activities**

The principal activities of DOSHS, in the administration of the OSH Fund continue to be: -

- To inspect workplaces to ensure compliance with occupational safety and health Act, 2007.
- Carrying out medical examinations and surveillance of workers' health.
- Approving architectural plans of buildings intended for use as workers.
- Disseminating information on OSH to employers, employees and other interested parties.
- To study and review policies and legislations of occupational health and safety
- To enforce the following legislations:
  - Occupational Safety and health Act, 2007 and its regulations.
  - Work Injury Benefits Act, 2007
- To conduct research and technical analysis on issues related to occupational safety and health at the workplace.
- To carryout promotional and publicity programs to employers, workers and general public to foster and increase the awareness of occupational safety and health.
- To provide advisory service and information to government and private agencies pertaining to management and technical aspects of occupational safety and health.

#### **ii) Results**

The results of the OSH for the year ended June 30, 2023 are set in the lower pages.

#### **iii) Council Members**

The members of the Council who served during the year are shown on the above pages. During the year, some members terms expired in December 2022 and one new member was gazetted in 2<sup>nd</sup> June 2023 and their term ends in June 2023. Seven more members were appointed in 14<sup>th</sup> July for a period of 3 years. Independent members have not been appointed.

**iv) Auditors**

The Auditor-General is responsible for the statutory audit of the OSH Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. Certified Public Accountants were nominated by the Auditor General to carry out the audit of the OSH Fund for the year/period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

Signed



**Dr. Musa Nyandusi (MBCHB, MMED)**  
**Secretary OSH**

## **12.Statement of Directors Responsibilities**

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


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

The Directors accept responsibility for the *OSH'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 Directors are of the opinion that the *OSH's* financial statements give a true and fair view of the state of *OSH's* transactions during the financial year ended June 30, 2023, and of the *OSH's* financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the *OSH*, which have been relied upon in the preparation of the *OSH's* financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Directors have assessed the *OSH's* ability to continue as a going concern and nothing has come to the attention of the Directors to indicate that the *OSH* 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 *OSH's* financial statements were approved by the Board on \_\_\_\_\_ 2024 and signed on its behalf by:

Signature.   
Hon Ali Wario CBS  
**Chairman, NACOSH**

Signature   
Dr. Musa Nyandusi (MBCHB, MMED)  
**Secretary – OSH**

# REPUBLIC OF KENYA

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*Enhancing Accountability*

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON OCCUPATION SAFETY AND HEALTH FUND FOR THE YEAR ENDED 30 JUNE, 2024**

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### **PREAMBLE**

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

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

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

#### **Opinion**

I have audited the accompanying financial statements of Occupation Safety and Health Fund set out on pages 1 to 37, which comprise of the statement of financial position as at 30 June, 2024 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 Occupation Safety and Health Fund as at 30 June, 2024 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 Occupational Safety and Health Act, 2007 and the Public Finance Management Act, 2012.

### **Basis for Opinion**

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects total receipt budget and actual receipt budget of Kshs.199,370,000 and Kshs.145,733,678 respectively resulting to revenue shortfall of Kshs.53,636,322 or 27%. Further, the statement reflects a total expenditure budget and total actual expenditure of Kshs.175,445,000 and Kshs.156,098,593 respectively resulting to under expenditure of Kshs.19,346,407 or 11%. Further, the statement reflects acquisition of asset budget and actual expenditure of Kshs.23,925,000 and Kshs.8,981,500 respectively on acquisition of asset resulting to under expenditure of Kshs.14,943,500 or 62%.

In the circumstances, management is not able to achieve the strategic goals and objectives of the Fund.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. I have determined that there are no other key audit matters to communicate in my report.

### **Other Matter**

In the audit report of the previous year, several issues were raised under the Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management had not resolved several issues.

## **Other Information**

The Management is responsible for the other information set out on page iii to xliii which comprise of Key OSH Information and Management, The Board of Directors, Key Management Team, Chairman's Statement, Report of the Secretary, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and Report of the Council Members. The Other Information does not include the financial statements and my audit report thereon

In connection with my audit on the Fund's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information I am required to report that fact. I confirm that other information is not materially inconsistent with the financial statements.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Unprocedural Procurement of Use of Goods and Services**

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects use of goods and services of Kshs.134,021,112 which includes procurements of Kshs 2,339,500 Audit verifications revealed that the goods and services were procured through direct procurement by use of standing imprest despite the Fund having list of prequalified suppliers contrary to Section 106(2)(a) of Public Procurement and Asset Disposal Act, 2015 which states that the accounting officer of a procuring entity shall give the request to such persons as are registered by the procuring entity.

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

#### **2. Lack of Contractual Agreement with Media Houses**

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects use of goods and services of Kshs.134,021,112 which includes printing and stationery of Kshs.11,909,495 out of which Kshs.1,056,621 was paid to various media houses. However, contractual agreements between the Fund and the

*Report of the Auditor-General on Occupational Safety and Health Fund for the year ended 30 June, 2024*

media houses were not provided for audit contrary to Section 134(1) of Public Procurement and Asset Disposal Act, 2015 which states that the Accounting Officer shall be responsible for preparation of contracts in line with the award decision and Regulation 63 of Public Procurement and Asset Disposal Regulation, 2020 which states that after the award of the contract, the Contract Agreement shall be prepared and entered into in accordance with Part XI of the Act

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

### **3. Irregular Payments of Allowances to Staff**

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects use of goods and services of Kshs.134,021,112 which includes committee expenses of Kshs.12,016,800 out of which irregular staff allowances of Kshs.5,440,000 were paid to staff while performing accounting duties in the office contrary to Salaries and Remuneration Commission Circular Ref: SRC/ADM/11(156) dated 7 August, 2023 which states that payment of sitting allowance to members of the Institution in addition to the basic salary amounts to double compensation and the allowances ceases to be payable to the Public Officers.

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

### **4. Failure to Deduct PAYE**

The Statement of financial performance and as disclosed in Note 10 to the financial statements reflects Board Expenses of Kshs.14,696,540. However, Management did not deduct PAYE of Kshs.440,100 on allowances paid to board members contrary to Section 37(1) of the Income Tax Act Cap 470.

In the circumstances, Management was in breach of the law

### **5. Unprocedural Procurement on Repairs and Maintenance**

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects repair and maintenance of Kshs.4,500,941, included is expenditure of Kshs.1,100,000 incurred through direct procurement by use of standing imprest despite the Fund having prequalified suppliers contrary to Section 106(2)(a) of Public Procurement and Asset Disposal Act, 2015 which states that the accounting officer of a procuring entity shall give the request to such persons as are registered by the procuring entity.

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

### **6. Irregularities in Procurement of Fixed Assets**

The statement of financial position and as disclosed in Note 15 to the financial statements reflects property, plant and equipment of Kshs.28,919,581. Included is additions of Kshs.8,981,500 out of which Kshs.4,269,000 of assets whose procurement was characterized by various procurement irregularities including procurement done without valid professional opinion, opening of quotation beyond the stipulated time and invalid tax

compliance certificates contrary to Section 84(1) of the Public Procurement and Asset Disposal Act, 2015 states that the head of procurement function of a procuring entity shall, alongside the report to the evaluation committee as secretariat comments, review the tender evaluation report and provide a signed professional opinion to the accounting officer on the procurement or asset disposal proceedings.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

### Conclusion

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

### Basis for Conclusion

#### 1. Failure to Carry Out Risk Assessment

During the year under review the Fund Management did not carry out risk assessment contrary to Treasury Circular No. 3/2009 of 23 February, 2009 which states that Accounting Officers shall put in place structures and systems to manage their identified risks, considering their legal obligations, policy decisions, business objectives and public sector expectations.

In the circumstances, the effectiveness of internal controls and overall governance of the Fund could not be confirmed.

#### 2. Irregular Appointment of Ad-hoc Quotations Evaluation Committee

During the year under review, Management of the Fund appointed one Ad-Hoc Evaluation Committee consisting of seven (7) members to evaluate procurements during the 2023/2024 financial year contrary to Section 46(4)(1)(b) of the Public Procurement and Asset Disposal Act which states that an Evaluation Committee established under Subsection (1), shall consist of between three and five members appointed on a rotational basis comprising heads of user department and two other departments or their representatives and where necessary, procured consultants or professionals, who shall

advise on the evaluation of the tender documents and give a recommendation on the same to the committee within a reasonable time.

In the circumstances, the effectiveness of internal controls and overall governance of the Fund could not be confirmed.

### **3. Incomplete Fixed Asset Register**

The statement of financial position and as disclosed in Note 17 to the financial statements reflects property, plant and equipment of Kshs.28,919,581. However, the fixed asset register maintained by the Fund did not include cost, date of purchase, location and serial numbers of the fixed assets contrary to Regulation 143(2) of Public Finance Management (National Government) Regulations, 2015 which states that the register of land and buildings shall record each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details.

In the circumstances, effectiveness of internal controls over fixed assets could not be confirmed.

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 effective 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 the Management and Board of Directors**

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 Fund's ability to continue 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 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

comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.


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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

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

**Nairobi**

**20 December 2024**

Occupational Safety and Health Fund  
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for the year ended June 30, 2024.

**14. Statement of Financial Performance for the year ended 30 June 2024**

<b>Revenue from non-exchange transactions</b>			
Transfers from other governments entities	6	1,000,000	11,493,172
Licenses and permits	7	141,784,579	138,512,864
		<b>142,784,579</b>	<b>150,006,036</b>
<b>Revenue from exchange transactions</b>			
Rendering of services	8	2,949,099	0
<b>Total revenue</b>		<b>145,733,678</b>	<b>150,006,036</b>
<b>Expenses</b>			
Use of goods and services	9	134,021,112	111,156,535
Board Expenses/council expenses	10	14,696,540	16,712,670
Depreciation and amortization expense	11	13,790,522	7,883,165
Repairs and maintenance	12	4,500,941	1,309,322
Grants and subsidies	13	2,880,000	5,126,400
<b>Total expenses</b>		<b>169,889,115</b>	<b>142,188,092</b>
<b>Net Surplus for the year</b>		<b>-24,155,437</b>	<b>7,817,944</b>



.....  
**Dr. Musa Nyandusi**  
Secretary-OSH

Date



.....  
**CPA Isaac M Mosigeria**  
Head of Finance  
ICPAK M/No:12719

Date



.....  
**Hon Ali Wario CBS**  
Chairman, NACOSH

Date

15. Statement of Financial Position as at 30 June 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	14	3,838,418	23,184,833
<b>Total Current Assets</b>		<b>3,838,418</b>	<b>23,184,833</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	15	28,919,581	33,728,603
<b>Total Non-Current Assets</b>		<b>28,919,581</b>	<b>33,728,603</b>
<b>Total Assets(A)</b>		<b>32,757,999</b>	<b>56,913,436</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	16	75,000	75,000
<b>Total Current Liabilities</b>		<b>75,000</b>	<b>75,000</b>
<b>Total Liabilities(B)</b>		<b>75,000</b>	<b>75,000</b>
<b>Net Assets(A-B)</b>		<b>32,682,999</b>	<b>56,838,436</b>
<b>Represented by:</b>			
Reserves	17	56,838,436	49,838,436
Accumulated Surplus		-24,155,437	7,000,000
<b>Net Assets</b>		<b>32,682,999</b>	<b>56,838,436</b>



Dr. Musa Nyandusi  
Secretary-OSH

Date



CPA Isaac M Mosigeria  
Head of Finance  
ICPAK M/No:12719

Date



Hon Ali Wario CBS  
Chairperson, NACOSH

Date

16. Statement of Changes in Net Assets for the year ended 30 June 2024

		Kshs	Kshs
As at July 1, 2022	7,000,000	30,505,278	37,505,278
Surplus/ deficit for the year		7,817,944	7,817,944
Prior Year Adjustment		11,515,214	11,515,214
As at June 30,2023	7,000,000	49,838,436	56,838,436
As at July 1,2023	7,000,000	49,838,436	56,838,436
Surplus/ (deficit) for the year		-24,155,437	-24,155,437
As at June 30, 2024	7,000,000	25,682,999	32,682,999

### 17. Statement of Cash Flows for the year ended 30 June 2024

<b>Cash flows from Operating Activities</b>			
<b>Receipts</b>			
Transfers from other governments entities	6	1,000,000	11,493,172
Permits	7	141,784,579	138,512,864
Trainings Fees	8	2,949,099.00	
<b>Total Receipts</b>		<b>145,733,678</b>	<b>150,006,036</b>
<b>Payments</b>			
Use of Goods and Services	9	134,021,112	111,762,748
Boards/Council expenses	10	14,696,540	16,712,670
Repairs and Maintenance	11	4,500,941	1,309,322
Grants and Subsidies	12	2,880,000	5,126,400
<b>Total payments</b>		<b>156,098,593</b>	<b>134,911,140</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>-10,364,915</b>	<b>15,094,896</b>
<b>Cash flow from Investing Activities</b>			
Purchase of PPE	13	-8,981,500	-13,572,300
<b>Net cash flows from/(used in) investing activities</b>		<b>-8,981,500</b>	<b>-13,572,300</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>-19,346,415</b>	<b>1,522,596</b>
Cash and cash equivalents as at 1 July 2023		23,184,833	21,662,237
<b>Cash and cash equivalents as at 30 June 2024</b>	<b>14</b>	<b>3,838,418</b>	<b>23,184,833</b>

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024

<b>Revenue</b>						
Transfers from Other Governments entities	-		-	1,000,000	-1,000,000	
Permits	199,120,000	250,000	199,370,000	141,784,579	57,585,421	71%
Training Fees				2,949,099		
<b>Total Income</b>	<b>199,120,000</b>	<b>250,000</b>	<b>199,370,000</b>	<b>145,733,678</b>	<b>56,585,421</b>	
<b>Expenses</b>						
Use of Goods and Services	134,583,000	250,000	134,833,000	134,021,112	811,888	99%
Boards/Council expenses	15,000,000		15,000,000	14,696,540	303,460	98%
Repairs and Maintenance	20,112,000		20,112,000	4,500,941	15,611,059	22%
Transfer To Other Government Entity	5,500,000		5,500,000	2,880,000	2,620,000	52%
<b>Total Expenditure</b>	<b>175,195,000</b>	<b>250,000</b>	<b>175,445,000</b>	<b>156,098,593</b>	<b>19,346,407</b>	<b>89%</b>
<b>Surplus for the Year</b>	<b>23,925,000</b>	<b>0</b>	<b>23,925,000</b>	<b>-10,364,915</b>	<b>37,239,014</b>	<b>-43%</b>
<b>Capital Expenditure</b>	<b>23,925,000.00</b>		<b>23,925,000.00</b>	<b>8,981,500.00</b>	<b>14,943,500.00</b>	<b>38%</b>

Budget notes

1. Licences and Permits; Management Response:

The management wish to state that there was a revenue shortfall which was occasioned because not all organization registered for purchase of abstracts and general registers to record accidents and incidents in work places hence the directorate was not able to realise its revenue targets for the financial year 2023/2024

-Repairs and Maintenance: When the government directed all payments to be made through e-Citizen there was delay in releasing the Funds to OSH Fund occasioning underutilisation on repairs and maintenance.

-Transfer to Other Government Entities

The management wish to state that there was a revenue shortfall which was occasioned because not all organization registered for purchase of abstracts and general registers to record accidents and incidents in work places hence the directorate was not able to realise its revenue targets for the financial year 2023/2024.

Capital Expenditure: When the government directed all payments to be made through e-Citizen there was delay in releasing the Funds to OSH Fund occasioning underutilisation on repairs and maintenance.

2.Budget Increase:There was an increase of the original budget by Kshs 250,000.This was a fresh budget.The Fund was in the process of removing harzadous wastes whose estimates was Kshs 250,000.

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

### **1. General Information**

DOSH is established by and derives its authority and accountability from Occupational Safety and Health Act, 2007. The OSH is wholly owned by the Government of Kenya and is domiciled in Kenya.

The OSH's principal activity is:

- i. Securing the development and coordination of a sound and effective Occupational Safety and Health (OSH) systems.
- ii. Implementation of effective systems for prevention of occupational accidents and diseases.
- iii. Carrying out research on Occupational Safety and Health.
- iv. Development and dissemination of information on Occupational Safety and Health.
- v. Promotion of awareness on Occupational Safety and Health among employers, employees and the general public.

### **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 *OSH'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 *OSH*. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

### **Notes to the Financial Statements (Continued)**

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

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2024.*

There were no new and amended standards issued in the financial year.

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*ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024*

<p>IPSAS 43</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><b><i>State the expected impact of the standard to the Entity if relevant</i></b></p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><b><i>State the expected impact of the standard to the Entity if relevant</i></b></p>
<p>IPSAS 45-Property Plant and Equipment</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>

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	<i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 46 Measurement	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 47- Revenue	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

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<i>State the expected impact of the standard to the Entity if relevant</i>

*iii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.*

IPSAS 43	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an OSH.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

*iv. Early adoption of standards*

The OSH did not early – adopt any new or amended standards in the financial year or *the OSH adopted the following standards early (state the standards, reason for early adoption and impact on OSH's financial statements.)*

**Notes to the financial statements (continued)**

**4. Summary of significant Accounting Policies**

**a) Revenue Recognition**

**i. Revenue from Non Exchange transactional**

**Fees, taxes and fines**

The *OSH* recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the *OSH* and the fair value of the asset can be measured reliably.

**Transfers from other government entities**

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

**i) Revenue from exchange transactions**

**Rendering of services**

The *OSH* recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Sale of goods**

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

**Interest income**

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

**Dividends**

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

**Rental income**

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

**a) Budget information**

The original budget for the Current FY was approved by the National Assembly on xxx. 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 *OSH* upon receiving the respective approvals in order to conclude the final budget.

**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**Budget information (continued)**

The *OSH'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 page 5 of these financial statements.

**b) Taxes**

**Current income tax**

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

**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable *OSH* and the same taxation authority.

**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

***Sales tax***

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

i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

ii) When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**c) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 5-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**d) 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 OSH 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.

**e) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *OSH*. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The *OSH* also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the *OSH* will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**f) Intangible assets**

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

**g) Research and development costs**

The *OSH* expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the *OSH* can demonstrate:

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

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

**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**h) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one OSH and a financial liability or equity instrument of another OSH. At initial recognition, the OSH measures a financial asset or financial

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liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**a) Financial assets**

**Classification of financial assets**

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

**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Trade and other receivables**

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**Fair value through surplus or deficit**

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

**Impairment**

The OSH assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The OSH recognizes a loss allowance for such losses at each reporting date.

**b) Financial liabilities**

**Classification**

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

**i) Inventories**

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

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

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**j) Provisions**

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

**k) Social Benefits**

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

**l) Contingent liabilities**

The *OSH* does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

**m) Contingent assets**

The *OSH* does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *OSH* in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

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**Notes to the Financial Statements (Continued)**  
**Summary of Significant Accounting Policies (Continued)**

**n) Nature and purpose of reserves**

The OSH creates and maintains reserves in terms of specific requirements.

**o) Changes in accounting policies and estimates**

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

**p) Employee benefits**

**Retirement benefit plans**

The *OSH* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an OSH pays fixed contributions into a separate OSH (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**q) Foreign currency transactions**

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

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**r) Borrowing costs**

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

**s) Related parties**

The *OSH* regards a related party as a person or an *OSH* with the ability to exert control individually or jointly, or to exercise significant influence over the *OSH*, or vice versa. Members of key management are regarded as related parties and comprise the Directors, the CEO and Senior Managers.

**t) Service concession arrangements**

The *OSH* analyses all aspects of service concession arrangements that it enters in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *OSH* recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *OSH* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**u) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**v) Comparative figures**

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

**w) 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, 2024.

**Notes to the Financial Statements (Continued)**

**Summary of Significant Accounting Policies (Continued)**

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions.**

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

**Useful lives and residual value**

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

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

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**Notes to the Financial Statements (Continued)**

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**6. Transfers from Other Government entities**

Transfers from National Government - SD Labour		7,000,000
Grant from ILO	1,000,000	4,493,172
<b>Total</b>	<b>1,000,000</b>	<b>11,493,172</b>

**7. Licences And Permits**

	2023-2024	2022- 2023
	Kshs	Kshs
23-Jul	17,761,473.00	8,444,242
23-Aug	13,716,341.00	8,382,462
23-Sep	11,622,959.60	10,547,905
23-Oct	12,624,268.05	11,030,026
23-Nov	12,114,629.00	10,093,226
23-Dec	6,982,420.00	9,353,939
24-Jan	11,097,465.00	9,826,756
24-Feb	14,358,821.00	10,945,902
24-Mar	12,327,032.00	12,655,609
24-Apr	12,413,243.50	7,425,913
24-May	9,081,814.00	14,508,164
24-Jun	7,684,113.00	25,298,720
<b>Total</b>	<b>141,784,579.15</b>	<b>138,512,864</b>

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**8. Training Fees**

Trainings Fees	2,949,099.00	0
<b>Total</b>	<b>2,949,099.00</b>	<b>0</b>

**9. Use of Goods**

Electricity and Water	1,207,803	752,495
Communication	3,360,951	259,240
Travel, Subsistence & Other Allowances	84,770,478	38,645,117
Printing and Stationery	11,909,495	7,777,560
Training	3,020,149	12,844,230
Hospitality	5,976,606	
General Office Supplies	11,394,950	13,254,910
Committee expenses	12,016,800	
Audit Fees	300,000	-
Bank charges	63,881	68,968
Medical Supplies		1,162,500
Other operating expenses		15,053,466
Strategic expenses		2,142,000
<b>Total</b>	<b>134,021,112</b>	<b>91,960,486</b>

**10. Board Expenses**

Boards and Conference	14,696,540	19,196,049
<b>Total</b>	<b>14,696,540</b>	<b>19,196,049</b>

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**11. Depreciation and Amortization Expense**

	2023-2024	2022-2023
Property, Plant & Equipment	13,790,522	7,883,165
<b>Total</b>	<b>13,790,522</b>	<b>7,883,165</b>

**12. Repairs and Maintenance**

	2023-2024	2022-2023
Other Assets	1,190,800	452,109
Motor vehicles	3,310,141	857,213
<b>Total</b>	<b>4,500,941</b>	<b>1,309,322</b>

**13. Grants and Subsidies**

	2023-2024	2022-2023
Education Initiatives and Programs	2,880,000	5,126,400
<b>Total Grants and Subsidies</b>	<b>2,880,000</b>	<b>5,126,400</b>

\*. The Subsidy as A.I.A Is transferred from OSH FUND to the STATE Department’s Account to be used on educational initiatives and programmes on Occupational Safety And Health at Workplaces.

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**14. Cash and Cash Equivalents**

Kenya Commercial Bank, 1130057321	3,838,418	23,184,833
<b>Total Cash and Cash Equivalents</b>	<b>3,838,418</b>	<b>23,184,833</b>

**Detailed Analysis of the Cash and Cash Equivalents**

<b>a) Current Account</b>			
Kenya Commercial Bank	1130057321	3,838,418	23,184,833
<b>Grand Total</b>		<b>3,838,418</b>	<b>23,184,833</b>

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**15. Property, Plant and Equipment**

Cost	KShs	KShs	KShs	KShs	KShs
1st July 2022	20,768,000	12,683,299	25,501,091	13,348,890	72,301,280
Additions	5,144,800	4,439,500	3,988,000	0	13,572,300
Disposals					
Transfer/Adjustments					
At 30th June 2023	25,912,800	17,122,799	29,489,091	13,348,890	85,873,580
1st July 2023	25,912,800	17,122,799	29,489,091	13,348,890	85,873,580
Additions		7,662,500	1,319,000		8,981,500
Disposals					0
Transfer/Adjustments					0
At 30th June 2024	25,912,800	24,785,299	30,808,091	13,348,890	94,855,080
<b>Depreciation</b>					0
Accumulated as At 30th June 2022	13,992,325	3,382,311	23,394,770	3,492,407	44,261,812
At 1st July 2022	13,992,325	3,382,311	23,394,770	3,492,407	44,261,812
Depreciation	2,746,200	2,140,350	1,328,004	1,668,611	7,883,165
Transfer/Adjustment					
Accumulated as at 30th June 2023	16,738,525	5,522,661	24,722,774	5,161,018	52,144,977
At 1st July 2023	16,738,525	5,522,661	24,722,774	5,161,018	52,144,978
Depreciation	6,478,200	3,098,162	2,545,548	1,668,611	13,790,522
Transfer/Adjustment					0
Accumulated At 30th June 2024	23,216,725	8,620,823	27,268,322	6,829,629	65,935,500
NBV as at 30th June 2023	9,174,275	11,600,139	4,766,317	8,187,872	33,728,603
NBV as at 30th June 2024	2,696,075	16,164,476	3,539,769	6,519,261	28,919,580

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**Property, Plant and Equipment at Cost**

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Property, Plant and Equipment at Cost		
Purchase of Vehicles and Other Transport Equipment		5,144,800
Purchase of Office Furniture and General Equipment	7,662,500	4,439,500
Purchase of Computers	1,319,000	3,988,000
<b>TOTAL</b>	<b>8,981,500</b>	<b>13,572,300</b>

**16. Trade and Other Payables**

16. Trade and Other Payables				
	Kshs		Kshs	
Audit fees (Accrued f/y 2018/2019/2020/2021)	75,000		300,000	
Retention (Downline Company Ltd)			75,000	
<b>Total trade and other payables</b>	<b>75,000</b>		<b>75,000</b>	
Ageing analysis: (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	0	0%	-	%
1-2 years	75,000	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	75,000	100%
<b>Total (tie to above total)</b>	<b>75,000</b>		<b>75,000</b>	

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**17. Cash Generated from Operations**

<b>Description</b>	<b>2023- 2024</b>	<b>2022- 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Surplus for the year before tax</b>	<b>-24,155,437</b>	<b>7,817,944</b>
<b>Adjusted for:</b>		
Depreciation	13,790,522	7,883,165
<b>Working capital adjustments</b>	<b>13,790,522</b>	<b>7,883,165</b>
<b>Net cash flow from operating activities</b>	<b>-10,364,915</b>	<b>15,701,109</b>

*The restatement was made to rectify inaccuracies in the previously recorded depreciation and to address errors related to the write-off of assets purchased in prior years.*

**19). Financial Risk Management**

The OSH's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The OSH'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. The OSH does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The financial risk management objectives and policies are detailed below:

**i) Credit risk**

The OSH has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the OSH's management based on prior experience and their assessment of the current economic environment.

**Financial Risk Management**

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the OSH has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The board of directors sets the OSH's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the OSH's directors, who have built an appropriate liquidity risk management framework for the management of the OSH's

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short, medium and long-term funding and liquidity management requirements. The OSH manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the OSH under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

**Financial Risk Management**

**iii) Market risk**

The OSH has put in place an internal audit function to assist it in assessing the risk faced by the OSH on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the OSH's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The OSH's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the OSH's exposure to market risks or the way it manages and measures the risk.

**a) Foreign currency risk**

There are transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. OSH manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

**b) Interest rate risk**

Interest rate risk is the risk that the OSH's financial condition may be adversely affected as a result of changes in interest rate levels. The OSH's interest rate risk arises from bank deposits.

This exposes the OSH to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the OSH's deposits.

**Management of interest rate risk**

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

**Financial Risk Management**

**Sensitivity analysis**

The OSH analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs 438,648 (Current FY: Kshs 4,386,478). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 657,972 (Current FY – Kshs 4,386,478)

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

**Determination of fair value and fair values hierarchy**

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the *OSH's* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.  
This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of

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observable market data when available. The *OSH* considers relevant and observable market prices in its valuations where possible.

**Financial Risk Management**

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

**iv) Capital Risk Management**

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

**18. Related Party Disclosures**

**Nature of related party relationships**

Entities and other parties related to the *OSH* include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

**Government of Kenya**

The Government of Kenya is the principal shareholder of the *OSH*, holding 100% of the *OSH*'s equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the *OSH*, both domestic and external.

**Other related parties include:**

- i) The National Government.
- ii) The Parent Ministry (Ministry of Labour & Social Protection, State Department for Labour & Skills Development))

**19. Events after the Reporting Period**

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

**20. Ultimate And Holding OSH**

The *OSH* is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Labour and Social Protection. Its ultimate parent is the Government of Kenya.

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**21. Currency**

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

**20. 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.

1.	Accrued Audit Fees-Unpaid	OAG Invoiced DOSH and it was paid	Resolved	
2.	Variance in Comparative Balance -Specialized Plant and Equipment	Narration of acquisition of new assets was wrong.	Resolved	



.....  
Secretary OSH

Sign:

Date: