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OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PADO  
**REPORT**

DATE: 20 APR 2023

DAY.

Thursday

TABLED  
BY:

Hon Owen Baya, MP

OF

Deputy leader - majority

CLERK-AT  
THE-TABLE:

Moses Mwangi

**THE AUDITOR-GENERAL**

**ON**

**GOVERNMENT INVESTMENTS  
AND PUBLIC ENTERPRISES -  
REVENUE STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**THE NATIONAL TREASURY**



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**THE NATIONAL TREASURY AND PLANNING**  
**GOVERNMENT INVESTMENTS AND PUBLIC ENTERPRISES (GIPE)**  
**ANNUAL REVENUE STATEMENT**

**FOR THE FINANCIAL YEAR ENDED**

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

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

**THE NATIONAL TREASURY & PLANNING**  
**Government Investment and Public Enterprises (GIPE)**  
**Annual Revenue Statements for the year ended 30<sup>th</sup> June 2022**

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**THE NATIONAL TREASURY & PLANNING**  
**Government Investment and Public Enterprises (GIPE)**  
**Annual Revenue Statements for the year ended 30<sup>th</sup> June 2022**

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## **I. NATIONAL TREASURY INFORMATION AND MANAGEMENT**

### **(a) Background Information**

The National Treasury was established via the Executive Order No. 2 of May 2013. The basis for establishment of the National Treasury is found in Article 225 (i) of the Constitution of Kenya which states that an Act of Parliament shall provide for the establishment, functions and responsibilities of the National Treasury. This has been actualized in Section 11 and 12 of the Public Finance Management (PFM) Act 2012.

At Cabinet level, the National Treasury is represented by the Cabinet Secretary for National Treasury and Planning, who is responsible for the general policy and strategic direction of the Ministry with the assistance of the Chief Administrative Secretary.

#### **Vision**

“Excellence in economic and public financial management, and development planning”.

#### **Mission**

“To provide leadership in economic and public financial management, for shared growth through formulation, implementation and monitoring of economic and financial policies”.

#### **Core Values**

The National Treasury is guided by the following core values: Customer Focus, Results Oriented, Stakeholder Participation, Professionalism, Accountability, Integrity and Transparency and Teamwork all geared towards excellence in service delivery.

#### **Mandate of the National Treasury**

The National Treasury derives its mandate from Article 225 of the Constitution, Public Finance Management Act 2012 and the Executive Orders No.2/2013 and No.1/2018. The National Treasury will be executing its mandate in consistency with any other legislation as may be developed or reviewed by Parliament from time to time.

The core functions of the National Treasury as derived from the above legal provisions include;

- Formulate, implement and monitor macro-economic policies involving expenditure and revenue;
- Manage the level and composition of national public debt, national guarantees and other financial obligations of national government;
- Formulate, evaluate and promote economic and financial policies that facilitate social and economic development in conjunction with other national government entities;
- Mobilize domestic and external resources for financing national and county government budgetary requirements;
- Design and prescribe an efficient financial management system for the national and county governments to ensure transparent financial management and standard financial reporting.
- In consultation with the Accounting Standards Board, ensure that uniform accounting standards are applied by the national government and its entities;

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- Develop policy for the establishment, management, operation and winding up of public funds;
- Prepare the annual Division of Revenue Bill and the County Allocation of Revenue Bill;
- Strengthen financial and fiscal relations between the national government and county governments and encourage support for county governments;
- Assist county governments to develop their capacity for efficient, effective and transparent financial management;
- To prepare the National Budget, execute/implement and control approved budgetary resources to MDAs and other Government agencies/entities; and
- Coordination and integration of public ports, railway and pipeline services.

**Role of the National Treasury in the Devolved System of Government**

The National Treasury is mandated by law to:

- Strengthen financial and fiscal relations between the National Government and County Governments and support for county governments in performing their functions;
- Issue guidelines on the preparation of county development planning;
- Prepare the annual legislative proposals on intergovernmental fiscal transfers;
- Provide logistical support to intergovernmental institutions overseeing intergovernmental fiscal relations;
- Coordinate the development and implementation of financial recovery plans for County Governments that are in financial distress;
- Build capacity of County Governments on public finance management matters for efficient, effective and transparent financial management as well as planning, monitoring and evaluation and;
- Administer the Equalization Fund.

**(b) Key Management**

The National Treasury day-to-day management is under the following key offices;

**Office of the Principal Secretary**

The Office of the Principal Secretary is responsible for the day-to-day administration of the National Treasury operations and is the accounting officer. In addition, the Principal Secretary is charged with the responsibility of providing advice to the Cabinet Secretary in order to enhance efficiency and collective responsibility.

**Organizational structure of the National Treasury**

The National Treasury is organized into five (5) technical Directorates headed by Director Generals and (1) Administrative and Support Services Directorate headed by a Principal Administrative Secretary. Each Director General is responsible for a Directorate comprising a cluster of Departments responsible for related policy functions. In addition, the Treasury has two independent departments namely Public Procurement and Internal Auditor General both of which are headed by Directors. The Directorates and Departments are as follows:

**Directorate of Budget, Fiscal and Economic Affairs**

The Directorate is headed by a Director General, reporting to the Principal Secretary, National Treasury. It is organized into the following four (4) Technical Departments each headed by a director:

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- Budget Department;
- Macro and Fiscal Affairs Department
- Financial and Sectoral Affairs Department;
- Inter-Governmental Fiscal Relations Department

**Directorate of Accounting Services and Quality Assurance**

The Directorate is headed by a Director General reporting to the Principal Secretary, National Treasury. It is organized into the following four (4) Technical Departments each headed by a Director:

- Government Accounting Services;
- Financial Management Information Systems (FMIS)
- National Sub-County Treasuries.
- Government Digital Payments Unit.

**Directorate of Portfolio Management**

The Directorate is headed by a Director General, reporting to the Principal Secretary. It is organized into the following four (4) Technical Departments each headed by a Director:

- Government Investment and Public Enterprises;
- National Assets and Liabilities Management;
- Pensions Department.
- Public Investment Management Unit

**Directorate of Public Debt Management Office**

The Directorate is headed by a Director General, reporting to the Principal Secretary. It is organized into the following three (3) Technical Departments each headed by a Director:

- Resource Mobilization (Front Office);
- Debt Policy, Strategy and Risk Management (Middle Office);
- Debt Recording and Settlement (Back Office).

**Directorate of Public Private Partnership Unit**

The Directorate is headed by a Director General, reporting to the Principal Secretary on matters relating to Public Private Partnership.

**Directorate of Administrative and Support Services (Common Shared Services)**

The Directorate is headed by a Principal Administrative Secretary, reporting to the Principal Secretary. It is organized into twelve (12) specialized functions offering common shared services. The common shared services of the National Treasury consist of functions that are not core to the National Treasury but offer critical support services to the National Treasury. The functions include:

- Accounting,
- Finance,
- Human Resource Management and Development,
- Central Planning and Project Monitoring,
- Supply Chain Management,
- Legal,
- Public Communications,

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- General Administration,
- Records Management;
- Internal Audit;
- ICT
- Government Clearing Agency

**(C) Fiduciary Management**

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

NO.	Designation	Name
1.	Principal Secretary	FCPA Dr. Julius Muia, CBS
2.	Principal Administrative Secretary	Mr. Amos Gathecha, EBS
3.	Director General, BFEA	Mr. Albert Mwenda, MBS
4.	Director General, Accounting Services	Mr. Bernard Ndung'u, MBS
5.	Director General, PIPM	Eng. Stanley Kamau , EBS
6.	Director General, PDMO	Dr. Haron Sirma, EBS
7.	Director General, PPP	Mr. Christopher Kirigua, MBS
8.	Director, Macro and Fiscal Affairs Department	Mr. Musa Gathanje, MBS
9.	Director, Budget Department	Mr. Francis Anyona, OGW
10.	Director, Financial and Sectoral Affairs Department	Prof. Galgalo Barako, OGW
11.	Director, Public Procurement Department	Mr. Eric Korir
12.	Director, Intergovernmental Fiscal Relations Department	Mr. Albert Mwenda, MBS
13.	Deputy Internal Auditor General	Ms. Jane Micheni
14.	Ag Director, Government Accounting Services Department	Mr. Jona Wala
15.	Ag Director, National Sub County Treasuries	Mr. Francis Kariuki, OGW
16.	Director, Financial Management Information System	Mr. Stanley Kamanguya, MBS
17.	Director, National Assets and Liability Management	Mrs. Veronica Okoth
18.	Director, Government Investment and Public Enterprises	Mr. Kennedy Ondieki
19.	Director, Pensions Department	Mr. Michel Kagika, EBS
20.	Director, Resource Mobilization Department	Mr. Moses Kanagi
21.	Director, Debt Policy, Strategy & Risk Management Department	Mr. Daniel Ndolo, MBS
22.	Ag Director, Debt Recording and Settlement Department	Mr. George Kariuki
23.	Secretary Administration	Mr. Hiram Kahiro, MBS
24.	Head, Accounts Division	Mr. Nemwel Motanya
25.	Head, Finance	Mr. Ambrose Ogango
26.	Head, SCM	Mr. Aggrey Kituyi
27.	Head, Internal Audit Unit	Mr. Esther Ngeru
28.	Director, Human Resource Management and Development	Ms. Susan Mucheru
29.	Director, Information Communication and Technology	Mrs. Lynn Nyongesa
30.	Head, Central Planning and Project Monitoring Unit	Mr. Antony Muriu, HSC
31.	Head, Public Communications	Ms. Catherine Njoroge
32.	Programme Coordinator, Public Financial Management Reform Secretariat	Mr. Julius Mutua

**(d) Fiduciary Oversight Arrangements**

To manage the fiduciary risk, the National Treasury has put in place fiduciary oversight arrangements including setting up committees. The key oversight arrangements include:

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**Internal Audit Unit**

The National Treasury has an internal Audit Unit charged with the responsibility of identifying risks in the management and day to day operations of the Ministry through the risk-based audits. The Unit reports directly to the Accounting Officer on a regular basis.

**Audit Committees**

In line with the Public Finance Management Act, the National Treasury has established a Ministerial Audit Committee comprising five members, three of whom are independent. The Committee provides overall oversight and quality assurance including follow up on the effectiveness of implementation of audit recommendations.

Further, the National Treasury established an audit committee comprising officers from all departments of the Ministry, under the chairmanship of the Senior Chief Finance Officer. The Committee reviews and analyses all audit queries and makes recommendations on how to reduce fiduciary risks. In addition, the committee prepares responses to all audit queries for presentation to the relevant committees of parliament.

**Project Implementation Committee**

To monitor the implementation of the Government's Infrastructure Projects, the National Treasury has established a Project Steering Committee comprising Principal Secretaries from implementing Ministries and appointed a technical committee comprising officers from the technical departments of the Ministry. The Committees review and analyse the progress made by ministries in the implementation of domestically and externally funded projects and advises accordingly.

**Parliamentary Activities**

In order to effectively manage the parliamentary activities relating to the Ministry, the National Treasury has established a committee and designated a liaison officer to coordinate the activities under the Office of the Cabinet Secretary in consultation with the Office of the Chief Administrative Secretary.

**Development Partner Oversight**

To effectively manage Official Development Assistance to the Government, the National Treasury has under the Public Debt Management a department responsible for all matters relating to Development Partners. The Department has various Units that coordinate different development partner activities in the Country.

Other fiduciary oversight arrangements include the following committees with specific objectives;

**Top Management Committee and Other Committees**

To monitor the implementation of the Ministry's programmes and performance, the National Treasury has appointed Top Management Committee comprising of Director Generals. The Committee receives reports from departments, builds consensus on National Treasury responses to emerging issues, challenges and risks and ensures that the decisions made are implemented in

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a timely manner. Additionally, the Treasury constituted Ad hoc Committees to handle specific assignments in the Financial Year 2021/22.

**Public Financial Management Sector Working Group**

To facilitate the implementation of financial management reforms, the National Treasury has appointed senior officers to the Public Financial Management Sector Working Group. The Committee plays an oversight role in the implementation of financial reforms in the public service in collaboration with the development partners.

**Budget Implementation Steering Committee**

In order to effectively monitor the implementation of the National Government budget implementation, The National Treasury has established a steering Committee chaired by the Cabinet Secretary, National Treasury and Planning. The Principal Secretaries for the National Treasury and State Department of Planning provide general oversight in the Budget implementation.

**Budget Implementation Technical Committee**

The Committee is chaired by the Principal Administrative Secretary and comprises the Director Generals and various Heads of Department. The Committee is responsible for monitoring the actual implementation of the identified measures and programmes and reporting detailed progress on the same regularly.

**Budget Implementation Ministerial Committee**

To monitor the implementation of the Ministry's budget, programmes and activities, the National Treasury has appointed a committee comprising of officers from all the Departments of the Ministry. The Committee reviews and analyses the progress made by Departments in the implementation of budget and the planned programmes and activities and advises the management accordingly.

**Monitoring and Evaluation**

The Ministry undertakes monitoring and evaluation exercises to establish progress made in the implementation of various programmes and projects including those that are funded by the development partners.

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**The National Treasury Headquarters**

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Nairobi Kenya

**The National Treasury Contacts**

Telephone: (254)020-2252299  
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Website: [www.treasury.go.ke](http://www.treasury.go.ke)

**The National Treasury Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

**Independent Auditors**

Auditor General  
Kenya National Audit Office  
Anniversary Towers, University Way  
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**Principal Legal Adviser**

The Attorney General  
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Nairobi, Kenya

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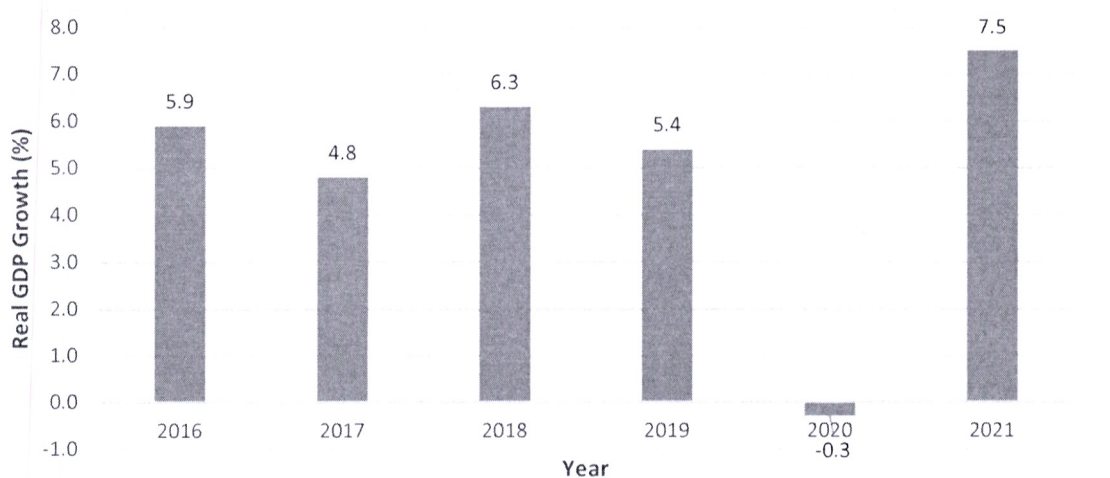
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**I. FOREWORD BY THE CABINET SECRETARY**

In accordance with Section 12 of the Public Finance Management Act, 2012, the National Treasury is responsible for coordinating the country's economic and financial management. Overall, the National Treasury has continued to maintain a policy environment that is conducive to economic growth and development of the country.

The Kenyan economy demonstrated remarkable resilience to the COVID-19 shock and expanded by 7.5 percent in 2021, a much stronger level from a contraction of 0.3 percent in 2020 (**Chart 1**). This economic recovery was mainly supported by the recovery in the service and industry sectors despite the subdued performance in the agricultural sector.

**Chart 1: Annual Real GDP Growth Rates**

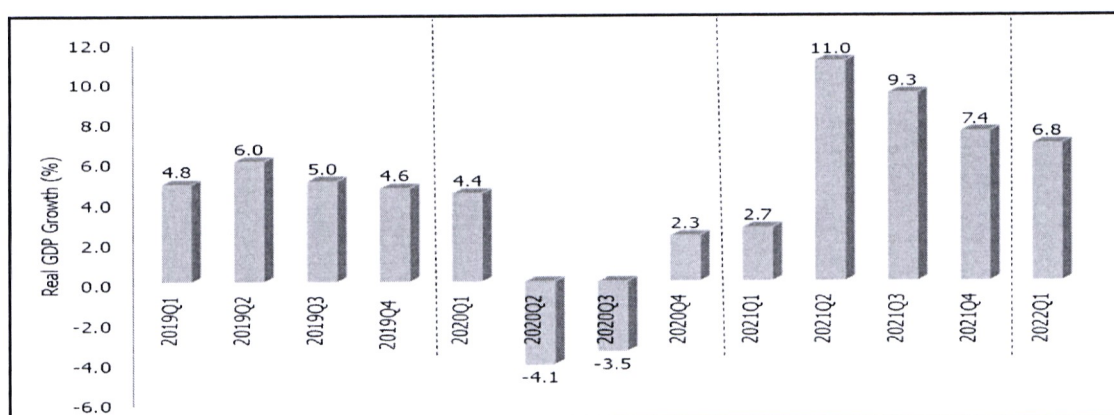


*Data Source: National Treasury: Quarterly Economic and Budgetary Review, September, 2022*

In the first quarter of 2022, the economy expanded further by a remarkable 6.8 percent compared with a growth of 2.7 percent in a similar quarter in 2021 (**Chart 2**). The strong performance was supported by continued recovery in manufacturing, transport and storage, accommodation and food services, wholesale and retail trade, Professional, administration and support services and financial and insurance sectors.

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**Chart 2: Quarterly Real GDP Growth Rates**



Data Source: National Treasury: *Quarterly Economic and Budgetary Review, September, 2022*

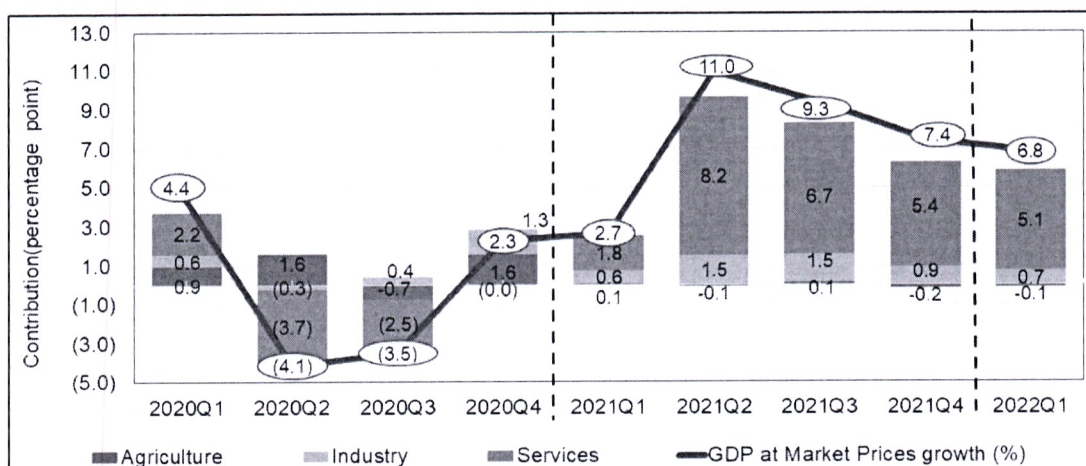
**Sectoral Growth rates**

Activities in agriculture, forestry and fishing sector remained subdued in the first quarter of 2022 mainly attributed to depressed rainfall during the fourth quarter of 2021 as well as delayed onset of rains during the first quarter of 2022, thereby leading to reduced agricultural production. The sector is estimated to have contracted by 0.7 percent in the first quarter of 2022 compared to 0.4 percent growth in the first quarter of 2021. The poor performance of the sector was mainly due to the significant decline in horticultural exports and tea production. The sector’s performance was however cushioned from a steeper slump by the increase in production of cane, milk, and coffee. The sector’s contribution to GDP growth was -0.1 percentage points in the first quarter of 2022 compared to 0.1 percentage points contribution in the same quarter in 2021 (**Chart 3**).

The biggest contribution to the growth was recorded in the Services Sector. The recovery of activities in the services sector continued in the first quarter of 2022. The sector grew by 9.1 percent in the first quarter of 2022 compared to a growth of 3.2 percent in the same quarter in 2021. The strong growth was largely characterized by significant recovery in transportation and Storage (8.1 percent), accommodation and food services (56.2 percent) and Professional, Administrative and Support Services (14.9 percent). The sector was also supported by strong growths in financial and insurance services (14.4 percent), and wholesale and retail trade (8.7 percent). The services sector contributed 5.1 percentage point to real GDP growth in the first quarter of 2022 compared to the 1.8 percentage point contribution in the same quarter in 2021.

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**Chart 3: Sectoral contributions to Real GDP Growth**



Data Source: National Treasury: Quarterly Economic and Budgetary Review, September, 2022

Additionally, activities in the manufacturing sub-sector were more vibrant in the first quarter of 2022 compared to the same quarter in 2021. The sub-sector grew by 3.7 percent in the first quarter of 2022 compared to a 2.1 percent growth in 2021. The improved performance was supported by both the food and non-food components. The food component that registered substantial growth was processing of coffee while the non-food component growth was supported by substantial growth in cement production.

**Inflation**

The year-on-year inflation rate increased to 7.9 percent in June 2022 (slightly above the 7.5 percent upper bound) from 6.3 percent in June 2021 mainly due to higher food and fuel prices. Notwithstanding this, the increase was moderated by Government measures to stabilize fuel prices, lower electricity tariffs and subsidies on fertilizer prices. Additionally, the recent waiver of import duties and levies on white maize, the subsidy on retail prices of sifted maize flour, and the reduction in VAT on LPG will further moderate domestic prices. Overall annual average inflation remained within Government target range at 6.3 percent in June 2022 compared to the 5.3 percent recorded in June 2021.

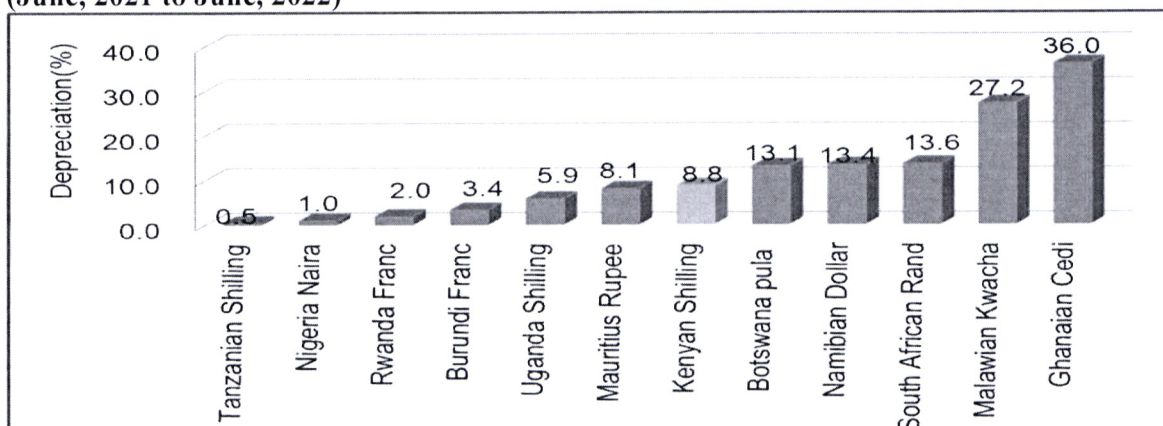
**Exchange Rates**

The foreign exchange market has largely remained stable despite the tight global financial conditions attributed to strengthening of the US Dollar. The Kenya Shilling to the US Dollar exchanged at Kshs. 117.3 in June 2022 compared to Kshs. 107.8 in June 2021. Over the same period, the Euro exchanged at Kshs. 124.1 compared to Kshs. 130.1 while the Sterling Pound exchanged at Kshs. 144.8 compared to Kshs. 151.5.

In comparison to most Sub-Saharan Africa currencies, the Kenya Shilling has remained relatively stable weakening by 8.8 percent against the US Dollar (**Chart 4**). The depreciation rate of the Kenya Shilling was lower than that of Botswana pula, Namibian Dollar, South African Rand, Malawi Kwacha and Ghanaian Cedi. The stability in the Kenya Shilling was supported by increased remittances, adequate foreign exchange reserves and improved exports.

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**Chart 4. Performance of Selected Sub-Saharan Countries Currencies against the US Dollar (June, 2021 to June, 2022)**




*Data Source: National Treasury: Quarterly Economic and Budgetary Review, September, 2022*

Overall, leading economic indicators including interest rates, Foreign Exchange Reserves balance of payments and, money and credit for the fourth quarter of 2021 and the first quarter of 2022 recorded stable performance and point to strong recovery from the adverse impact of the COVID-19 pandemic.

Going forward, the National Treasury is committed to promoting Growth enabling investments through the implementation of the Economic Recovery Strategy. Specifically, the National Treasury will:

1. Scale-up the COVID-19 response;
2. Reduce debt vulnerabilities through revenue-driven fiscal consolidation plan that target to stabilize the debt to GDP ratio and subsequently put it on a downward path;
3. Support structural and governance reforms while addressing weaknesses in state-owned enterprises; and,
4. Strengthen monetary policy framework and support financial stability.

  
**NJUGUNA NDUNG’U, CBS**  
**CABINET SECRETARY, NATIONAL TREASURY**  
**AND ECONOMIC PLANNING**

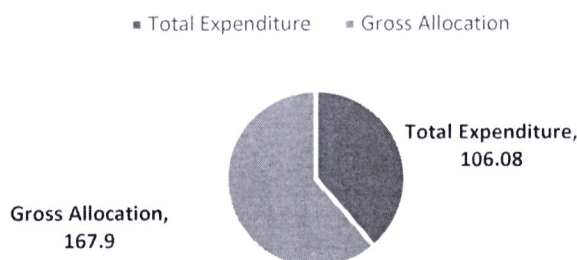
**III. STATEMENT BY THE PRINCIPAL SECRETARY**

**Budget performance**

The National Treasury expenditure for the FY 2021/22 stood at Kshs. 106.08 billion against an approved budget of Kshs. 167.9 billion translating to an overall absorption rate of 63 percent as demonstrated in that pie chart below.

**Chart 5: Total Allocation against Total Expenditure (Kshs. Billion)**

**Total Allocations against Total Expenditure (Kshs. Billions)**



The National Treasury implemented the 2021/22 budget within five economic classifications/programmes. These were General Administration, Planning and Support Services, Public Financial Management, Economic and Financial Policy Formulation and Management, Market Competition and Creation of an Enabling Business Environment, Government Clearing Services, Rail Transport and Marine Transport. The latter two programmes were transferred to the National Treasury by an executive directive that merged the ports, rail and pipeline services.

As demonstrated in the bar chart below, Market Competition and Creation of Enabling Business Environment Programme had the highest absorption at 100 percent followed by Economic and Financial Policy Formulation and Management at 82 percent, General Administration at 78 percent, Marine Transport 75 percent, Government Clearing Service at 71 percent, Rail Transport at 68 percent, and Public Financial Management at 38 percent. The 100 percent absorption rate in Market Competition and Creation of an Enabling Business Environment programme is attributed to transfers to Semi Autonomous Government Agencies (SAGAs) under the National Treasury which implemented this programme.

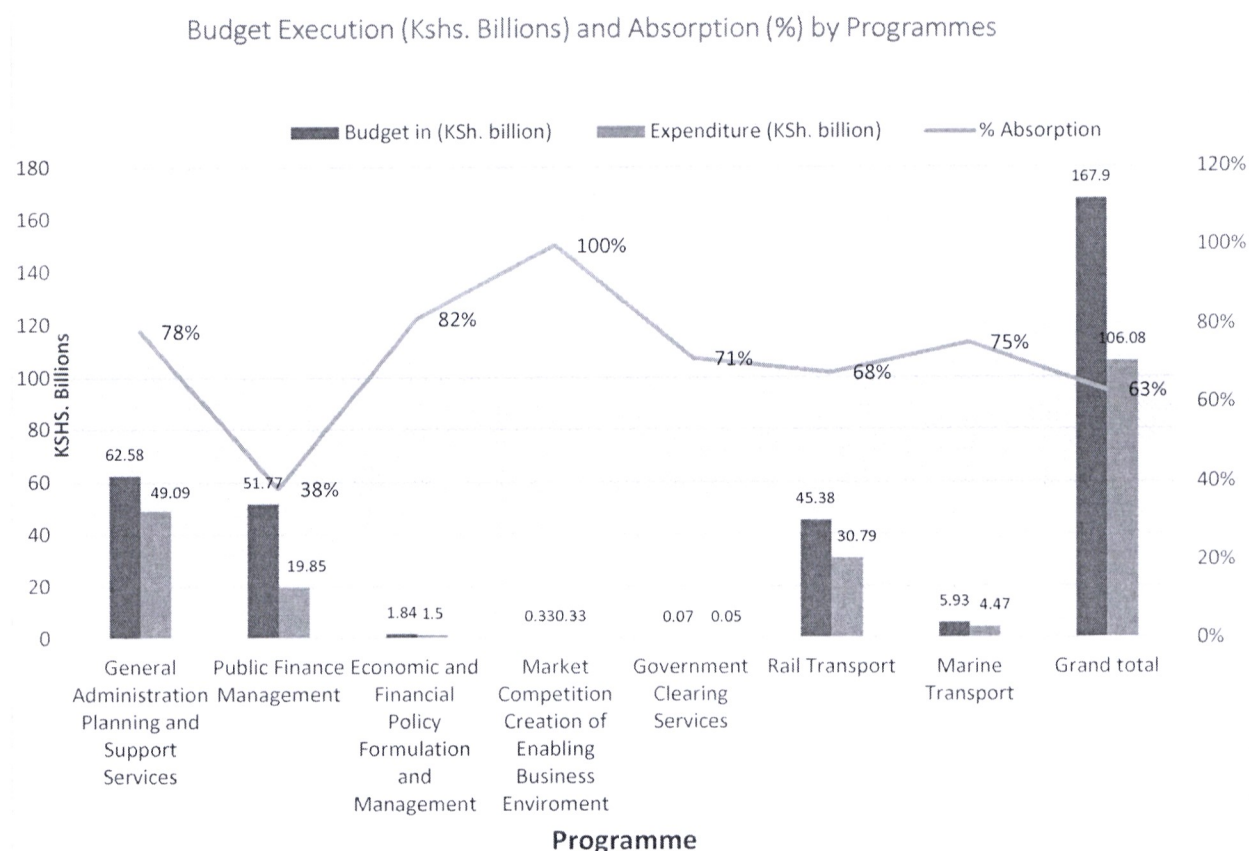
The low absorption rate in Public Financial Management programme relates to lower than anticipated execution on the following sub-programmes; Resource Mobilization, Budget Formulation, Coordination and Management, and Government Investment and Assets. The underperformance in Resource Mobilization sub-programme is attributed to a number of factors relating to implementation of externally funded projects. These include delay in granting of letter of 'no objection' from Development Partner funding Aid Effectiveness project, delay in restructuring and signing of contracts under the Infrastructure Finance for Public Private Partnerships project, lengthy procurement processes relating to Global Fund commodities, and delay in approval of County Allocation of Revenue Act 2021 to enable execution of budget under the Kenya Financing Locally-led Climate Action Programme.

Under Budget formulation sub-programme, the Equalization Fund budgetary allocation for FY 2021/22 of Kshs. 6,825,317,433 was not transferred to the Equalization Fund bank account due to lack of an appropriate legal framework that enable disbursement of funds to beneficiaries counties.

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Under the Government Investments and Assets sub-Programme, Kenya Airways did not place a request for the transfer of Kshs. 13.9 billion initially earmarked for the entity by the closure of the Financial Year.

**Chart 6: Budget Execution (Kshs. Billions) and proportion (%) by Programme**



**Key Achievements**

**Enhanced Revenue Collection**

The economic recovery underway coupled with improved business environment resulted to a strong rebound in revenue collection. As at end June 2022, ordinary revenues amounted to Kshs.1.919 trillion recording an above target collection of Kshs 67.5 billion. This performance is a growth of 22.9 percent over the previous year

Other key achievements during the period under review are as follows;

- i. Developed the Draft National Tax Policy to guide tax administration and revenue collection. The policy sets out broad parameters on tax policy and related tax matters in Kenya, with the objectives of providing policy guidance on the collection, enforcement and administration of tax laws; the basis for review and development of tax laws; guidelines to stakeholders including investors on tax policy matters; guiding principles for the Kenyan tax system; and a legal framework for granting tax incentives to various sectors of the economy;
- ii. Developed the draft information security (PFM Systems) policy to provide guidelines for the holistic management of information security risks within PFM systems operational

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- environment including but not limited to Information Security governance, cyber security management, systems and applications security, communication security and human resource security;
- iii. Facilitated the National Police Service by leasing 3,400 vehicles towards enhancing security;
  - iv. Developed the processes and procedures manual for Credit Guarantee Scheme;
  - v. Mobilized over Kshs. 10 billion for HIV, TB and Malaria interventions;
  - vi. Developed the debt risk management framework;
  - vii. Mobilized external resources amounting to Kshs.14 billion for the purposes of financing COVID 19 vaccine acquisition, procurement, deployment and other related health interventions aimed at mitigating the effects of COVID 19 Pandemic;
  - viii. Developed the e- Government Procurement System.

### **Emerging Issues**

The emerging issues that have impacted the operations of the National Treasury include;

- Transition to new Government will require re-alignment of the existing plans and strategies to accommodate Emerging Priorities under the new administration.
- Leveraging on ICT innovations in the delivery of services to the citizenry.
- Change in Government Policies that led to adjustment in the implementation of planned programmes and projects.
- Eastern Europe Conflict: - the ongoing conflict in Eastern Europe, has presented global shocks and challenges in the form of rising global energy, fertilizer and food prices.

### **Challenges**

Some of the challenges the National Treasury faced while implementing the 2021/22 budget include:-

- **Inflationary pressures**

The country experienced inflationary shocks that pushed the year-on-year inflation rate above the upper bound target due to higher food and fuel prices occasioned by global increases in prices of imported commodities.

- **Shortage of Key Technical Staff**

Despite recruitment of staff across certain cadres such as Economists and Accountants, the National Treasury continues to experience staff shortage across all cadres. This is mainly attributed to natural attrition. The planned recruitment and promotion of staff by the appointing authorities has been slow hence affecting service delivery and succession management initiatives.

- Shortage of office space especially for key technical staff; and,
- Inadequate resourcing of the Monitoring and Evaluation function;

To surmount the above emerging issues and challenges and ensure successful implementation of the National Treasury goals and objectives, the Ministry undertook the following: -

- Continued to implement borrowing policy that provides for domestic borrowing to plug the financing gap created by non-performing revenue,
- The effects of the Eastern Europe Conflict on inflation and cost of living were moderated by the Government's interventions including:

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- i) Subsidizing fuel pump prices;
  - ii) Waiving of taxes, fees and charges on maize and animal feeds imported into the country;
  - iii) Setting aside Kshs. 3.0 billion in April-June, 2022 for a fertiliser subsidy to support farmers during the last planting season, with a further Kshs. 2.7 billion set aside for the next planting season in October, 2022.
  - iv) Reducing electricity tariffs by 15 percent to lower the cost of power.
- Continued to implement succession planning towards progressively filling in staff shortage, continued training and timely promotions.
  - Engaged other development partners for concessional loans and grants as well as pursued strategies to finance government projects.

**Recommendations**

- Increasing allocation to the National Treasury to facilitate effective mobilization of resources to finance public expenditure particularly towards facilitation and implementation of post COVID-19 Economic Recovery Strategy and emerging Government priorities;
- Reforms in Public Financial Management and taxation shall be sustained to enable the National Treasury to mobilize adequate financial resources and enhance absorption capacity;
- Sustained implementation of succession planning, especially with respect to recruitment of key technical staff;
- Strengthening Monitoring and Evaluation Framework and capacity;
- Continued leveraging on ICT to ensure timely delivery of targets;
- Enhancing working environment and sustained refurbishment of offices to provide accommodation of staff.
- Prioritization of ongoing projects and fast tracking to ensure timely completion.

Going forward, the National Treasury will implement a risk management strategy that will identify, monitor and control risks associated to its activities. This will include government investments and cash flows, banking, money markets and capital market transactions as well as borrowing.



**DR. CHRIS KIPTOO, CBS**  
**PRINCIPAL SECRETARY/ NATIONAL TREASURY**

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**IV. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES**

**Introduction**

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives. The key development objectives of the National Treasury's 2018-2022 Plan are to:

- a) Strengthen organization capacity for quality service delivery;
- b) Enhance mobilization, allocation and utilization of public resources;
- c) Ensure stable and sustainable macro-economic environment;
- d) Ensure market structures that encourage competition and orderly conduct of business;

**Progress on Attainment of Strategic Development Objectives**

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 the progress on attaining the stated objectives:

MDA Program	Strategic Objective	Outcome	Indicator	Performance
<b>General Administration, Planning and Support Services.</b>	To enhance institutional and human resource capacity for quality delivery of services	Efficient and effective service delivery	No. of vehicles leased	3,528 security vehicles were leased for the National Police Service towards enhancing security
			Government Investments Management Information System (GIMIS)	Developed one Government Management Information System (GIMIS)
			% level of compliance to PSSS	On Boarded and maintained all Permanent and Pensionable (P&P) Public servants of age 45 years and below in the Public Service Super Annuation Scheme (PSSS)
			No. of Pension claims processed	27,117 pensions claims have been processed within 60 days of submission.
<b>Public Financial Management</b>	To increase the reliability, stability and	Increased reliability and soundness of the financial sector	Annual National Budget presented to Parliament by 30th April 2022	Budget presented to parliament.

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MDA Program	Strategic Objective	Outcome	Indicator	Performance
	soundness of the financial sector		Amount mobilized in Kshs. (Billion)	A total of Kshs. 112.1 billion worth of private capital was mobilized following private sector investments of four PPP projects, namely: Road Annuity Lot 15,18; Nairobi Expressway and KDF Housing Project.
			No. of PPP projects approved	Four (4) PPP projects were approved namely: Road Annuity Lot 15,18; Nairobi Expressway and KDF Housing Project.
			No. of Registered AGPO Enterprises	Registered 20,488 AGPO Enterprises
			No. of Strategies	Developed one Medium Term debt strategy.
			No. of VFM Audits reports	Conducted 205 Value for Money Audits due to increased requests for special audit by MDAs.
<b>Economic and Financial Policy Formulation and Management</b>	To ensure a stable macroeconomic environment	Stable macroeconomic environment	Real GDP growth rate (%)	6.8 %
			Inflation rate (%)	7.9%
			Months of import cover	4.9 months of import cover
			% of fiscal deficit	(6.4) % of GDP
			No. of Policies	Developed the Kenya Digital Finance Policy 2022, Draft National Insurance Policy 2021, Kenya credit and Draft Guarantee Policy 2022.
			County Allocation of Revenue Bill (CARB) & Division of Revenue Bill (DORB)	Prepared the County Allocation of Revenue Bill (CARB) 2022 & Division of Revenue Bill (DORB) 2022.
			No. of Clients accessing Agricultural Finance Corporation loans	A total of 193,516 client outreach was achieved in both wholesale and retail lending

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MDA Program	Strategic Objective	Outcome	Indicator	Performance
			Value Capital injected into the Credit Guarantee Scheme (CGS) in Kshs. (Billions)	The Government allocated an initial seed capital of Kshs.3 billion toward the inaugural CGS for MSME.  As at 31st July, 2022, the Scheme had facilitated private sector lending to the 11 sectors of the economy, as designated by CBK. MSMEs across 46 counties had benefited from credit facilities guaranteed under the Scheme. All categories of MSMEs have been able to access credit under the Scheme. During the same period, approximately Kshs. 4.03 billion was lent out to target beneficiaries.
			No. of legal frameworks on financial services sector developed	38 Counties have established their County Climate Change Funds (CCCFs) and opened special purpose accounts to receive the Program Grants.
			No. of Counties with CCF operationalized for the FY 2021/22	40 counties have developed county climate change laws i.e., County Climate Change Acts and County Climate Change Fund Acts. In addition, twelve (12) counties have developed County Climate Finance Polices.
<b>Market Competition and Creation of an Enabling Business Environment</b>	To promote and sustain competition	Sustained high productivity and competitive markets	% of consumer complaints on competition investigated	100% of the consumer complaints investigated and 64% Consumer cases concluded
			% of Merger and acquisitions applications determined	97%
			Merger, Restrictive Trade Practices (RTPs) and Consumer protection guidelines	Developed one (1) Restrictive Trade Practices and one (1) Consumer Protection Guideline

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MDA Program	Strategic Objective	Outcome	Indicator	Performance
			RTP Cases concluded as a % of total Investigation	60%
			% of cases on bid rigging concluded	100%
			% Implementation of framework on consumer protection in Digital Financial Sector	100%

## **V. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

The National Treasury's core values include customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Guided by the above principles, we undertaken the following:

### **Sustainability Strategy and Profile**

To ensure economic sustainability, the National Treasury has put in place several measures geared towards protecting the economy. Some of them include; National Tax Policy to guide tax administration and revenue collection. The policy sets out broad parameters on tax policy and related tax matters in Kenya, with the objectives of providing policy guidance on the collection, enforcement and administration of tax laws; the basis for review and development of tax laws; guidelines to stakeholders including investors on tax policy matters; guiding principles for the Kenyan tax system; and a legal framework for granting tax incentives to various sectors of the economy; Going forward into the medium term, the Government will continue in its fiscal consolidation path with the overall fiscal deficit being maintained broadly at the levels outlined in the Budget Policy Statement (BPS). A Debt risk Management Framework was also developed to ensure debt is maintained within sustainable levels. Towards, holistic management of information security of the PFM Systems, a draft information security (PFM Systems) policy has been developed. The Policy provides guidelines for operational environment including but not limited to Information Security governance, cyber security management, systems and applications security, communication security and human resource security. Additionally, the National Treasury developed the processes and procedures manual for Credit Guarantee Scheme to guide in the implementation of the Scheme.

Overall, leading economic indicators including interest rates, Foreign Exchange Reserves balance of payments and, money and credit for the fourth quarter of 2021 and the first quarter of 2022 recorded stable performance and point to strong recovery from the adverse impact of the COVID-19 pandemic. stable performance and point to strong recovery from the adverse impact of the COVID-19 pandemic.

Going forward, the National Treasury is committed to promoting Growth enabling investments through the implementation of the Economic Recovery Strategy. Specifically, the National Treasury will: Scale-up the COVID-19 response; Reduce debt vulnerabilities through revenue-driven fiscal consolidation plan that target to stabilize the debt to GDP ratio and subsequently put it on a downward path; Support structural and governance reforms while addressing weaknesses in state-owned enterprises; and, strengthen monetary policy framework and support financial stability.

### **Environmental performance**

The National Treasury has constituted a committee comprising officers from the key Departments of the Ministry to oversee all matters relating to environmental sustainability. The Committee has since developed a ministerial policy on the same in line with the National Policy on environmental management and participated in planting trees in Machakos county thus contributing towards the 10 percent tree cover initiative.

### **Employee welfare**

Employee welfare is critical for effective implementation of the programmes and projects of an organization. Noting the importance of human resources, the National Treasury has a Department established to handle Human Resources Management and Development. The Ministry has also established a Human Resource Management Advisory Committee and Departmental Training Committees that processes all the promotions, discipline, training, appraisal and general employee matters in line with the Public Service guidelines and procedures. In addition, a committee on occupational safety and health has been established to follow up of the safety conditions in the work place. In order to attract and retain competent officers, the National Treasury conducted capacity building for the staff in various technical subjects and recruited officers at the entry grade to fill skills gaps and enhance human resource capacity. In addition, the National Treasury continued to implement succession management plan by declaring vacant posts to be filled by the Public Service Commission. Further, the National Treasury has continued to build the capacity on the online staff appraisal management system in collaboration with the Public Service Commission to ensure seamless implementation of the system.

### **Market place practices**

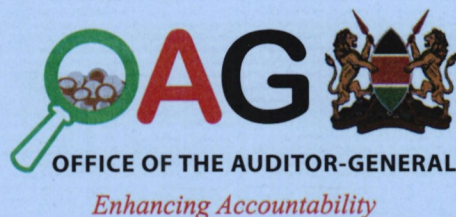
The National Treasury is responsible for promoting fair trade practices in the economy. To ensure effective implementation of this function assigned by the Constitution, one of the programmes implemented by the Treasury is ensuring that existing market structures encourage competition and orderly conduct of business in order to support high productivity and competitive markets. This is undertaken mainly by the Competition Authority of Kenya, a State Corporation under the National Treasury.

### **Community Engagements**

To mitigate technological hazards, terrorism, fire and natural disasters, the National Treasury engaged a professional security services firm contracted for purposes of enhancing security in the Ministry. The National Treasury continued to improve security within the building and its environs by use of CCTV cameras installed at the Treasury Building and at the entrances and maintained firefighting facilities at the premises in collaboration with the State Department for Public Works.

# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON GOVERNMENT INVESTMENTS AND PUBLIC ENTERPRISES - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2022 - THE NATIONAL TREASURY**

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### **PREAMBLE**

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying Government Investments and Public Enterprises - Revenue Statements set out on pages 1 to 25, which comprise of the statement of arrears

of revenue and statement of financial assets and liabilities as at 30 June, 2022, the statement of receipts and disbursements, statement of comparison of budget and actual amounts for the year then ended, a summary of significant accounting policies and other explanatory information and the summary schedule of outstanding loans in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter discussed in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, the revenue performance of the Government Investments and Public Enterprises - Revenue Statements as at 30 June, 2022 in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Unreconciled Outstanding Loans Balances**

The summary schedule of outstanding loans reflects total outstanding loans of Kshs.920,690,539,503. However, eighteen (18) entities with a total loan balance amounting to Kshs.268,875,962,951 reflected in the summary schedule differed with the loan balance of Kshs.268,241,119,147 independently confirmed from the entities resulting to an unexplained variances as summarized below;

<b>No.</b>	<b>Company/Institution</b>	<b>Balance as per the Revenue Statements (Kshs.)</b>	<b>Balance Confirmed After Circularization (Kshs.)</b>	<b>Variance (Kshs.)</b>
1.	Athi Water Services Board	47,181,677,443	44,780,310,172	2,401,367,271
2.	Coast Water Service Board	15,839,546,804	12,865,923,145	2,973,623,659
3.	Equity Bank Limited	136,672,275	14,913,236	121,759,039
4.	Kenya Airports Authority	1,708,012,739	1,709,808,167	(1,795,428)
5.	Kenya Electricity Generating Company Limited	81,533,589,265	88,136,215,941	(6,602,626,676)
6.	Kenya Electricity Transmission Company Limited	2,306,257,099	2,563,713,710	(257,456,611)
7.	Kenya Meat Commission	940,241,100	300,000,000	640,241,100
8.	Kenya Power and Lighting Company Limited	56,147,469,037	56,340,742,324	(193,273,287)
9.	Kilifi Mariakani Water and Sewerage Company Limited	283,998,236	379,210,338	(95,212,102)
10.	Lake Victoria North Water Services Board	11,594,143,705	12,618,417,315	(1,024,273,610)
11.	Lake Victoria South Water Services Board	12,991,985,210	9,471,336,598	3,520,648,612
12.	Malindi Water, Sewerage and Sanitation Company Limited	284,748,410	354,033,526	(69,285,116)
13.	Northern Water Services Board	5,389,000,000	3,267,383,722	2,121,616,278
14.	Nzoia Sugar Company Limited	458,510,100	11,454,385,173	(10,995,875,073)

No.	Company/Institution	Balance as per the Revenue Statements (Kshs.)	Balance Confirmed After Circularization (Kshs.)	Variance (Kshs.)
15.	Rural Electrification Authority	13,426,088,636	13,385,625,937	40,462,699
16.	Tana Water Services Board	7,543,116,143	4,545,195,118	2,997,921,025
17.	Tanathi Water Services Board	9,713,565,506	5,691,292,426	4,022,273,080
18.	Water Resource Management Authority	1,397,341,243	362,612,300	1,034,728,943
<b>Total</b>		<b>268,875,962,951</b>	<b>268,241,119,147</b>	

Further, institutions with outstanding balances amounting to Kshs.14,566,060,517 did not confirm their loan balances as at 30 June, 2022 as detailed below:

No.	Institution	Balance as Per Revenue Statements Kshs.
1.	Halal Meat Products	27,701,420
2.	Kenya Urban Transport Various Towns	40,706,140
3.	Local Government Loans Authority	7,594,273,720
4.	Miwani Outgrowers Mills Limited	6,600,000
5.	Miwani Sugar Company (1989) Limited	16,000,020
6.	Miwani Sugar Mills Limited	78,088,180
7.	Mombasa Pipeline Board	22,964,980
8.	Mumias Outgrowers Company Limited	16,517,400
9.	Mumias Sugar Company Limited	3,000,000,000
10.	Nairobi City Council	102,333,760
11.	National Water Conservation and Pipeline Corporation	2,460,874,897
12.	Uchumi Supermarkets Limited	1,200,000,000
<b>Total</b>		<b>14,566,060,517</b>

In the circumstances, the validity, accuracy and completeness of the reported outstanding loans balance of Kshs.920,690,539,503 as at 30 June, 2022 could not be confirmed.

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

### Key Audit Matters

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

## Other Matter

### Dormant Loans

As previously reported, the summary schedule of outstanding loans reflects total loans outstanding of Kshs.920,690,539,503. Included in the balance are twelve (12) loans amounting to Kshs.13,151,255,401 which had no movement during the year and have remained unpaid over a significant period. Further, the Management did not provide the aging analysis of the dormant loans tabulated below:

No.	Institution	Amount Outstanding as at 30 June, 2022 Kshs.
1.	Agro-chemical and Food Company Limited	2,941,884,000
2.	East African Sugar Industries Limited, Muhoroni	177,123,100
3.	Halal Meat Products	27,701,420
4.	Kenya Meat Commission	940,241,100
5.	Kenya Urban Transport Various Towns	40,706,140
6.	Miwani Outgrowers Mills Limited	6,600,000
7.	Miwani Sugar Company (1989) Limited	16,000,020
8.	Miwani Sugar Mills Limited	78,088,180
9.	Mumias Sugar Company Limited	3,000,000,000
10.	National Irrigation Board	2,262,036,544
11.	National Water Conservation and Pipeline Corporation	2,460,874,897
12.	Uchumi Supermarkets Limited	1,200,000,000
<b>Total</b>		<b>13,151,255,401</b>

Management has not disclosed measures put in place to ensure all loans are being repaid and in case of default, sanctions imposed on the defaulters.

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

### Conclusion

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

### Basis for Conclusion

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

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

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these revenue statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of revenue statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the revenue statement, Management is responsible for assessing The National Treasury's - Government Investments and Public Enterprises ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intention to terminate The National Treasury - Government Investments and Public Enterprises or to cease operations.

Management is also responsible for the submission of the revenue 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 revenue statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the revenue statements are in compliance with the authorities which govern them, and that public money is applied in an effective way.

Those charged with governance are responsible for overseeing The National Treasury - Government Investments and Public Enterprises' 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The National Treasury's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the revenue statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause The National Treasury - Government Investments and Public Enterprises to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the revenue statements, including the disclosures and whether the revenue statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of The National Treasury - Government Investments and Public Enterprises to express an opinion on the revenue statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

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

**Nairobi**

**20 January, 2023**

**THE NATIONAL TREASURY & PLANNING**  
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**Annual Revenue Statements for the year ended 30<sup>th</sup> June 2022**

**VII. Statement of Receipts and Disbursements for The Year Ended 30<sup>th</sup> June, 2022**

<b>Non-Tax Revenues</b>	<b>Note</b>	<b>2021-2022</b>	<b>2020-2021</b>
		<b>Kshs</b>	<b>Kshs</b>
Loan Redemption	1	5,129,847,351	6,258,788,627
Interest	1	1,613,363,273	2,095,215,295
Investment Income	2	40,013,540,073	47,884,300,535
<b>Total Non-Tax Revenue</b>		<b>46,756,750,697</b>	<b>56,238,304,456</b>
<b>Total Revenue Collected</b>		<b>46,756,750,697</b>	<b>56,238,304,456</b>
<b>Disbursements to the Exchequer</b>	3	<b>46,756,750,697</b>	<b>56,238,304,456</b>
<b>Balance Brought Forward</b>		<b>107,036</b>	<b>107,036</b>
<b>Balance Carried Forward</b>		<b>107,036</b>	<b>107,036</b>

The department receives loan repayments, interest on loans and investment income and then transfers the same (whole amount) to the Exchequer.  
 These receipts form an integral part of the revenue statements.

The revenue statements were approved on 30<sup>th</sup> Sept., 2022 and signed by:



**Dr. Chris Kiptoo, CBS**  
**Principal Secretary/National Treasury**



**Nemwel M. Motanya**  
**ICPAK Member No. 2367**  
**Head of Accounting Unit**

**THE NATIONAL TREASURY & PLANNING**  
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**VIII. Statement of Arrears of Revenue as at June 30<sup>th</sup> June, 2022**

Classification of Revenue	Balance as at 1 <sup>st</sup> July 2021	Arrears received during the year	Additions in Arrears for the current year to June 2022	Total arrears as at June 30 <sup>th</sup> , 2022	Measures taken to recover the arrears	Assessment to recoverability of arrears
	Kshs	Kshs	Kshs			
<b>Loan Redemption</b>	38,075,399,460	(1,317,728)	15,536,395,399	53,610,477,130	The National Treasury continues to demand for the amounts in arrears.	Most companies and Boards are facing financial difficulties, others have requested for write off.
<b>Interest Receipts</b>	35,935,644,176	(777,234)	5,940,714,499	41,875,581,442	The National Treasury continues to demand for the amounts in arrears.	
<b>Total</b>	<b>74,011,043,636</b>	<b>(2,094,962)</b>	<b>21,477,109,898</b>	<b>95,486,058,572</b>		

The arrears of revenue with respect to principal loan and accrued interest relates to previous years accumulated revenue due and outstanding of **Kshs. 95,486 million** as at 30<sup>th</sup> June 2022, indicating an increase of **Kshs. 21,477 million** during the year. The growth is mainly occasioned by non-repayment of **Kshs. 13,810 million** by Kenya Railway Company which became due in the year under review. Water sector also contributed to the growth where the loans due constitute about 62% of loan in arrears. The Sector is facing financial challenges due to the reforms and changes of law governing the Sector where water is a devolved function. Sugar Sector also contribute to the arrears. Some of the entities have been earmarked for leasing and the same will be sorted out during the process. However, the National Treasury & Planning continues to demand for the amount in arrears.

**Dr. Chris Kiptoo, CBS**  
Principal Secretary/National Treasury

**Nemwel M. Motanya**  
**ICPAK Member No. 2367**  
Head of Accounting Unit

**THE NATIONAL TREASURY & PLANNING**  
**Government Investment and Public Enterprises (GIPE)**  
**Annual Revenue Statements for the year ended 30<sup>th</sup> June 2022**

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**IX. Statement of Financial Assets and Liabilities as at 30<sup>th</sup> June 2022**

	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>	<b>6</b>		
<b>Cash and Cash Equivalents</b>			
Bank Balances		-	-
<b>TOTAL FINANCIAL ASSETS</b>		-	-
<b>TOTAL FINANCIAL ASSETS</b>		-	-
<b>FINANCIAL LIABILITIES</b>			
Payables-Due to Exchequer		-	-
<b>TOTAL FINANCIAL LIABILITIES</b>		-	-

**THE NATIONAL TREASURY & PLANNING**  
**Government Investment and Public Enterprises (GIPE)**  
**Annual Revenue Statements for the year ended 30<sup>th</sup> June 2022**

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**X. Statement of Comparison of Budget And Actual Amounts as at 30<sup>th</sup> June 2022**

<b>Classification of Revenue</b>	<b>Printed Estimates</b>	<b>Revised Estimates</b>	<b>Actual</b>	<b>Variance</b>	<b>% Variance</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Loan Redemption	1,452,904,948	1,452,904,948	5,129,847,351	3,676,942,403	253%
Interest Receipts	1,980,965,931	2,199,976,060	1,613,363,273	(586,612,787)	-27%
Other Profits & Dividends	29,996,038,311	29,434,930,403	33,617,352,173	4,182,421,770	14%
Profit & Dividends –CBK	-	5,500,000,000	5,500,000,000	0	0%
Surplus Funds	-	2,777,185,000	896,187,900	(1,880,997,100)	-68%
<b>Total</b>	<b>33,429,909,190</b>	<b>41,364,996,411</b>	<b>46,756,750,697</b>	<b>5,391,754,286</b>	<b>13%</b>

## **XI. Significant Accounting Policies**

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

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

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

### **2. Reporting Currency**

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

### **3. Significant Accounting Policies**

The accounting policies set out in this section have been consistently applied by The National Treasury for all the years presented.

### **4. Recognition of Receipts**

The receipts from the various sources are recognized when the cash has actually been received by The National Treasury. Total revenue receipts of **Kshs. 46,756,750,697** was received as at 30<sup>th</sup> June 2022.

### **5. Disbursements to the Exchequer**

The total receipt of **Kshs. 46,756,750,697** was received and transferred to the exchequer during the financial year ended 30<sup>th</sup> June 2022

### **6. Interest on Loan**

Interests on Loan are recognized as receipt in the period in which they are received.

### **7. Loan Repayment (Principal Amount)**

The repayment of principal amount received is recognized in the period in which the repayment is made.

### **8. Budget**

The budget is developed on a comparable accounting basis, the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament as required by Law and there were supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

**THE NATIONAL TREASURY & PLANNING**  
**Government Investment and Public Enterprises (GIPE)**  
**Annual Revenue Statements for the year ended 30<sup>th</sup> June 2022**

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**XII. Notes to the Financial Statements**

**1. (a) Loan Redemption**

Revised estimates of Kshs. 1,452 million against actual receipts of Kshs. 5,130 million, shows an over collection of Kshs. 3,676 million. This was mainly caused by revision of loan redemption amount done based on moratorium that had been given and financial challenges that were reported by the State Corporations. However, KENGEN paid the whole amount of Kshs. 4,604 million being the moratorium that had been given in the 2021/22 FY.

**1.(b) Loan Interest**

Revised estimates of Kshs. 2,200 million against actual receipts of Kshs. 1,613 million shows an under collection of Kshs. 586 million mainly due to non repayment of interest on loans where the revision had been done based on moratorium that had been given by The National Treasury and due to the financial challenges that were reported by the State Corporations which led to the extension of moratorium.

**2. Investment Income-Kshs 40,013,540,073**

**2.(a) Dividends from Central Bank of Kenya (CBK)**

The budgeted dividend from CBK in FY 2021/2022 revised estimates of Kshs 5,500 million against actual receipts of Kshs. 5,500 million shows there was no variance.

**2.(b) Other Profits & Dividends**

The budgeted dividend in the revised estimates of Kshs 29,434 million against actual receipts of Kshs. 33,617 million shows an over collection of Kshs. 4,182 million. The increase is mainly attributable to Special dividend from Kenya Pipeline company (KPC) paid to the National Treasury.

**2.(c) Surplus Funds**

Revised estimates Kshs 2,777 million against actual receipts of Kshs.896 million shows an under collection of Kshs 1,880 million. The decrease is mainly due to some State Corporation (Regulatory) who were expected to remit the Surplus to National Treasury but they paid directly to Kenya Revenue Authority.

**3. Disbursements to the Exchequer**

The total receipts of **Kshs. 46,756,750,697** was received and transferred to the exchequer during the financial year ended June 30<sup>th</sup>, 2022

**4. Outstanding Loan Balances**

The outstanding loan balance as at 30<sup>th</sup> June 2022 amount to Kshs 920,690 million compared to Kshs 921,930 million recorded as at 30<sup>th</sup> June 2021. A reduction of Kshs 1,240 million during the year.

Previously the Loan balances were derived from the amount as per the Subsidiary Loan Agreement, but Adjustment has been made and loan balances have been derived from the Amount Disbursed/received to Entity. This is due to the reason that some Loans are disbursed over a period of several years after the signing of the Agreements as per the conditions agreed by the parties.

**THE NATIONAL TREASURY & PLANNING**  
**Government Investment and Public Enterprises (GIPE)**  
**Annual Revenue Statements for the year ended 30<sup>th</sup> June 2022**

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**5. Arrears of Revenue.**

The arrears of revenue comprise of loan arrears and interest arrears. The amount has been outstanding for more than one year

**6. Statement of Assets and Liabilities**

IPSAS template for the Receiver of Revenue requires that a Statement of Assets & Liabilities be prepared and submitted together with other Statements.

GIPE as a receiver of Investments Income, is required to prepare this Statement. However, the Department does not operate its own Bank Account but rather receives and pays the received revenues into the Exchequer Account through National Treasury Deposit Account maintained by the Accounts Department. In addition, the Department does not have Assets (Cash/bank) and Liabilities which are required in the preparation of the Statement of Assets and Liabilities.

The Revenues that the Department receives include; Loan Redemption, Interest Income, Dividends and Directors Fees. These Revenues form GIPE Annual Revenue Statement which is then consolidated in the main National Treasury's Revenue Statement.

In view of the above, the statement is not applicable to GIPE Department for the period under review.

**THE NATIONAL TREASURY**  
**DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES**  
**SCHEDULE OF REVENUE RECEIPTS (LOAN INTEREST) - FY 2021/2022**

SERIAL No.	DEPT. RECEIPT PV No.	CHEQUE/ TRANSACTION No.	CHEQUE/ TRANSACTION DATE	STATE CORPORATION	RECEIPT OF INTEREST	RECEIPT OF INTEREST	OFFICIAL RECEIPT No.
					Kshs	Kshs	
48	86	FT2128MQFSZ	10/14/2021	AGRICULTURAL FINANCE CORPORATION	11,080,810	11,080,810	1957265
124	235	FT22121V9779	5/31/2022	AGRICULTURAL SETTLEMENT FUND	777,234	777,234	2473975
76	140	FT22021GQVXK	1/21/2022	ATHI WATER SERVICES BOARD	6,939,500	6,939,500	1957445
35	63	FT21265DL98Y	9/22/2021	ELDORET WATER & SEWERAGE CO. LTD	3,791,667		1709277
97	186	FT220811B18Y	3/22/2022	ELDORET WATER & SEWERAGE CO. LTD	3,645,833		2473801
					7,437,500	7,437,500	
1	1	FT21183Z08QF	7/2/2021	EQUITY BANK LTD	1,029,492		1636813
64	119	FT21365RNVW4	12/31/2021	EQUITY BANK LTD	703,215		1957419
138	261	FT221818MH12	6/30/2022	EQUITY BANK LTD	354,006		2486244
					2,086,713	2,086,713	
28	47	FT21210PGF1M	7/29/2021	FAULU MICRO-FINANCE BANK LTD	1,472,304		1709266
80	144	FT22031WTKH8	1/31/2022	FAULU MICRO-FINANCE BANK LTD	981,536		1957450
					2,453,840	2,453,840	
29	48	FT21257L4G8C	9/14/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,018,927		1709269
43	76	FT21278C96B2	10/5/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	996,123		1957257
50	92	FT21301SCQ2H	10/28/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	987,229		1957299
60	109	FT21333ONL1G	10/29/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	978,334		2459016
75	139	FT220251GV9C	1/25/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	960,547		1957446
77	141	FT213555D7FR	12/21/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	969,441		1957447
93	174	FT22060DWKDM	3/1/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	951,653		2459390
100	187	FT22082F2K5M	3/23/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	942,759		2459400
119	230	FT221242MY8	5/4/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	933,865		2473970
137	260	FT22181DPHML	6/30/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	916,077		2486243
140	263	FT22145017T8	5/25/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	924,971		2486246
					11,579,923	11,579,923	
59	107	FT21323Q7PWK	11/19/2021	KENYA CIVIL AVIATION AUTHORITY	8,529,792		2459014
85	161	FT2203555SJD	2/4/2022	KENYA CIVIL AVIATION AUTHORITY	29,537,083		2459474
135	258	FT22181X8XCR	6/30/2022	KENYA CIVIL AVIATION AUTHORITY	7,873,654		2486241
142	276	FT22181Z97W6	6/30/2022	KENYA CIVIL AVIATION AUTHORITY	28,401,041		2486237
					74,341,569	74,341,569	
16	16	FT21217KNY76	8/5/2021	KENGEN	75,526,593		1709210
26	45	FT21246DGRQ4	9/3/2021	KENGEN	50,024,277		1709267
42	75	FT21280RSJKJ	10/7/2021	KENGEN	7,683,109		1957262
41	74	FT21274TY1X8	10/1/2021	KENGEN	101,607,928		1957261
40	73	FT212800Z3FT	10/7/2021	KENGEN	15,319,124		1957260
61	114	FT21336MSKRS	12/2/2021	KENGEN	467,307,551		2459049
83	163	FT22034NCTC2	2/3/2022	KENGEN	71,108,290		1957449
101	191	FT22082HFSX8	3/23/2022	KENGEN	105,495,219		2473804
102	190	FT220623087J	3/3/2022	KENGEN	49,972,401		2473803
103	199	FT22112P8PJP	4/22/2022	KENGEN	464,739,008		2473846
104	201	FT22097CPOGQ	4/7/2022	KENGEN	14,231,241		2473847
106	202	FT22097HOD1C	4/7/2022	KENGEN	7,293,015		2473848
					1,430,307,756	1,430,307,756	

15	15	FT21211B2PJ8	7/30/2021	KENYA WOMEN MICRO-FINANCE BANK LTD	1,508,340		1636812
78	142	FT22031YTYGQ	1/31/2022	KENYA WOMEN MICRO-FINANCE BANK LTD	1,005,560		1957448
					<b>2,513,899</b>	<b>2,513,899</b>	
2	2	FT211938MYK5	7/12/2021	LAKE VICTORIA NORTH WATER SERVICES BOARD	3,100,145		1636814
53	95	FT21313V89N7	11/9/2021	LAKE VICTORIA NORTH WATER SERVICES BOARD	5,045,505		1957288
					<b>8,145,650</b>	<b>8,145,650</b>	
47	85	FT21287LR93G	10/14/2021	LAKE VICTORIA SOUTH WATER SERVICES BOARD	17,000,000	17,000,000	1957264
27	46	FT2124428DPJ	9/1/2021	NYERI WATER & SEWERAGE	6,932,348		1709268
92	173	FT22060P0283W	3/1/2022	NYERI WATER & SEWERAGE	6,617,242		2459391
					<b>13,549,590</b>	<b>13,549,590</b>	
3	3	FT212097XPQF	7/28/2021	RAFIKI MICRO-FINANCE BANK LTD	695,954		1636815
79	143	FT22031WTKH8	1/31/2022	RAFIKI MICRO-FINANCE BANK LTD	463,969		2459451
					1,159,923	1,159,923	
57	105	FT21327SF49S	11/23/2021	RIFT VALLEY WATER SERVICES BOARD	22,419,000	22,419,000	2459013
31	50	FT212648TGHR	9/21/2021	SMEP	1,076,386		1709270
84	162	FT22038W38VT	2/7/2022	SMEP	493,982		2459475
					1,570,368	1,570,368	
		<b>TOTAL</b>				<b>1,613,363,273</b>	

DATE.....

Dr. Chris Kiptoo, CBS  
Principal Secretary/National Treasury

Eng. Stanley Kamau  
DG/ PIPM

**THE NATIONAL TREASURY**  
**DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES**  
**SCHEDULE OF REVENUE RECEIPTS (LOAN REDEMPTION) - FY 2021/2022**

SERIAL No.	DEPT. RECEIPT PV No.	CHEQUE/ TRANSACTION No.	CHEQUE/ TRANSACTION DATE	STATE CORPORATION	RECEIPT OF PRINCIPAL		OFFICIAL RECEIPT No.
					Kshs	Kshs	
124	235	FT2121V9779	5/31/2022	AGRICULTURAL SETTLEMENT FUND	1,317,728		2473975
					1,317,728	1,317,728	
76	140	FT22021GQVXK	1/21/2022	ATHI WATER SERVICES BOARD	10,000,000		1957445
					10,000,000	10,000,000	
35	63	FT21265DL98Y	9/22/2021	ELDORET WATER & SEWERAGE CO. LTD	11,666,667		1709277
97	186	FT220811B18Y	3/22/2022	ELDORET WATER & SEWERAGE CO. LTD	11,666,667		2473801
					23,333,333	23,333,333	
1	1	FT21183Z08QF	7/2/2021	EQUITY BANK LTD	17,073,755		1636813
64	119	FT21365RNVW4	12/31/2021	EQUITY BANK LTD	17,073,755		1957419
138	261	FT221818MH12	6/30/2022	EQUITY BANK LTD	2,982,647		2486244
					37,130,157	37,130,157	
28	47	FT21210PGF1M	7/29/2021	FAULU MICRO-FINANCE BANK LTD	19,630,722		1709266
80	144	FT22031WTKH8	1/31/2022	FAULU MICRO-FINANCE BANK LTD	19,630,722		1957450
					39,261,444	39,261,444	
29	48	FT21257L4G8C	9/14/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	5,864,143		1709269
43	76	FT21278C96B2	10/5/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,072		1957257
50	92	FT21301SCQ2H	10/28/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		1957299
60	109	FT21333ONL1G	10/29/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		2459016
75	139	FT22025LGV9C	1/25/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		1957446
77	141	FT21355D7FR	12/21/2021	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		1957447
93	174	FT22060DWKDM	3/1/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		2459390
100	187	FT22082F2K5M	3/23/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		2459400
119	230	FT221242MYY8	5/4/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		2473970
137	260	FT22181DPHML	6/30/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		2486243
140	263	FT22145017T8	5/25/2022	INDUSTRIAL & COMMERCIAL DEVELOPMENT COR.	2,932,071		2486246
					35,184,856	35,184,856	
58	106	FT21326DSJZ1	11/22/2021	KENYA CIVIL AVIATION AUTHORITY	26,245,513		2459015
86	160	FT220350TBQJ	2/4/2022	KENYA CIVIL AVIATION AUTHORITY	64,916,665		2459471
133	256	FT22181HMFV9	6/30/2022	KENYA CIVIL AVIATION AUTHORITY	64,916,665		2486238
134	257	FT2218FLHPC	6/30/2022	KENYA CIVIL AVIATION AUTHORITY	26,245,513		2486240
					182,324,356	182,324,356	
16	16	FT21217KNY76	8/5/2021	KENGEN	373,091,836		1709210
26	45	FT21246DGRQ4	9/3/2021	KENGEN	102,090,361		1709267
42	75	FT21280RSJKJ	10/7/2021	KENGEN	18,740,434		1957262
40	73	FT212800Z3FT	10/7/2021	KENGEN	107,472,772		1957260
56	104	FT213239V2KD	11/19/2021	KENGEN	89,175,517		2459012
61	114	FT21336MSKRS	12/2/2021	KENGEN	1,625,417,567		2459049
83	163	FT22034NCTC2	2/3/2022	KENGEN	368,829,273		1957449
102	190	FT220623087J	3/3/2022	KENGEN	105,761,695		2473803
103	199	FT22112P8PJP	4/22/2022	KENGEN	1,689,960,029		2473846
104	201	FT22097CP0GQ	4/7/2022	KENGEN	105,416,596		2473847
106	202	FT22097HOD1C	4/7/2022	KENGEN	18,381,889		2473848
					4,604,337,970	4,604,337,970	
15	15	FT21211B2PJ8	7/30/2021	KENYA WOMEN MICRO-FINANCE BANK LTD	20,111,194		1636812
78	142	FT22031HTYGQ	1/31/2022	KENYA WOMEN MICRO-FINANCE BANK LTD	20,111,194		1957448
					40,222,389	40,222,389	

2	2	FT211938MYKS	7/12/2021	LAKE VICTORIA NORTH WATER SERVICES BOARD	7,500,000		1636814
53	95	FT21313V89N7	11/9/2021	LAKE VICTORIA NORTH WATER SERVICES BOARD	5,500,000		1957288
					<b>13,000,000</b>	<b>13,000,000</b>	
47	85	FT21287LR93G	10/14/2021	LAKE VICTORIA SOUTH WATER SERVICES BOARD	5,000,000		1957264
					<b>5,000,000</b>	<b>5,000,000</b>	
27	46	FT2124428DPJ	9/1/2021	NYERI WATER & SEWERAGE	25,208,538		1709268
92	173	FT22060P0283W	3/1/2022	NYERI WATER & SEWERAGE	25,208,538		2459391
					<b>50,417,076</b>	<b>50,417,076</b>	
3	3	FT212097XPQF	7/28/2021	RAFIKI MICRO-FINANCE BANK LTD	9,279,382		1636815
79	143	FT22031WTKH8	1/31/2022	RAFIKI MICRO-FINANCE BANK LTD	9,279,382		2459451
					<b>18,558,764</b>	<b>18,558,764</b>	
57	105	FT213275F49S	11/23/2021	RIFT VALLEY WATER SERVICES BOARD	50,000,000		2459013
					<b>50,000,000</b>	<b>50,000,000</b>	
31	50	FT212648TGHR	9/21/2021	SMEP	9,879,639		1709270
84	162	FT22038W38VT	2/7/2022	SMEP	9,879,639		2459475
					<b>19,759,278</b>	<b>19,759,278</b>	
		<b>TOTAL</b>				<b>5,129,847,351</b>	

DATE.....



Dr. Chris Kiptoo, CBS  
Principal Secretary/National Treasury



Eng. Stanley Kamau  
DG/ PIPM

**THE NATIONAL TREASURY**  
**DEPARTMENT OF GOVERNMENT INVESTMENT AND PUBLIC ENTERPRISES**  
**SCHEDULE OF REVENUE RECEIPTS (Other Income) - FY 2021/2022**

SERIAL No.	DEPT. RECEIPT PV No.	CHEQUE/ TRANSACTION DATE	STATE CORPORATION	RECEIPT OF INVESTMENT REVENUE - DIVIDEND Kshs	RECEIPT OF INVESTMENT REVENUE - SURPLUS Kshs	RECEIPT OF INVESTMENT REVENUE - DIRECTORS' FEES Kshs
7	7	7/16/2021	CAPITAL MARKETS AUTHORITY	0	0	420,000
127	246	6/20/2022	CAPITAL MARKETS AUTHORITY	0	0	840,000
8	8	7/23/2021	CENTRAL BANK OF KENYA	0	0	150,000
33	59	9/27/2021	CENTRAL BANK OF KENYA	5,500,000,000	0	0
36	64	9/24/2021	CENTRAL BANK OF KENYA	0	0	150,000
49	87	8/24/2021	CENTRAL BANK OF KENYA	0	0	150,000
52	94	10/22/2021	CENTRAL BANK OF KENYA	0	0	150,000
66	117	11/24/2021	CENTRAL BANK OF KENYA	0	0	150,000
90	171	2/24/2022	CENTRAL BANK OF KENYA	0	0	150,000
94	175	1/24/2022	CENTRAL BANK OF KENYA	0	0	150,000
110	207	3/24/2022	CENTRAL BANK OF KENYA	0	0	150,000
112	208	4/24/2022	CENTRAL BANK OF KENYA	0	0	150,000
130	250	6/24/2022	CENTRAL BANK OF KENYA	0	0	150,000
34	60	9/23/2021	COMMUNICATION AUTHORITY OF KENYA	0	884,509,500	0
38	68	9/20/2021	COUNCIL OF LEGAL EDUCATION	0	11,678,400	0
5	5	7/8/2021	DE LA RUE EPZ LTD	0	0	500,000
44	77	10/7/2021	DE LA RUE EPZ LTD	0	0	500,000
46	84	10/14/2021	DE LA RUE EPZ LTD	29,950,000	0	0
73	137	1/14/2022	DE LA RUE EPZ LTD	0	0	500,000
89	170	1/27/2022	DEVELOPMENT BANK OF KENYA	0	0	300,000
20	28	8/6/2021	ENERGY & PETROLEUM REG. AUTHORITY	0	0	142,500
39	69	9/30/2021	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
54	96	11/1/2021	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
67	116	12/3/2021	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
74	138	1/13/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
81	145	1/13/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
99	188	3/2/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
108	205	4/4/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
120	231	5/30/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
121	232	5/4/2022	ENERGY & PETROLEUM REG. AUTHORITY	0	0	190,000
4	4	7/8/2021	HOUSING FINANCE CO.LTD.	2,093,438	0	0
72	136	1/7/2022	HOUSING FINANCE CO.LTD.	2,093,438	0	0
22	30	6/24/2021	IDB CAPITAL LTD.	0	0	32,500
24	37	09/07, 26/7/2021	KENYA AIRWAYS	0	0	223,763
23	31	7/2/2021	KENYA AIRWAYS	0	0	92,138
68	122	26/8, 27/9/2021	KENYA AIRWAYS	0	0	184,275
69	123	27/10, 29/11/2021	KENYA AIRWAYS	0	0	184,275
82	146	1/26/2022	KENYA AIRWAYS	0	0	131,625
91	172	2/24/2022	KENYA AIRWAYS	0	0	92,138
98	189	3/25/2022	KENYA AIRWAYS	0	0	171,113
109	206	4/25/2022	KENYA AIRWAYS	0	0	131,625

		5/25/2022	KENYA AIRWAYS			131,625
129	249	6/27/2022	KENYA AIRWAYS			737,100
141	264	5/25/2022	KENYA AIRWAYS			131,625
62	121	1/5/2022	KENYA COMMERCIAL BANK	635,001,947	0	0
128	247	6/24/2022	KENYA COMMERCIAL BANK	1,270,003,894	0	0
32	51	9/1/2021	KENYA ELECTRICITY TRANSMISSION CO.	0	0	840,000
105	203	4/13/2022	KENYA ELECTRICITY TRANSMISSION CO.	0	0	1,680,000
6	6	7/9/2021	KENYA HOTEL PROPERTIES	0	0	427,500
71	125	12/16/2021	KENGEN	0	0	840,000
132	255	6/30/2022	KENGEN	1,384,627,227	0	0
10	10	7/2/2021	KENYA POWER & LIGHTING CO. LTD	249,440	0	0
11	11	7/2/2021	KENYA POWER & LIGHTING CO. LTD	97,964	0	0
12	12	7/2/2021	KENYA POWER & LIGHTING CO. LTD	35,000	0	0
13	13	7/2/2021	KENYA POWER & LIGHTING CO. LTD	7,226	0	0
14	14	7/2/2021	KENYA POWER & LIGHTING CO. LTD	1,990	0	0
114	210	4/6/2022	KENYA POWER & LIGHTING CO. LTD	249,440	0	0
115	211	4/6/2022	KENYA POWER & LIGHTING CO. LTD	97,964	0	0
116	212	4/6/2022	KENYA POWER & LIGHTING CO. LTD	35,000	0	0
117	213	4/6/2022	KENYA POWER & LIGHTING CO. LTD	7,226	0	0
118	214	4/6/2022	KENYA POWER & LIGHTING CO. LTD	1,990	0	0
125	242	6/10/2022	KENYA PIPELINE CO. LTD	8,000,000,000	0	0
19	27	8/19/2021	KENYA REINSURANCE CORPORATION	336,000,000	0	0
9	9	7/2/2021	KENYA REVENUE AUTHORITY	0	0	100,000
18	18	8/3/2021	KENYA REVENUE AUTHORITY	0	0	100,000
30	49	9/3/2021	KENYA REVENUE AUTHORITY	0	0	100,000
45	78	10/1/2021	KENYA REVENUE AUTHORITY	0	0	100,000
55	97	11/3/2021	KENYA REVENUE AUTHORITY	0	0	100,000
65	118	12/7/2021	KENYA REVENUE AUTHORITY	0	0	100,000
83	147	1/31/2022	KENYA REVENUE AUTHORITY	0	0	100,000
95	176	3/1/2022	KENYA REVENUE AUTHORITY	0	0	100,000
113	209	4/6/2022	KENYA REVENUE AUTHORITY			100,000
122	233	5/9/2022	KENYA REVENUE AUTHORITY			100,000
123	234	5/30/2022	KENYA REVENUE AUTHORITY			100,000
139	262	6/30/2022	KENYA REVENUE AUTHORITY			100,000
17	17	8/2/2021	NAIROBI SECURITIES EXCHANGE PLC	4,637,500	0	0
63	120	12/31/2021	NAIROBI SECURITIES EXCHANGE PLC	4,375,000	0	0
136	259	6/30/2022	NATIONAL HOUSING CORPORATION	15,495,181	0	0
88	169	12/17/2021	NATIONAL SOCIAL SECURITY FUND	0	0	600,000
25	43	9/17/2021	SAFARICOM LTD	12,900,766,774	0	0
51	93	10/28/2021	SAFARICOM LTD	0	0	2,380,500
96	185	3/31/2022	SAFARICOM LTD	8,974,446,451	0	0
107	204	4/14/2022	SAFARICOM LTD	0	0	525,000
37	67	9/28/2021	STANBIC HOLDINGS LTD	7,013,215	0	0
126	243	6/3/2022	STANBIC HOLDINGS LTD	30,115,570	0	0
21	29	7/9/2021	TELKOM (K) LTD	0	0	700,000
70	124	10/8/2021	TELKOM (K) LTD	0	0	700,000
87	168	12/23/2021	TELKOM (K) LTD	0	0	700,000
131	229	4/12/2022	TELKOM (K) LTD	0	0	700,000
TOTAL				39,097,402,873	896,187,900	19,949,300
GRAND TOTAL				40,013,540,073		

DATE..... Dr. Chris Kiptoo, CBS  
Principal Secretary/National Treasury

Eng. Stanley Kamau  
DG/ PIPM

**THE NATIONAL TREASURY AND PLANNING**  
**SCHEDULE OF ARREARS OF REVENUE - LOAN REDEMPTION RECEIPTS DUE**  
**AS AT 30/6/2022**

Appendix 4

DESCRIPTION	Balance as at 1st July 2021	Arrears Received During The Year	Addition in the arrears for the year 2022	TOTAL ARREARS FY2021/2022	Remarks
			Kshs	Kshs	
1 East African Sugar Industries (Muhoroni)	43,102,354.55		-	43,102,354.55	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
2 South Nyanza Sugar Co.	207,504,015.00		-	207,504,015.00	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
3 Nzoia Sugar Co.	12,964,320.00		-	12,964,320.00	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
4 Mtwani Outgrowers Mills Ltd	16,787,642.86		-	16,787,642.86	Dormant. A Task Force has been constituted to consider and recommend the amounts for write-off.
5 Mumias Outgrowers Ltd	18,003,840.00		-	18,003,840.00	Dormant. A Task Force has been constituted to consider and recommend the amounts for write-off.
6 Mtwani Sugar Co.	74,544,107.00		-	74,544,107.00	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
7 Loans to Local Government Authorities	293,009,980.00		-	293,009,980.00	IGLA has been dormant since the 1990's. A Task Force has been constituted to consider and recommend the amounts for write-off.
8 Nairobi City Council	4,550,785,854.00		-	4,550,785,854.00	The NCC loans are now vested in the Nairobi County Government. A Task Force has been constituted to consider and recommend the amounts for write-off.
9 National Water Conservation / Mombasa Pipeline	2,278,416,340.21		19,638,732.55	2,298,055,072.76	The corporation has indicated that the assets have since moved to the new Water Boards thus the later should bear the loan burden. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
10 Agricultural Settlement Fund and Central Land Board	73,448,584.41	1,317,728.00		72,130,856.41	The SFT is repaying its loan repayments and therefore reducing the arrears.
11 Moi University	168,750,000.00		-	168,750,000.00	The institution has indicated that the funds were used in favour of Karatina University which has since become autonomous. The loan will be regularized in accordance with the Vesting Order.
12 Agro-Chemical and Food Co. Ltd	2,401,241,486.00		-	2,401,241,486.00	The Co. is earmarked for privatization. The treatment of Gok loans will be addressed under the privatization framework.
13 Co-operative Bank of Kenya	72,915,185.00		-	72,915,185.00	The Bank has indicated inability to repay loans that it on-lent to various Co-operative Societies that have since collapsed. We have received a request from Bank for write off and the same will be reviewed in 2022/23 FY.
14 Catering Levy Trustee/Utalii College	122,000,000.00			122,000,000.00	The college has requested for the loan balance be written off. The request will be reviewed by the taskforce
15 Athi Water Services Board	5,194,228,770.12		391,480,491.96	5,585,709,262.08	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.

16	Halal Meat Products	27,701,420.00				27,701,420.00	The Company has not been servicing the loan. The Co. sued the Government and the court decided in their favour. The National Treasury sought an opinion from the Attorney General in the wake of the counter-claim from the Co.
17	Tanathi Water Services Board	1,105,794,705.32		122,168,382.52		1,227,963,087.83	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
18	Coast Water Services Board	3,565,645,049.58		322,683,470.31		3,888,328,469.89	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
19	National Irrigation Board	352,810,330.07		45,804,207.67		398,614,537.73	The Board is facing financial difficulties thus unable to repay the loan. They have requested Treasury to write-off the loan or convert it into a grant. The request is being considered.
20	Kenya Meat Commission	306,800,000.01		31,200,000.01		338,000,000.02	The Commission is in financial difficulties and unable to service the old loans. WE have received a request for write off and the same will be reviewed in 2022/23 FY
21	Lake Victoria North Water Service Board	653,166,062.25		95,107,052.74		748,273,114.99	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
22	Lake Victoria South Water Service Board	1,179,030,484.89		131,726,721.96		1,310,757,206.84	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
23	Tana Water Service Board	498,062,790.60		44,473,382.19		542,536,172.79	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
24	Rift Valley Water Services Board	557,970,957.94		27,144,803.77		585,115,761.71	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
25	Water Resources Management Authority	45,170,381.04		16,670,266.67		61,840,647.71	The Authority is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
26	Kenyatta University	1,339,572,259.74		477,486,327.38		1,817,058,587.12	The University Hospital was transferred to another State Corporation, the same will be regularized as per the Vesting order
27	Kenya Railways Corporation	12,915,972,539.01		13,810,811,608.95		26,726,784,147.96	The Corporation is yet to start repaying the loan
<b>T O T A L</b>		<b>38,075,399,459.59</b>	<b>1,317,728.00</b>	<b>15,536,395,398.67</b>		<b>53,610,477,130.26</b>	



Dr. Chris Kiptoo, CBS  
Principal Secretary/National Treasury



Eng. Stanley Kamau  
DG/ PIPM

**THE NATIONAL TREASURY AND PLANNING**  
**SCHEDULE OF ARREARS OF REVENUE LOAN INTEREST RECEIPTS**

**AS AT 30/6/2022**

Appendix 5

DESCRIPTION	Balance as at 1st July 2021	Arrears Received During The Year	Addition in the arrears for the year 2022 Kshs	Total Arrears FY2021/2022 Kshs	Remarks
1 Nairobi City Council	10,160,506,076			10,160,506,076	The NCC loans are now vested in the Nairobi County Government. The recoverability of these loans remain doubtful. A Task Force has been constituted to consider and recommend the amounts for write-off.
2 South Nyanza Sugar Co.	372,512,027			372,512,027	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
3 Muhoroni Sugar Co. (In receivership)	26,316,314			26,316,314	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
4 Neoia Sugar Co.	10,989,522			10,989,522	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
5 Mtwani Outgrowers Mills Ltd	11,409,917			11,409,917	Dormant. A Task Force has been constituted to consider and recommend the amounts for write-off.
6 Mumias Outgrowers Ltd	3,056,485			3,056,485	Dormant. A Task Force has been constituted to consider and recommend the amounts for write-off.
7 Mtwani Sugar Co. (In receivership)	46,303,555			46,303,555	The amount in arrears pending Cabinet approval for write-off via CAB Memo(20)38.
8 Loans to Local Government Authorities	555,107,640			555,107,640	LGAs has been dormant since the 1990's. A Task Force has been constituted to consider and recommend the amounts for write-off.
9 Kenya Meat Commission	36,519,046		572,000	37,091,046	The Commission is in financial difficulties and unable to service the old loans. WE have received a request for write off and the same will be reviewed in 2022/23 FY.
10 National Irrigation Board	601,077,699		31,490,392	632,568,092	The Board is facing financial difficulties thus unable to repay the loan. They have requested Treasury to write-off the loan or convert it into a grant. The request is being considered.
11 National Water Conservation / Mombasa Pipeline	3,169,117,237		17,552,119	3,186,669,356	The corporation has indicated that the assets have since moved to the new Water Boards thus the later should bear the loan burden. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
12 Agricultural Settlement Fund and General Land Board	24,691,047	777,234		23,913,813	The SFT is repaying its loan & interest repayments in bits.
13 KIDC Revolving Fund	52,616,000			52,616,000	This is interest on a irredemable revolving fund of Kshs. 48M. The Corporation requested for the termination of the interest payment. A Task Force has been constituted to consider and recommend the amounts for write-off.
14 Agro-Chemical and Food Co. Ltd	3,196,553,616			3,196,553,616	The Co. is earmarked for privatization. The treatment of Govk loans will be addressed under the privatization framework.

15	Moi University	32,143,292			32,143,292	The institution has indicated that the funds were used in favour of Karatina University which has since become autonomous. The loan will be regularized in accordance with the Vesting Order.
16	Catering Levy Trustee/Uitaini College	556,430,637			556,430,637	The college has requested for the loan balance be written off. The request will be reviewed by the taskforce
17	Lake Victoria North Water Service Board	501,668,897	49,287,330		550,956,227	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
18	Water Resources Management Authority	54,653,654	11,460,808		66,114,462	The Authority is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
19	Athi Water Services Board	733,437,322	37,768,527		771,205,848	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
20	Coast Water Services Board	710,817,990	41,663,135		752,481,125	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
21	Halal Meat Products	8,131,850,802	939,175,640		9,071,026,442	The Company has not been servicing the loan. The Co. sued the Government and the court decided in their favour. The National Treasury sought an opinion from the Attorney General in the wake of the counter-claim from the Co.
22	Tanathi Water Services Board	377,707,295	73,301,030		446,008,325	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
23	Tana Water Services Board	345,425,938	26,091,395		371,517,333	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
24	Rift Valley Water Services Board	223,715,889	9,500,681		233,216,571	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
25	Lake Victoria South Water Service Board	624,759,410	44,648,562		669,407,973	The Board is facing financial difficulties thus unable to repay the loan. An Inter-Ministerial Committee has been constituted to review all water Sector loans.
26	Kenyatta University	836,071,578	238,743,164		1,074,814,742	The University Hospital was transferred to another State Corporation, the same will be regularized as per the Vesting order
27	Kenya Railways Corporation	4,545,185,291	4,419,459,715		8,964,645,006	The Corporation is yet to start servicing the loan
	<b>T O T A L</b>	<b>35,935,644,176</b>	<b>5,940,714,499</b>	<b>777,234</b>	<b>41,875,581,442</b>	



Dr. Chris Kiptoo, CBS  
Principal Secretary/National Treasury




Eng. Stanley Kamau  
DG/ PIPM

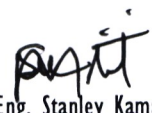
**THE NATIONAL TREASURY AND PLANNING**  
**ANALYSIS OF OUTSTANDING LOANS AS AT 30TH JUNE 2022 - Revised Nov.2022**

	AMOUNT LENT Kshs	AMOUNT DISBURSED Kshs	AMOUNT REPAID/ WRITTEN OFF Kshs	AMOUNT OUTSTANDING Kshs
<b>Balance b/f - 1st July 2021</b>	<b>967,344,677,190</b>		<b>45,414,351,232</b>	<b>921,930,325,958</b>
<b>Loan Redemptions during the year</b>			<b>5,040,671,834</b>	<b>(5,040,671,834)</b>
<b>Add:</b>				
<b>New Loans:</b>				
1 Central Rift Valley Water Works Development Agency	3,710,268,700		-	-
2 Agricultural Finance Corporation	678,282,600		-	-
3 Agricultural Finance Corporation	576,540,210		-	-
4 Lake Victoria South Water Services Board	1,278,721,000		-	-
5 Kenya Electricity Transmission Co. Ltd.	2,306,257,099		-	2,306,257,099
6 Kenya Airways PLC	31,270,000,000		-	31,270,000,000
<b>Loan Amount Adjusted:</b>				
1 Kenya Power and Lighting Co. Limited	2,236,944,715		-	2,236,944,715
2 Equity Bank Ltd	(82,521,810)		51,165,199	(131,303,042)
3 Equity Bank Ltd	(140,497,500)		(25,471,733)	(114,612,189)
4 Equity Bank Ltd	(51,281,587)			(72,736,703)
5 Equity Bank Ltd	(121,759,039)			(121,759,039)
6 Co-operative Bank of Kenya			(58,600,267)	(10,334,034)
7 Athi Water Services Board	4,248,338,354			4,248,338,354
8 Coast Water Services Board	6,171,919,893			6,171,919,893
9 Kenya Airports Authority			-	(1,242,193,944)
10 Kenya Airports Authority	(16,776,395)			(16,776,395)
11 Kenya Civil Aviation Authority				(74,911,149)
12 Tavevo Water & Sewerage Co. Ltd				(1,093,459,479)
13 Mombasa Water & Sanitation Co. Ltd				(1,259,817,787)
14 Malindi Water, Sewerage & Sanitation Co. Ltd				(773,884,807)
15 Kilifi Mariakani Water & Sewerage Co. Ltd				(775,646,092)
16 Kwale Water & Sewerage Co. Ltd				(1,615,826,753)
17 Kenya Railways Corporation				18,332,172,960
18 Kenya Railways Corporation				10,771,914,286
19 Kenya Railways Corporation				(8,204,588,189)
20 Kenya Railways Corporation	72,009,783,737			72,009,783,737
21 Kenya Mortgage Refinance Company				(14,596,309,238)
22 Kenya Mortgage Refinance Company				(3,958,458,000)
23 Kenya Mortgage Refinance Company				(2,250,000,000)
24 Kenya Mortgage Refinance Company				(3,238,275,769)
25 Rural Electrification Authority				(223,069,814)
26 Kenya Power and Lighting Co. Limited				(11,743,943,441)
27 Kenya Power and Lighting Co. Limited				(13,089,372,560)
28 Water Sector Trust Fund	(1,881,757,098)			(1,881,757,098)
29 Coast Water Services Board				(13,677,963,984)
30 Coast Water Services Board				(2,925,998,395)
31 Athi Water Services Board				2,690,787,092
32 Athi Water Services Board				(283,797,441)
33 Athi Water Services Board				(1,464,172,457)
34 Athi Water Services Board				(12,525,837,005)
35 Athi Water Services Board				(5,792,428,174)

35	Kenya Electricity Generating Co. Ltd.			113,804,827
36	Kenya Electricity Generating Co. Ltd.			3,329,573
37	Kenya Electricity Generating Co. Ltd.			(21,790,109,376)
38	Kenya Electricity Generating Co. Ltd.			(6,749,729,687)
39	Kenya Electricity Generating Co. Ltd.			(9,560,382,411)
40	IDB Capital Limited			(1,090,661,278)
41	Lake Victoria South Water Services Board			(1,514,419,924)
	<b>Loan interest receipts initially taken up as loan redemption now corrected:</b>			
1	SONY Ltd - FY2010/11		(8,476,595)	8,476,595
2	Agro Chemical Ltd - FY2007/08		(95,000,000)	95,000,000
3	Agricultural Finance Corporation - FY2015/16 - 2021-22		(29,179,400)	29,179,400
4	Kenya Civil Aviation Authority		(42,220,854)	42,220,854
	<b>Less:</b>			
1	KPLC loan now transferred to Ketraco		2,313,191,279	(2,313,191,279)
2	ICDC un-disbursed amount taken up by error FY2020/21		-	(300,000,000)
3	ICDC loan redemption taken up as dividend by error FY2019/20		20,000,000	(20,000,000)
4	Co-op Bank Grant initially taken up as Loan			(9,675,340)
5	Kenya Civil Aviation Authority		21,841,734	(21,841,734)
	<b>Balance Outstanding as at 30TH JUNE 2022</b>	<b>1,089,537,140,069</b>	<b>52,602,272,428</b>	<b>920,690,539,503</b>



Dr. Chris Kiptoo, CBS  
Principal Secretary/National Treasury



Eng. Stanley Kamau |  
DG/ PIPM

**THE NATIONAL TREASURY AND PLANNING**  
**SUMMARY SCHEDULE OF OUTSTANDING LOANS AS AT 30TH JUNE 2022**

	TO WHOM LENT	AMOUNT LENT	AMOUNT DISBURSED	AMOUNT REPAYED/ WRITTEN OFF	AMOUNT OUTSTANDING AS AT 30TH JUNE 2022
		Kshs	Kshs	Kshs	Kshs
1	Agricultural Finance Corporation	1,788,622,810	533,800,000	35,901,410	497,898,590
2	Agricultural Settlement Fund and Central Land Board.	126,326,880	126,326,880	51,865,876	74,461,004
3	Agro-chemical & food Company Ltd	2,941,884,000	2,941,884,000	-	2,941,884,000
4	Athi Water Services Board	65,048,343,312	47,672,895,327	491,217,885	47,181,677,443
5	Catering Levy Trustee/Kenya Utalii College	140,000,000	140,000,000	18,000,000	122,000,000
6	Central Rift Valley Water Works Development Agency	3,710,268,700	-	-	-
7	Coast Water Service Board	32,443,509,183	15,839,546,804	-	15,839,546,804
8	Co-operative Bank of Kenya Ltd	417,861,548	339,251,907	71,844,560	267,407,347
9	East African Sugar Industries Limited, Muhoroni	177,123,100	177,123,100	-	177,123,100
10	Eldoret Municipal Council/ Eldoret Water & Sanitation Co. Ltd	1,058,673,824	1,058,673,824	778,673,824	280,000,000
11	Equity Bank Ltd	396,059,936	377,402,366	240,730,091	136,672,275
12	Faulu Kenya Deposit Taking Micro-Finance Ltd.	235,568,667	235,568,667	215,937,945	19,630,721
13	Halal Meat Products	27,701,420	27,701,420	-	27,701,420
14	IDB Capital Limited	1,555,675,500	465,014,222	-	465,014,222
15	Industrial and Commercial Dev. Corporation	1,191,848,560	891,848,560	92,777,284	799,071,276
16	Kenya Airports Authority	4,235,100,515	2,992,906,571	1,284,893,832	1,708,012,738
17	Kenya Airways PLC	31,270,000,000	31,270,000,000	-	31,270,000,000
18	Kenya Civil Aviation Authority	2,800,587,168	2,725,676,019	878,975,417	1,846,700,602
19	Kenya Electricity Generating Co. Ltd.	153,205,616,878	115,222,529,804	33,688,940,539	81,533,589,265
20	Kenya Electricity Transmission Co. Ltd.	2,306,257,099	2,306,257,099	-	2,306,257,099
21	Kenya Meat Commission	940,241,100	940,241,100	-	940,241,100
22	Kenya Mortgage Refinance Company	34,028,098,320	9,985,055,313	-	9,985,055,313
23	Kenya Power and Lighting Co. Limited	94,246,592,644	69,413,276,644	13,265,807,607	56,147,469,037
24	Kenya Railways Corporation	545,220,475,079	566,119,974,135	-	566,119,974,135
25	Kenya Tourist Development Corporation	48,000,000	48,000,000	-	48,000,000
26	Kenya Urban Transport Various Towns	40,706,140	40,706,140	-	40,706,140
27	Kenya Women Finance Trust Deposit Taking Micro-Finance Ltd.	241,334,333	241,334,333	221,223,138	20,111,195
28	Kenyatta University	10,857,620,656	10,857,620,656	-	10,857,620,656
29	Kilifi Mariakani Water & Sewerage Co. Ltd	1,059,644,328	283,998,236	-	283,998,236
30	Kwale Water & Sewerage Co. Ltd	2,051,265,560	435,438,807	-	435,438,807
31	Lake Basin Development Authority (LBDA)	2,000,000,000	2,000,000,000	-	2,000,000,000
32	Lake Victoria North Water Services Board	11,618,627,783	11,618,627,783	24,484,078	11,594,143,705
33	Lake Victoria South Water Services Board	15,790,126,134	12,996,985,209	5,000,000	12,991,985,210
34	Local Government Loans Authority	7,688,792,480	7,688,792,480	94,518,760	7,594,273,720
35	Malindi Water, Sewerage & Sanitation Co. Ltd	1,058,633,217	284,748,410	-	284,748,410
36	Miwani Outgrowers Mills Limited	6,600,000	6,600,000	-	6,600,000
37	Miwani Sugar Company (1989) Limited	16,000,020	16,000,020	-	16,000,020
38	Miwani Sugar Mills Limited	78,088,180	78,088,180	-	78,088,180
39	Moi University	250,000,000	250,000,000	18,750,000	231,250,000
40	Mombasa Pipeline Board	63,400,000	63,400,000	40,435,020	22,964,980
41	Mombasa Water & Sanitation Co. Ltd	1,798,411,538	538,593,751	-	538,593,751
42	Mumias Outgrowers Company Limited	43,208,440	43,208,440	26,691,040	16,517,400
43	Mumias Sugar Company Limited	3,000,000,000	3,000,000,000	-	3,000,000,000
44	Nairobi City Council	123,109,580	123,109,580	20,775,820	102,333,760
45	National Irrigation Board	2,262,036,544	2,262,036,544	-	2,262,036,544
46	National Water Conservation and Pipeline Corporation	2,460,874,897	2,460,874,897	-	2,460,874,897
47	Northern Water Services Board	5,389,000,000	5,389,000,000	-	5,389,000,000
48	Nyeri Water and Sewerage Company	1,159,592,738	1,159,592,738	655,421,984	504,170,754

49	Nzoia Sugar Company Limited	482,139,360	482,139,360	23,629,260	458,510,100
50	Rafiki Deposit Taking Micro-Finance Ltd.	111,352,583	111,352,583	102,073,201	9,279,382
51	Rift Valley Water Services Board	4,944,529,796	4,944,529,796	99,214,725	4,845,315,071
52	Rural Electrification Authority	13,649,158,450	13,426,088,636	-	13,426,088,636
53	SMEP Deposit Taking Micro-Finance Ltd.	118,555,667	118,555,667	108,676,028	9,879,639
54	South Nyanza Sugar Company Limited	253,317,120	253,317,120	45,813,105	207,504,015
55	Tana Water Services Board	7,543,116,143	7,543,116,143	-	7,543,116,143
56	Tanathi Water Services Board	9,713,565,506	9,713,565,506	-	9,713,565,506
57	Tavevo Water & Sewerage Co. Ltd	1,506,555,390	413,095,911	-	413,095,911
58	Uchumi Supermarkets Limited	1,200,000,000	1,200,000,000	-	1,200,000,000
59	Water Resource Management Authority	1,397,341,243	1,397,341,243	-	1,397,341,243
		1,089,537,140,070	973,292,811,931	52,602,272,429	920,690,539,503

Dr. Chris Kiptoo, CBS  
Principal Secretary/National Treasury

Eng. Stanley Kamau  
DG/ PIPM

THE NATIONAL TREASURY AND PLANNING  
SCHEDULE OF INVESTMENTS BY THE CABINET SECRETARY/NATIONAL TREASURY IN VARIOUS COMPANIES

AS AT 30TH JUNE 2022

LISTED COMPANIES

Company Name	Number Of Shares As 30/06/2021	Nominal Value 2021	Number Of Shares As 30/06/2022	Nominal Value 2022	% GOK Share Holding	Remarks
(a)Kenya Power & Lighting Co. Ltd - ordinary shares	946,062,063	2,365,155,158	946,062,063	2,365,155,158	48	No change
1 (b)Kenya Power & Lighting Co. Ltd - 4% cumulative pref. stock	623,601	12,472,020	623,601	12,472,020	35	No Change
(b)Kenya Power & Lighting Co. Ltd - 7% cumulative pref. stock	189,948	3,798,960	189,948	3,798,960	54	No Change
2 Kenya Commercial Bank Ltd	621,223,000	621,223,000	635,001,947	635,001,947	20	Acquisition of NBK
3 CFC Stanbic Bank Ltd	4,342,548	21,712,740	4,342,548	21,712,740	2	No Change
4 CFC Insurance Holdings Ltd (Liberty Kenya Holding Ltd)	4,342,548	4,342,548	4,602,008	4,602,008		Bonus shares
5 Mumias Sugar Company Ltd	306,000,000	612,000,000	306,000,000	612,000,000	20	No Change
6 Kenya Airways Ltd	2,847,844,811	14,239,224,055	2,847,844,811	14,239,224,055	49	No Change
7 Housing Finance Co. of Kenya	9,265,135	46,325,675	9,265,135	46,325,675	2	No change
8 Kenya Electricity Generating Company	4,615,424,088	11,538,560,220	4,615,424,088	11,538,560,220	70	No Change
9 East Africa Portland Cement Company Ltd	22,804,305	114,021,525	22,804,305	114,021,525	25	No change
10 Safaricom Ltd	14,022,578,580	70,112,892,900	14,022,578,580	70,112,892,900	35	No change
11 Nairobi Securities Exchange (NSE)	8,750,000	8,750,000	8,750,000	8,750,000	3	No change
12 Uchumi Supermarkets	53,537,573	267,687,865	53,537,573	267,687,865	15	No change
13 Kenya Reinsurance Company	420,000,000	1,050,000,000	1,680,000,000	4,200,000,000	60	Bonus shares
14 Unga Group Limited	568	2,765	568	2,765	0	No change
<b>Sub-Total</b>	<b>23,882,988,768</b>	<b>101,018,169,431</b>	<b>25,157,027,175</b>	<b>104,182,207,838</b>		

NOT LISTED COMPANIES

	Company Name	Number Of Shares As 30/06/2021	Nominal Value 2021	Number Of Shares As 30/06/2022	Nominal Value 2022	% GOK S/holding	Remarks
			Kshs		Kshs		
1	Consolidated Bank of Kenya	140,000,000	2,800,000,000.00	140,000,000	2,800,000,000.00	93	No change
2	Geothermal Development Corporation	20,000	2,000,000.00	20,000	2,000,000.00	100	No change
3	Kenya Mortgage Financing Company (KMRC)	-	-	4,580,001	458,000,100.00	25	
4	Kenya National Assurance Company (2001) Ltd.	50,000	50,000,000.00	50,000	50,000,000.00	100	No Change
5	Kenya Petroleum Refineries Ltd	36,800,000	736,000,000.00	36,800,000	736,000,000.00	100	No change
6	Kenya Pipeline Company Ltd	18,173,299	363,465,980.00	18,173,299	363,465,980.00	100	No change
7	Kenya Vehicle Manufacturers Limited	385,000	7,700,000.00	385,000	7,700,000.00	35	No change
8	IDB Capital Ltd - Class A	26,779,500	535,590,000.00	26,779,500	535,590,000.00	85	No Change
	IDB Capital Ltd - Class B	235,500	4,710,000.00	235,500	4,710,000.00		
9	New Kenya Co-operative Creameries Ltd	54,702,886	547,028,860.00	54,702,886	547,028,860.00	100	No Change
10	Nzoia Sugar Company Ltd	26,600,000	532,000,000.00	26,600,000	532,000,000.00	98	No change
11	South Nyanza Sugar Company	17,485,984	349,719,680.00	17,485,984	349,719,680.00	99	No change.
12	East African Industries Ltd	1	20.00	1	20.00		No change
13	Kenya Industrial Estate Ltd	4,013,863	80,277,260.00	4,013,863	80,277,260.00	100	No change
14	National Oil Corporation Of Kenya	26,599,999	531,999,980.00	26,599,999	531,999,980.00	100	No Change
15	Miwani Sugar Co. (1989)	2,058,000	41,160,000.00	2,058,000	41,160,000.00	49	No Change
16	Telkom Ltd	35,614,848	712,296,960.00	35,614,848	712,296,960.00	40	No change
17	Industrial Promotion Council	5	1,000.00	5	1,000.00		No change
18	Kenya Ferry Services Limited	3,685,040	368,504,000.00	3,685,040	368,504,000.00	80	No change
19	De La Rue Kenya EPZ	800	16,000.00	800	16,000.00	40	No change
	<b>Sub-Total</b>	<b>393,204,725</b>	<b>7,662,469,740</b>	<b>397,784,726</b>	<b>8,120,469,840</b>		
	<b>Grand Total</b>	<b>24,276,193,493</b>	<b>108,680,639,171</b>	<b>25,554,811,901</b>	<b>112,302,677,678</b>		

**DORMANT COMPANIES/INVESTMENTS**

1	Kenya Farmers Association	1	20.00	1	20.00	No Change
2	National Agricultural Chemical & Fertilizers Ltd	2,084,998	41,699,960.00	2,084,998	41,699,960.00	The Company was struck off the register
3	Busia Sugar Company	1,485,675	29,713,500.00	1,485,675	29,713,500.00	33 No change
4	Nyari Estate Ltd	2,500	50,000.00	2,500	50,000.00	Dormant
5	Kenya Poultry Ltd	4	20.00	4	20.00	No Change
6	Mercat (K) Ltd	39	195.00	39	195.00	No Change
7	Ken- Ren Chemicals and Fertilizers Ltd	3,640,000	72,800,000.00	3,640,000	72,800,000.00	The Company was dissolved
	<b>TOTAL</b>	<b>7,213,217</b>	<b>144,263,695</b>	<b>7,213,217</b>	<b>144,263,695</b>	
	<b>GRAND TOTAL</b>	<b>24,283,406,710</b>	<b>108,824,902,866</b>	<b>25,562,025,118</b>	<b>112,446,941,373</b>	

**SCHEDULE OF INVESTMENTS BY THE CABINET SECRETARY/ NATIONAL TREASURY IN INTERNATIONAL ORGANIZATIONS**

	Company Name	Number Of Shares As 30/06/2021	Nominal Value 2021 in USD	Number Of Shares As 30/06/2022	Nominal Value 2022 in USD	% GOK S/holding	Currency
1	International Corporation (IFC) Finance	4,041	4,041,000	4,041	4,041,000		USD
2	African Trade Insurance Agency	292	29,200,000	292	29,200,000	14	USD
	African Development Bank paid up shares	6,394	63,940,000	6,394	63,940,000	1	SDR
3	African Development Bank callable shares	86,835	868,350,000	86,835	868,350,000	1	SDR
4	PTA Bank, Harare (Eastern Southern African Trade & Development.)	1,068	24,208,386	1,068	24,208,386		USD
5	Shelter Afrique (Class A)	15,829	158,290,000	21,061	210,610,000	18	USD
6	International Bank for Reconstruction & Development Washington DC	2,711	327,041,485	2,711	327,041,485		USD
7	Multilateral Investment Guarantee Agency	303	3,279,687	303	3,279,687		USD
8	East African Development Bank	3,800	51,300,000	3,800	51,300,000	27	USD
9	African Export - Import Bank	1,333	5,960,000	1,333	5,960,000		USD
10	African Reinsurance Corporation	25,800	2,580,000	25,800	2,580,000		USD
11	African 50	47,704	17,161,143	47,704	17,161,143		USD
12	ZEP-RE ( PTA Reinsurance Company)	498,687	498,687	498,687	498,687.00		USD



**Dr. Chris Kiptoo, CBS**  
Principal Secretary/National Treasury



**Eng. Stanley Kamau**  
DG/ PIPM