


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



 THE NATIONAL ASSEMBLY PAPERS LAID		REPORT
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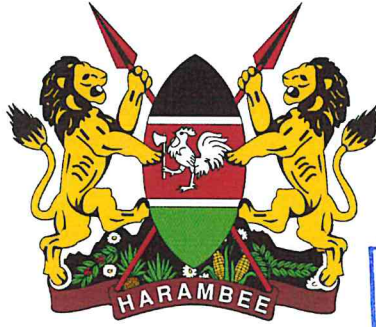
THE AUDITOR-GENERAL

ON

**KENYA CITIZENS AND FOREIGN
NATIONALS MANAGEMENT SERVICE**

**FOR THE YEAR ENDED
30 JUNE, 2021**





KENYA CITIZENS AND FOREIGN NATIONALS MANAGEMENT SERVICE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDING
JUNE 30, 2021**

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



Kenya Citizens and Foreign Nationals Management Service
Annual Reports and Financial Statements
For the year ended June 30, 2021

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The *Kenya Citizens and Foreign Nationals Management Service* (KCFNMS), here in referred to as the Service is a State Corporation under the ministry of interior and Coordination of National Government. The Service was established by an Act of Parliament; The Kenya Citizens and Foreign Nationals Management Service Act Cap 174 Laws of Kenya on 30th September, 2011. The Service is domiciled in Kenya and has no branches.

(b) Principal Activities

The Service shall, under the general supervision of the Cabinet Secretary be responsible for the implementation of policies, laws and any other matter relating to citizenship and immigration ,births and deaths, marriages ,identification and registration and travel documents, foreign nationals management and the creation and maintenance of a comprehensive national population register.

The Service shall specifically:-

- a) In relation to the national population register and for the purpose of collecting and compiling information concerning the distribution and composition of the population in Kenya, the scope and direction of immigration ,labour resource utilization and other connected purposes have the following functions:
 - (i) Receiving, storing and updating information from primary registration agencies;
 - (ii) Generation of appropriate unique identifier for individuals and groups in accordance with this Act;
 - (iii) Subject to the constitution and in consultation with other relevant institutions, regulating the sharing of information by the various registration agencies and other users;
 - (iv) Implement the relevant policies and guidelines and provide the cabinet secretary with the necessary information to guide the formulation of new policies, review of existing policies and guidelines.
 - (v) In consultation with the cabinet secretary, coordinate and mobilize resources for the implementation of the relevant policies;
 - (vi) Undertake the task of data collection and dissemination in a manner that ensures consistency and accuracy in accordance with set national standards and guidelines and
 - (vii) Facilitate access to information and data to national population registration information in accordance with this Act, any other relevant law or policy and the constitution;
- b) Administer the Acts of parliament set out in the First Schedule and any other written law
- c) Advise the Government on the matters provided for in this section;
- d) Collaborate with other state agencies for effective discharge of its mandate and
- e) Perform such other functions as may be directed by the Cabinet Secretary.

(c) Key Management

No.	Designation	Name
1.	PS	Dr.(Eng) Karanja Kibicho
2.	Ag. A.I.E Holder	Serser Chelulei
3.	Finance Officer	Gideon Gichana
4.	Accountant	Loise N. Kibicho

The *Kenya Citizen and Foreign Nationals Management Service* day-to-day management is under the following key organs:

- Ag. A.I.E Holder
- Management

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021, were not appointed.

(e) Fiduciary Oversight Arrangements

Audit and finance committee activities

The audit and finance committee have not performed their duties since there were no activities.

(f) Physical Location

P.O. Box 30191-00100
Nyayo House
Kenyatta Avenue
Nairobi, KENYA

(g) KC&FNMS Contacts

Telephone: (+254) 2222022
E-mail: infocitizenservice@immigration.go.ke
Website: www.mirp.go.ke

(h) KC&FNMS Bankers

Kenya Commercial Bank
Kipande House Branch
P.O.Box 69696-00400

Kenya Citizens and Foreign Nationals Management Service
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Nairobi, Kenya

(i) Independent Auditors

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

(j) Principal Legal Adviser

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



2. THE BOARD OF DIRECTORS

The term of the Board of Directors ended in 2017, and new board members have since not been appointed to replace them.

3. MANAGEMENT TEAM

There was no management team since KCFNMS was not operational

4. CHAIRMAN'S STATEMENT

There was no appointed chairman

5. REPORT OF THE CHIEF EXECUTIVE OFFICER

There was no appointed chief executive officer

6. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

KCFNMS was not operational in the financial year the statement is not applicable

7. CORPORATE GOVERNANCE STATEMENT

The Corporate governance statement is not available since KCFNMS was not operational in the financial year.

8. MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis is not available since KCFNMS was operational in the financial year.

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

The environmental and sustainability reporting is not available since KCFNMS was not operational

10. REPORT OF THE DIRECTORS

The report of the directors is not available since KCFNMS was not operational.

11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

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

Approval of the financial statements

The *KCFNMS* financial statements were signed on its behalf by:

Signature 
Name: Dr.(Eng) Karanja Kibicho

Accounting Officer

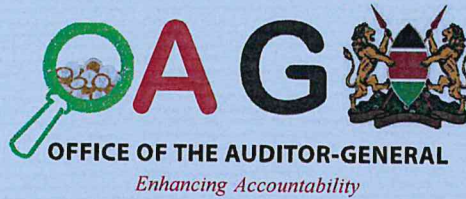
Signature 
Name: Loice N. Kibicho

Head of Accounting Unit



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KENYA CITIZENS AND FOREIGN NATIONALS MANAGEMENT SERVICE FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Citizens and Foreign Nationals Management Service set out on pages 1 to 10, which comprise the statement

Report of the Auditor-General on Kenya Citizens and Foreign Nationals Management Service for the year ended 30 June, 2021

of financial position as at 30 June, 2021, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kenya Citizens and Foreign Nationals Management Service as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and Public Finance Management Act, 2012 and comply with the Kenya Citizens and Foreign Nationals Management Service Act, 2011.

Basis for Opinion

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

Material Uncertainty in Relation to Sustainability of Services

I draw attention to Page v on other information accompanying the financial statements where the Management indicated that, the term of Board of Directors ended in the year 2017 and the new Board Members have not been appointed to replace them.

Continued lack of Board of Directors since the year 2017 to govern and guide on policies and operations of Kenya Citizens and Foreign Nationals Management Service is an indication of the existence of a material uncertainty which, may cast a significant doubt on the ability of the Service to continue to sustain its services, discharge its statutory mandate and to meet its obligations as and when they fall due.

However, as disclosed in Notes 1 and 10 to the financial statements and as explained by the Management, the Service is established under an Act of Parliament and is a State Corporation under the Ministry of Interior and Coordination of the National Government and its ultimate parent is the Government of Kenya. The financial statements have been prepared on a going concern basis on the assumption that the National Government has no intention of abolishing the Service.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

Management is responsible for the other information, which comprises key entity information and management, the chairman's report, board of directors' report, the statement of corporate governance, management discussions and responsibilities, statement of corporate social responsibility and the statement of directors' responsibilities. However, as indicated on page v of the other information accompanying the financial statements, due lack of the chairman, board of directors and chief executive officer, respectively the other information has not been fully provided. The other information does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance or conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC REOURCES

Conclusion

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

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Non-appointment of Board Members

The Service did not, during the year under review, have a Board of Directors to govern and guide on policies and operations contrary to Section 5(1) of the Kenya Citizens and Foreign Nationals Management Service Act, 2011. Review of records provided for audit indicated that the term of Board Members expired on 26 June, 2017 having been appointed to office for a period of five years on 25 June, 2012. The Chairman's term expired on 17 April, 2017 having been appointed on 16 April, 2012 for a period of six years. As at the time of the audit in November 2021, the Board had not been reconstituted and the principal functions of the Board and the Service had not been undertaken since the expiry of the board members' and chairman's terms.

In addition, there was no existing management structure to oversee the operations of the Service.

In the circumstances, it was not possible to confirm the adequacy of management and oversight in the affairs of the Service.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the ability of the Kenya Citizens and Foreign Nationals Management Service to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention of The National Government to abolish the Service or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

11 January, 2022

Report of the Auditor-General on Kenya Citizens and Foreign Nationals Management Service for the year ended 30 June, 2021

**Kenya Citizens and Foreign Nationals Management Service
Annual Reports and Financial Statements
For the year ended June 30, 2021**

**13. STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2020-2021 Kshs(000)	2019-2020 Kshs(000)
Total revenue		-	-
Expenses			
Depreciation and amortization expense	3	1,191	1,609
General expenses	4	1	2
Total expenses		(1,192)	(1,611)
Surplus/(deficit) for the period		(1,192)	(1,611)

The notes set out on pages 6 to 10 form an integral part of these Financial Statements

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

ACCOUNTING OFFICER

Name: Dr. (Eng) Karanja Kibicho, CBS

Sign.....

Date: 30th September, 2021

HEAD OF ACCOUNTS

Name: Loise N. Kibicho
ICPAK Member Number: 14061

Sign.....

Date: 30th September, 2021

Kenya Citizens and Foreign Nationals Management Service
Annual Reports and Financial Statements
For the year ended June 30, 2021

14. STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Notes	2020-2021	2019-2020
		Kshs(000)	Kshs(000)
Assets			
Current assets			
Cash and cash equivalents	5	15,967	15,968
		15,967	15,968
Non-current assets			
Property, plant and equipment	7	4,096	5,287
Total assets		20,063	21,255
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions		-	-
		-	-
Non-current liabilities		-	-
Total liabilities		-	-
Net assets		20,063	21,255
Total net assets and liabilities		20,063	21,255

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

ACCOUNTING OFFICER

Name: Dr. (Eng) Karanja Kibicho, CBS

Sign.....


Date: 30th September, 2021

HEAD OF ACCOUNTS

Name: Loise N. Kibicho
 ICPAK Member Number: 14061

Sign.....


Date: 30th September, 2021

15. STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/Development Grants/Fund	TOTAL
At July 1, 2018		-	-	-	-	-	-	22,866
Capital/Development grants received during the year		-	-	-	-	-	-	-
At June 30, 2019		-	-	-	-	-	-	21,255
At July 1, 2020		-	-	-	-	-	-	21,255
Total comprehensive income	4	-	-	-	-	-	-	(1)
Depreciation	7	-	-	-	-	-	-	(1,191)
At June 30, 2021		-	-	-	-	-	-	20,063

16. STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

		2020-2021	2019-2020
		Kshs(000)	Kshs(000)
Cash flows from operating activities			
Receipts		-	-
Payments			
Goods and services	4	1	2
Total Payments		1	2
Net cash flows from operating activities		(1)	(2)
Cash flows from investing activities		-	-
Net cash flows used in investing activities		(-)	(-)
Cash flows from financing activities		-	-
Net cash flows used in financing activities		(-)	(-)
Net increase/(decrease) in cash and cash equivalents			
		(1)	(2)
Cash and cash equivalents at 1 JULY, 2020	5	15,968	15,970
Cash and cash equivalents at 30 JUNE, 2021	5	15,967	15,968

**17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
 FOR THE YEAR ENDED 30 JUNE 2021**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference
	2020-2021	2020-2021	2020- 2021	2020-2021	2020-2021
Revenue	Kshs(000)	Kshs(000)	Kshs(000)	Kshs(000)	Kshs(000)
Balance B/F	-	-	-	-	-
Total income	-	-	-	-	-
Expenses					
Bank charges	-	-	-	1	(1)
Total expenditure	-	-	-	-	-
Surplus for the period	-	-	-	-	(1)

18. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Kenya Citizens and Foreign Nationals Management Service is established by and derives its authority and accountability from Act Cap 174 Laws of Kenya on 30th September. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *KC&FNMS* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes.

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

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

3a. TRIAL BALANCE

Description	DEBIT(Ksh000)	CREDIT(Ksh000)
Bank A/C	15,967	
Motor Vehicle	10,841	
Furniture and fittings	1,395	
Computers	2,362	
Equipment	1,164	
Accumulated depreciation		11,666
Changes in net assets		20,063
	31,729	31,729

3b. DEPRECIATION AND AMORTIZATION EXPENSE

Description	2020-2021	2019-2020
	KShs(000)	KShs(000)
Property, plant and equipment	1,191	1,609
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	1,191	1,609

4. GENERAL EXPENSES

Description	2020-2021	2019-2020
	KShs(000)	KShs(000)
Bank charges	1	2
Total general expenses	1	2

5. CASH AND CASH EQUIVALENTS

Description	2020-2021	2019-2020
	KShs(000)	KShs(000)
Current account	15,967	15,968
Total cash and cash equivalents	15,967	15,968

6. DETAILED ANALYSIS OF THE CASH AND CASH EQUIVALENTS

Financial institution	Account number	2020-2021 KShs(000)	2019-2020 KShs(000)
a) Current account			
Kenya Commercial bank	1135135037	15,967	15,968
Grand total		15,967	15,968

7. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Total
Cost	Shs(000)	Shs(000)	Shs(000)	Shs(000)	Shs(000)
At 1 July 2020	10,841	1,395	2,362	1,164	15,762
Additions	-	-	-	-	-
Disposals	(-)	(-)	(-)	(-)	(-)
Transfers/adjustments	(-)	(-)	(-)	-	(-)
At 30th June 2020	10,841	1,395	2,362	1,164	15,762
Additions	-	-	-	-	-
Disposals	-	-	-	-	(-)
Transfer/adjustments	-	-	(-)	-	(-)
At 30th June 2021	10,841	1,395	2,362	1,164	15,762
Depreciation and impairment					
At 1 July 2019	6,267	351	1,527	733	8,878
Depreciation	(1,144)	(131)	(251)	(71)	(2,124)
Impairment	-	-	-	-	(-)
At 30 June 2020	7,411	482	1,778	804	10,475
Depreciation	(857)	(114)	(175)	(45)	(1,191)
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-
At 30th June 2021	(8,268)	(596)	(1,953)	(849)	(11,666)
Net book values					
At 30 th June 2021	2,573	799	409	315	4,096
At 30 th June 2020	3,430	913	584	360	5,287

8. CASH GENERATED FROM OPERATIONS

	2020-2021	2019-2020
	KShs(000)	KShs(000)
Surplus for the year before tax Adjusted for:	(1,192)	(1,611)
Depreciation	1,191	1,609
Working Capital adjustments	-	-
Net cash flow from operating activities	(1)	(2)

9. EVENTS AFTER THE REPORTING PERIOD

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

10. ULTIMATE AND HOLDING ENTITY

The KC&FNMS is a State Corporation Agency under the Ministry of Interior and Coordination of National Government, Its ultimate parent is the Government of Kenya.

11. Currency

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

12. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

All property, plant, and equipment are stated at Net Book Value, and depreciated using the reducing balance method. The depreciation rates applied are as follows.

- Motor vehicle, 25%
- Computers and printers, 30%
- Office equipment, 12.5%
- Furniture and fittings, 12.5%

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
N/A					

ACCOUNTING OFFICER

Name: Dr. (Eng) Karanja Kibicho, CBS

Sign.....


Date: 30th September, 2021

HEAD OF ACCOUNTS

Name: Loise N. Kibicho
 ICPAK Member Number: 14061

Sign.....


Date: 30th September, 2021

