


REPUBLIC OF KENYA



## REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 02 FEB 2022	DAY: Wed
TABLED BY: Hon. E. Nguni	The Majority whip
CLERK-AT THE-TABLE: Furlay Nguni	

OF

THE AUDITOR-GENERAL

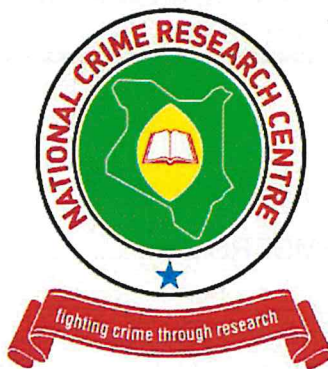
ON

NATIONAL CRIME RESEARCH CENTRE

FOR THE YEAR ENDED  
30 JUNE, 2020







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**NATIONAL CRIME RESEARCH CENTRE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE, 2020**

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

NATIONAL CRIME RESEARCH CENTRE ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020

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## ENTITY INFORMATION AND MANAGEMENT

### (a) Background Information

The National Crime Research Centre (NCRC) is a State Corporation in the Ministry of Interior and Coordination of National Government. The Centre was established by an Act of Parliament, the National Crime Research Act Cap 62 Laws of Kenya. Its objective is to carry out research into the causes of crime and its prevention. Its mandate is to carry out research on crime, root causes, crime prevention and to disseminate research findings and recommendations to the Government agencies concerned with the administration of criminal justice and other stakeholders.

The Government has set up the Centre to address the serious threats to development caused by crime both at County and National levels. NCRC recognizes that everyday crimes, serious and organized crimes affect everyone with impacts felt throughout the public and private sectors. Hence crime management and prevention become paramount because it is noticeably the sphere of national security and public safety.

### (b) Principal Activities

#### **Vision**

To be a world class crime research institution

#### **Mission**

To provide quality and authentic research into causes of crime, its prevention with a view of achieving a crime free society

#### **Mandate**

The mandate of NCRC as stipulated in the National Crime Research Centre Act (Act No. 4 of 1997 revised in 2012) is to carry out research into the causes of crime and its prevention, undertake study on efficacy and adequacy of policies, procedures and systems in criminal justice, to disseminate research findings, provide crime statistics and advisory service to National Council for Administration of Justice and recommendations to institutions that the Council may from time to time determine for appropriate action.

### **Strategic Objectives**

**i. To develop a National Crime Year Book on crime trends, roots, consequences and prevention**

This was done through: preparation, development and conduct of research in thematic crime categories; collation and analysis of crime reports from other agencies; live streaming of county by county crime profiles on the Centres' Website; and publication of Annual National Crime Year Book.

**ii. To enhance access and management of crime**

This was realized through establishment and management of a crime data repository systems. The systems assemble, store and analyse data from agencies, data from crime incidences reported through the Mobile Application, secure on line data mining data bases and journals, web-based live streaming of county by county crime profiles, provision of secured access system; and maintenance of the system.

**iii. To develop and implement an effective communication strategy to facilitate sharing of crime research information with agencies in the administration of criminal justice, the public and other interested stakeholders**

The realization of this objective involves: designing communication policy and strategy, validating, printing, publishing, uploading and launching crime reports; disseminating information through mass media platforms, stakeholder fora, crime research issue briefs, policy briefs and publications; strengthening feedback mechanisms; Media advertisements, exhibitions corporate social responsibility and creation and maintenance of an interactive website.

**iv. To enhance human resource capacity that will facilitate crime research work at all levels of Government**

This objective was achieved by way of: undertaking a Training Needs Assessment (TNA); Career and Skills based assessment; developing and implementing a training programme; developing Staff Establishment; Staff Grading and Salary Structure; identifying, recruiting, remunerating and retaining staff; developing and implementing



staff medical and welfare scheme; facilitating staff attachment and exchange programme; implementing performance management system; carrying out employee satisfaction surveys; undertaking competency development of internal and external human resource to enhance level of professionalism; develop policy guidelines for effective payroll management; development of a framework to manage internships and attachments; review and re-alignment of Centre's functional and organizational structure to emerging crime prevention needs; and decentralization of administrative and operational functions to Counties to build a critical mass in crime research.

**v. To strengthen and promote inter-agency and collaboration at county, national and international levels**

This was done by developing strong and effective collaboration, partnership and networking through establishment of legal and/or policy frameworks. Specifically, the Centre undertook mapping and listing of potential collaborators and partners; and engage collaborators and partners through Memorandum of Understanding and Agreements.

**vi. To develop and implement relevant ICT policies, standards and procedures**

The Centre expanded and maintained ICT infrastructure and security systems. Specific undertakings were: development of relevant ICT policies, standards and procedures; acquisition of modern and secure ICT accessories; acquisition of secured online system for receiving and sending crime data/information; adoption of secure integrated systems for administrative and technical functions of the Centre (e.g, IFMIS, Payroll System, Digitalized Record Management System); development and implementation of a maintenance plan; and undertaking capacity building of staff.

**vii. To develop and implement a Financial Policy and Funding Strategies**

The Centre undertook formulation and implementation of a Resource Mobilization Strategy. Specifically, the Centre will undertake: Lobbying and consultation with National Treasury, mapping and identified other organisations that can provide funding; consultations with identified funding institutions; participation in the MTEF Budget process; development and submission of funding proposals to Development Partners;

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development of a Technical Assistance Framework; generation of Appropriation In Aid (AIA); development and implementation of a Financial Manual; and conduct regular internal audits and annual external audits.

### (c) Key Management

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

- Cabinet Secretary of responsible Ministry as Authorised Officer
- Principal Secretary of responsible Ministry as Accounting Officer
- Governing Council Chairperson and members
- Director/ CEO
- Management and Staff in charge of key Divisions.

### (d) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

No.	Responsibility	Name of the Staff
1.	Director/CEO	Mr. Gerard E. Wandera
2.	Finance & Accounts In-charge	CPA. Josephine Mandere-Akama
3.	Supply Chain Management In-charge	Mr. Kennedy Kwambai
4.	Chief Research Officer	Mr. Stephen M. Muteti
5.	Principal Research Officer	Mr. Vincent O. Opondo
6.	Human Resource In-charge	Mr. John Kipkoros



**(e) Fiduciary Oversight Arrangement**

- i. Audit and Finance Committee Activities
- ii. Parliamentary activities
- iii. Development partner's activities

**(f) Entity Headquarters**

ACK Garden Annex - Ground Floor  
1<sup>st</sup> Ngong Avenue, Off Bishop's Road  
P.O. Box 21180-00100  
Nairobi, Kenya  
Telephone No. 0202714735

**(g) Entity Contacts**

ACK Garden Annex - Ground Floor  
1<sup>st</sup> Ngong Avenue, Off Bishop's Road  
P.O. Box 21180-00100  
Nairobi, Kenya  
Telephone No. 0202714735

**(h) Entity Bankers**

Kenya Commercial Bank  
Milimani Branch  
P.O. Box 69696-00400  
Nairobi, Kenya  
A/C No. 1122479417

**(i) Independent Auditors**

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

**(j) Principal Legal Adviser**

The Attorney General  
Office of the Attorney General  
& Department of Justice  
Harambee Avenue  
P.O. Box 40112  
City Square 00100  
Nairobi, Kenya




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GOVERNING COUNCIL MEMBERS


	NAME	DETAILS
1.	 <p>Hon. Justice P. Kihara Kariuki, Chairman</p>	<p>Attorney General of the Republic of Kenya</p> <p>Chairman, Governing Council, National Crime Research</p> <p>Bachelor of Laws (LLB, Hon)</p> <p>Diploma in Law</p> <p>Date of Birth: 11<sup>th</sup> May, 1954</p>
2.	 <p>Hon. Justice Jessie W. Lesiit</p>	<p>Judge of the High Court of Kenya</p> <p>Chairperson Legal Committee</p> <p>Bachelor of Laws (LLB, Hon)</p> <p>Diploma in Law</p> <p>Date of Birth: April 1959</p>
3.	 <p>Mr. Hillary N. Mutyambai, MGH, nsc</p>	<p>Inspector General Kenya National Police Service</p> <p>Bachelor's degree from the University of Nairobi</p> <p>Master of Arts degree in National Security Policy from the Australian National University.</p> <p>Special training on counter-terrorism and advanced security and Policing, Intelligence and Counter Terrorism</p> <p>Date of Birth: Born in 1964</p>



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4.	 <p>Mr. Wycliffe Ogallo, EBS</p>	<p>Commissioner General of Prisons, Kenya Prisons Service</p> <p>Masters in Public Policy and Administration</p> <p>Bachelor of Arts Degree (Hons)</p> <p>Date of Birth: 2<sup>nd</sup> January 1960</p>
5.	 <p>Mrs. Mary Mbau, HSC.</p>	<p>Director of Probation &amp; Aftercare</p> <p>Masters in Sociology</p> <p>Bachelor of Arts</p> <p>Date of Birth: 1961</p>
6.	 <p>Mr. Noah Sanganyi, HSC.</p>	<p>Director of Children Services, Department of Children's Services Ministry of Labour and Social Protection</p> <p>Master of Arts in Sociology</p> <p>Bachelor of Arts in Social Work</p> <p>Date of Birth: 1962</p>

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7.	 <p>Mr. Kenneth Odhiambo</p>	<p>Currently works at The National Treasury</p> <p>Member of Finance &amp; Administration Committee</p> <p>Bachelor of Arts (Political Science)</p> <p>Post Graduate Diploma in Human Resources Management</p> <p>Certificate: Public Finance Management</p> <p>Date of Birth: 11<sup>th</sup> November, 1965</p>
8.	 <p>Mr. Dickson L. Magotsi</p>	<p>Snr. Deputy Secretary, Ministry of Interior &amp; Coordination of National Government</p> <p>Masters degree in International Conflict Management</p> <p>Bachelor degree in Political Science</p> <p>Member, NCRC Research and Development Committee</p> <p>Member, NCRC Audit Committee</p> <p>Date of Birth: 30<sup>th</sup> July 1971</p>
9.	 <p>Ms. Jacinta Nyaboke Nyamosi</p>	<p>Ag. Deputy Director, Department of Offences Against the Person-Office of the Director of Public Prosecutions (ODPP)</p> <p>Advocate of the High Court of Kenya</p> <p>Diploma in Law (LLB)</p> <p>Bachelor of Law (LLB)</p> <p>Date of Birth: October, 1<sup>st</sup> 1968</p>



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10.	 <p>Prof. Robinson Ocharo,</p>	<p>Associate Professor in Department of Sociology &amp; Social Work at the University of Nairobi Ph.D. in Agricultural Extension M.A in Rural Sociology and Community Development B.A. in Sociology Certificate in Management of Land Acquisition, Resettlement &amp; Rehabilitation (MLARR) Certificate in Disaster Management Emergency Response Certificate in Post – Disaster Recovery Framework Date of Birth: 1961</p>
11.	 <p>Dr. Francis K. Arap Sang</p>	<p>Assistant Professor of Criminal Justice Program at United States International University (USIU) Africa Doctor of Philosophy in Sociology Washington International University- USA Master of Science Degree in Criminal Justice Leicester University- UK  Graduate Strategic Police Leadership Bramshill Police Staff College- UK  Date of Birth: 25<sup>th</sup> January, 1952</p>
12.	 <p>Prof. Sylvia Wairimu Kang'ara</p>	<p>Associate Professor of Law &amp; Founding Dean of Riara Law School  Advocate of High Court Doctor of Juridical Sciences (SJD) Master of Law (LLM) Diploma in Law (LLB) Bachelor of Law (LLB)  Date of Birth: 1973</p>




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13.	 <p>Mrs. Jacqueline Mbogo-Asinuli</p>	<p>Chief of Party, Coffey International, Nairobi</p> <p>Master of Arts in Development Studies, Bachelor of Education</p> <p>Date of Birth: 2<sup>nd</sup> December, 1976</p>
14.	 <p>Mr. Gerard E. Wandera Secretary</p>	<p>Director/CEO- National Crime Research Centre</p> <p>Masters in Business Administration. Bachelor of Arts (Business Administration &amp; Economics) Higher Diploma in Sales &amp; Marketing Diploma in Purchasing &amp; Supplies Diploma in Crime &amp; Violence Prevention Certificate in Public Policy &amp; Research Consultancy</p> <p>Date of Birth: 27<sup>th</sup> July, 1969</p>



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**MANAGEMENT TEAM**

	<p>Master in Business Administration Bachelor of Arts (Business Administration &amp; Economics) Higher Diploma in Sales &amp; Marketing Diploma in Purchasing &amp; Supplies Management Diploma in Crime &amp; Violence Prevention Certificate in Public Policy &amp; Research Consultancy</p>
	<p>Master of Arts in Sociology, Bachelor of Arts, Sociology, Higher Diploma Human Resources Management</p>
	<p>Master of Arts Development Studies Bachelor of Arts, Political Science &amp; Sociology Forensic Investigations</p>

**Mr. Gerard E. Wandera  
Director/CEO**

**Mr. Stephen M. Muteti  
Chief Research Officer**

**Mr. Vincent O. Opondo  
Principal Research Officer**



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 <p>CPA. Josephine N. Akama Finance and Accounts In-charge</p>	<p>Masters in Business Administration</p> <p>Bachelor of Commerce, Finance</p> <p>Member of (ICPAK) Institute of</p> <p>Certified Public Accountants of Kenya.</p> <p>Certified Public Secretaries (CPSK)</p> <p>Finalist.</p>
 <p>Mr. John Kipkoros HRM&amp; D, In-charge</p>	<p>Bachelor of Arts, Political Science &amp; Sociology</p> <p>Higher Diploma in HRM</p>
 <p>Mr. Kennedy Kwambai Supply Chain Management, In-charge</p>	<p>Bachelor of Business Management and Information Technology,</p> <p>Post Graduates Diploma in Purchasing &amp; Supplies</p> <p>Certificate in Project Management</p> <p>Member of MKISM, MCIPS</p>

## CHAIRMAN'S STATEMENT

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


During the Financial Year 2019/2020, the Governing Council worked tirelessly with the Chief Executive Officer to realize the Centre's mandate. Specifically, in furtherance of the Centres' mandate and in line with the prioritization of crime research in the Medium Term Plan III (MTP III) 2018-2022 (pages 124-26) and the Strategic Plan 2018-2022, the Centre continued to contribute to national development, as a crime research enabler and coordination agency through two-pronged ways aimed at informing and strengthening the administration of criminal justice. This was done, first by undertaking research on crime trends, roots, consequences and prevention on critical thematic areas, and second, by undertaking evidence-based crime management. The core mandate activities were specifically aligned to MTP III and the Big 4 Agenda, and generally, to Sustainable Development Goals (SDGs), Agenda 2063, the Kenya Constitution and Kenya Vision 2030.

It cannot go without mentioning that the realization of the Centre's mandate faced operational capacity challenges, the key ones being low financial, infrastructural and human resources. Key to note is that the budgetary funding remained at **below 9.0% of the required** financial resource (that is, Kshs. 162 Million against 1.936 Billion) while staffing levels remained at **below 15.0%** of the approved establishment. These constraints played a role in slowing down the achievement of the Centre's strategic targets. To redress the situation, the Governing Council is closely consulting with the National Treasury and the parent Ministry for enhanced financial, infrastructural and human resources for improved operational capacity.

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The Governing Council acknowledges the dedication of the management and secretariat in the outstanding performance which has recently earned the Centre recognition from national institutions.



**HON. JUSTICE PAUL KIHARA KARIUKI**  
**ATTORNEY GENERAL/CHAIRMAN**  
**GOVERNING COUNCIL**  
**NATIONAL CRIME RESEARCH CENTRE**



## REPORT OF THE CHIEF EXECUTIVE OFFICER

The preparation of the annual report that highlights the financial situation as well as the collective achievements, institutional challenges and the way forward during the year is one of the statutory obligations of the Centre. The 2019/2020 Annual report also reflects the Centre's dedication to building a strong agency that provides evidence-based crime research, builds the country's capacity to fight and manage crime, builds sufficient partnerships and collaborations and engages policy makers and effectively communicates findings of research that will help the Centre achieve its mandate.

### Key Achievements

During the 2019/2020 Financial Year, the Centre realized significant achievements and growth in the two broad areas of the core mandate, that is, undertaking research on crime trends, roots, consequences and prevention on critical thematic areas and undertaking evidence-based crime management.

With regard to **undertaking research on crime** trends, roots, consequences and prevention, the Centre completed research reports on: National Crime Mapping: Crime Patterns and Trends in Kenya, 2018; Masculinity and Intimate Partner Violence in Kenya; Land-related Crimes in Kenya; Crime and Violence Prevention Baseline Survey in Kisumu County; Crime and Violence Prevention Baseline Survey in Narok County; Child Protection in Kenya: The Case of Charitable Children Institutions; and a rapid assessment of the impact of the covid-19 pandemic on crime and security in Kenya, June, 2020.

**On undertaking crime management**, the Centre:

1. Prepared Crime Research Management Function Analysis Report 2020.
2. Disseminated to relevant agencies findings and recommendations from research reports on: Masculinity and Intimate Partner Violence in Kenya, 2019; Borderland-related Crimes and Security Threats in Kenya, 2018; Perceptions and Experiences of Corruption in the Public Service in Kenya, 2018; Boda Boda Motorcycle Transport and Security Challenges in Kenya, 2018; National Crime Mapping Survey, 2016; National Crime Mapping Survey, 2018; Perceptions on Capital Offences and Punishment in Kenya, 2017; The Delivery of

Community-based Sentences in Kenya: The Case of Community Service Orders in Kenya, 2017; Mombasa County Crime and Violence Rapid Assessment Report; and Isiolo County Crime and Violence Rapid Assessment Report.

3. Published research reports on: Borderland-related Crimes and Security Threats in Kenya, 2018; Perceptions and Experiences of Corruption in the Public Service in Kenya, 2018; Perceptions on Capital Offences and Punishment in Kenya, 2017; and 2018 Kenya Annual Crime Year Book.
4. Prepared and disseminated to National Security Advisory Committee (NSAC) and other agencies in the administration of criminal justice crime advisories through **Issue and Policy Briefs** on: A rapid assessment of the impact of the covid-19 pandemic on crime and security in Kenya; Alshabaab Jihadists, Killings and Loyalty: Organized Crimes or Disorganized Criminals; and Managing Secure and Stable Borders through localized approaches.
5. Undertook collation, uploading and management of crime data from various agencies to enhance generation of national crime trends and provide coordinated Crime research platform for practitioners and scholars to access information.
6. Received, analyzed and shared crime data received through the Mobile Phone Crime Reporting Application to capture crimes witnessed by the public to inform policy.
7. Undertook County by County crime profile live streaming and shared information on primary, secondary and tertiary causes of crime on the Centre's website.
8. Undertook preparations for a National State of Crime Conference (earlier scheduled for April, 2020 and involving about 600 participants but which was rescheduled to FY 2020/21 due to COVID-19 pandemic). Conference papers on the sub-themes of Child Protection, Corruption, Intimate Partner Violence, and Crime and Violence and invitations to the Conference were made to 19 individual crime research and practice experts and 78 agencies.

9. Participated in Research Partnerships and Collaboration activities with institutions that included the Council of Governors (through the larger MOU between the National Council on the Administration of Justice (NCAJ) and the Council of Governors), Rongo University, The World Bank, United States International University-Africa, Kenya School of Government and RE-INVENT/Jamii Thabiti Programme. Specific areas of collaboration included on: Crime and Violence Prevention Baseline Surveys; Crime and Violence Prevention Training (CVPT); Funding and implementation of Study on Intimate Partner Violence; Power of Mercy Advisory Committee's Research on the Best Practices and Risk Assessment in the Pardon Process in Kenya; National State of Crime Conference multi-agency preparatory meetings; Migration issues; NCAJ's Taskforce on Children; and Receipt of crime data from partner agencies.



**GERARD E. WANDERA**  
**DIRECTOR/CEO**



# NATIONAL CRIME RESEARCH CENTRE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020

## PERFORMANCE REVIEW FOR THE YEAR 2019-2020

The Centre's strategic pillars are summarised as follows:

- Crime Research
- Crime Management
- Administrative Services

The Centre develops its annual workplan based on the above pillars. Assessment of the Board's performance against its annual workplan is done annually. The Centre achieved its targets set FY 2019/2020 period as indicated in the table below:

Programme Activity	Key outputs	Key performance indicators	Achievement	Achievement	Target	achievement
Activity			2017/18	2018/19	2019/20	2019/20
Research on Causes of crime and its prevention	Inform policy and planning in the criminal justice system	Number of institutional research reports	7	1	4	4
		No. of joint crime researches	2	2	2	2
Disseminate research finding and recommendations to agencies in the criminal justice system and public	Increased access and sharing of crime research information	No. of policy/ Issue briefs, and workshops	21	8	10	10
		Publications	2	3	2	0
		International conference	0	1	0	0
Crime Incidence monitoring	Real-time crime and incidence capture and reporting	Crime research app.( Report a crime/incidence online	1	1	1	1
		No. of incidences / crime reported and updated	1000	500	0	52
Crime data repository management and	Secure National Crime Repository	No. of crime collated reports	27	27	27	1

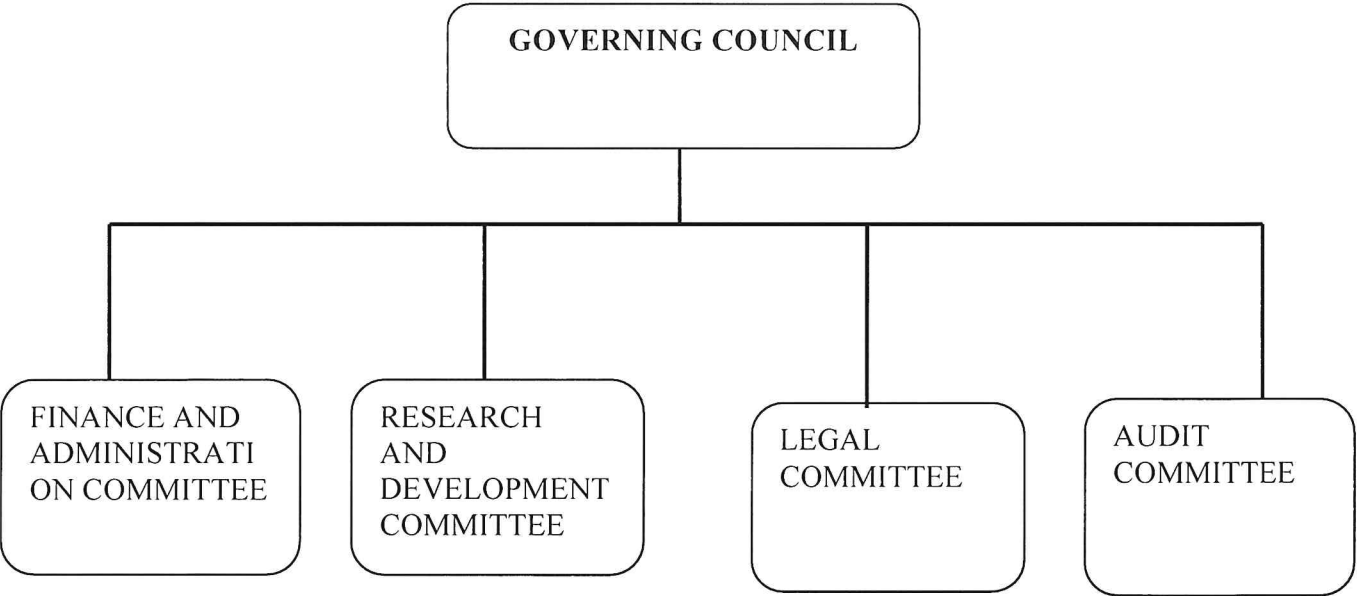
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Programme Activity	Key outputs	Key performance indicators	Achievement	Achievement	Target	achievement
Activity			2017/18	2018/19	2019/20	2019/20
Crime research collaborative, partnership and networking	To strengthen and promote inter-agency and collaboration at County and National Govt.	No. of partners and MOU'S signed	4	2	3	1
	Review of NCRC documents	No. Policy documents,	2	5	1	1
	Performance Contract cross cutting issues	% Performance contact reports	100%	100%	100%	100%

**CORPORATE GOVERNANCE STATEMENT**

NCRC Governing Council is established under section six (6) of the National Crime Research Centre Act, Cap 62 Laws of Kenya. The Governing Council is committed in ensuring that the Centre conducts its business guided by the Centre’s core values that include public safety, integrity, professionalism, transparency and accountability, research confidentiality, collaboration and partnership, creativity and innovation and inclusivity and public participation. The principles and standards adhered to by the Governing Council have been developed with close reference to the Constitution of Kenya 2010 and the Code of Governance for State Corporation (Mwongozo).

**i) NCRC Governance Structure**



**ii) Governing Council size, Composition and Independence**

The Governing Council consists of fifteen (15) members; eight (8) being *ex-officio* members by virtue of the various government offices they hold. The Governing Council draws its membership from the key stakeholders in crime prevention and security issues in the Country by seeking representation from the following offices: Office of the Attorney General, Permanent



Secretary to the Treasury, the Chief Justice, Director of Public Prosecutions, Commissioner of Police, Commissioner for Social Services, Commissioner of Prisons, Principal Probation Officer, representatives of universities in Kenya being persons eminently qualified in the fields of criminal law, sociology or criminology and representation from non-governmental organizations. Governing council members are independent of management and owe their duties to the Centre and not their nominating stakeholders when conducting the Centre's business.

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

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

### **iv) Governing Council Responsibility**

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

In furtherance of its responsibilities, the Council members undertake the following:

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

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

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

New council members undertake an effective induction programme in order to familiarize themselves with their responsibilities as council members, they also familiarize themselves with general principles of corporate governance and council practices. Council members are provided with access to continuing development programs that are designed to keep members abreast with

the latest developments in the research sector's best practice, corporate governance and critical issues relating to the operation of the public sector.

**vi) Chairperson and Director/Chief Executive Officer**

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

**vii) Council Remuneration**

The Council is remunerated as per the guidelines on conditions and terms of service for state corporations' Chief Executive Offices Chairmen and Board Members , Management Staff and Unionisable Staff'' issued on 23<sup>rd</sup> November 2004 by state corporations Advisory Committee. Council members are paid sitting allowances for every meeting attended.

**viii) Council and Committee meetings**

The Council has four committees; Research and Development Committee, Finance and Administration Committee, Legal Committee and the Audit Committee meet at least once in every three months. Council's work plan, together with the calendar of meetings for 2019/2020 was adopted by Council in advance and the same sent to all Council members. Adequate notice is given for each meeting and the agenda as well as documents for discussion sent to Council members in advance to allow time for appropriate review.

**ix) Conflict of interest**

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



**x) Council Charter**

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

**xi) Governance Audit**

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

**xii) Governing Council and Committee meetings held during Financial Year 2019/2020**

In Compliance with the National Crime Research Centre Act, Cap 62 LoK, State Corporations Act Cap 446 LoK and *Mwongozo*; Code of Governance for State Corporations, Council members dedicated adequate time and met as required in order to effectively run business of the Centre. The number of Council and committee meetings as well as attendance of council members is as indicated in the table below:

GOVERNING COUNCIL MEETINGS ATTENDANCE														
	Name	Total No. of Meetings	Governing Council Meetings			Finance & Administration		Research & Development			Legal		Audit	
			No. of Meetings Scheduled	No. of Meetings Attended		No. of Meetings scheduled	No. of Meetings Attended	No. of Meetings scheduled	No. of Meetings Attended	No. of Meetings scheduled	No. of Meetings Attended	No. of Meetings scheduled	No. of Meetings Attended	
1.	Hon. Justice Paul Kihara Kariuki	1	6	1		-	-	-	-	-	-	-	-	-
3.	Justice Jessie Wanjiku Lesiit		6	3		-	-	-	-	1	1	-	-	-
4.	Mr. Hillary Mutyambai		6	2		-	-	2	1	-	-	2	1	
5.	Mr. Kenneth Odhiambo		6	3		3	3	-	-	-	-	2	1	
6.	Mr. Jacob Ondari		6	3		3	0	-	-	1	0	-	-	
7.	Mr. Noah Sanganyi		6	3		-	-	2	2	-	-	2	1	
8.	Mr. Wycliffe Ogalo		6	4		-	-	2	1	-	-	2	2	

NATIONAL CRIME RESEARCH CENTRE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020

	Name	Total No. of Meetings	Governing Council Meetings		Finance & Administration		Research & Development		Legal		Audit	
			No. of Meetings Scheduled	No. of Meetings Attended	No. of Meetings	No. of Meetings Attended	No. of Meetings	No. of Meetings Attended	No. of Meetings	No. of Meetings Attended	No. of Meetings	No. of Meetings Attended
9.	Mrs. Mary Mbau		6	4	3	3	-	-	1	1	-	-
11.	Dr. Linda Musumba		6	2	3	1	2	1	-	-	-	-
12.	Dr. Robinson Ocharo		6	4	-	-	2	1	-	-	-	-
13.	Dr. Francis Kipkurui arap Sang		6	4	-	-	-	-	1	0	2	1
14.	Prof. Sylvia Wairimu Kang'ara		6	4	3	1	-	-	1	0	2	1
15.	Ms. Jacqueline Mbogo-Asinuli		6	3	3	3	2	1	-	-	-	-
16.	Mr. Dickson Magotsi		6	4	-	-	2	2	-	-	2	1
17.	Mr. Gerard E. Wandera		6	4	3	3	2	2	1	1	-	-



## MANAGEMENT DISCUSSION AND ANALYSIS

### a) Operational performance

During the 2019/2020 Financial Year, the Centre realized significant achievements and growth in the two broad areas of the core mandate, that is, undertaking research on crime trends, roots, consequences and prevention on critical thematic areas and undertaking evidence-based crime management.

With regard to **undertaking research on crime** trends, roots, consequences and prevention, the Centre completed research reports on: National Crime Mapping: Crime Patterns and Trends in Kenya, 2018; Masculinity and Intimate Partner Violence in Kenya; Land-related Crimes in Kenya; Crime and Violence Prevention Baseline Survey in Kisumu County; Crime and Violence Prevention Baseline Survey in Narok County; Child Protection in Kenya: The Case of Charitable Children Institutions; and a rapid assessment of the impact of the covid-19 pandemic on crime and security in Kenya, June, 2020.

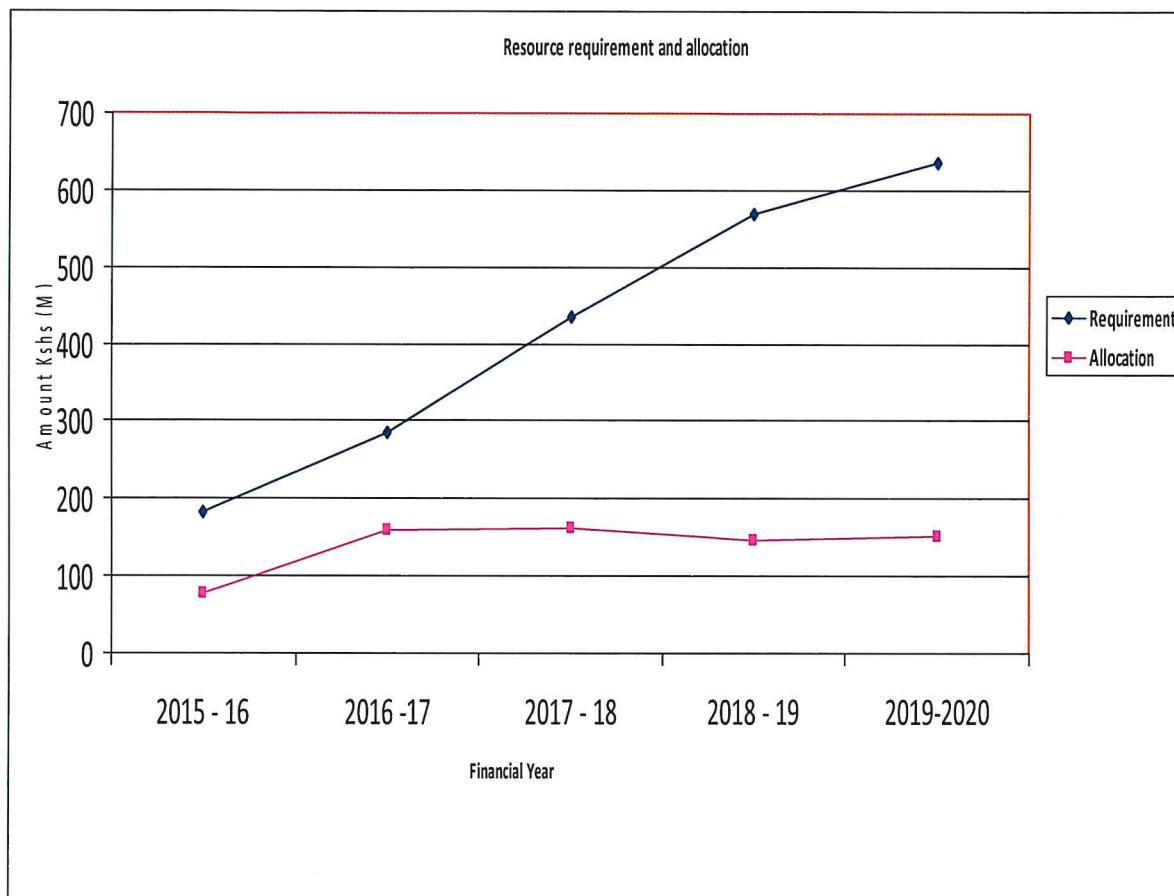
**On undertaking crime management**, the Centre:

1. Prepared Crime Research Management Function Analysis Report 2020.
2. Disseminated to relevant agencies findings and recommendations from research reports on: Masculinity and Intimate Partner Violence in Kenya, 2019; Borderland-related Crimes and Security Threats in Kenya, 2018; Perceptions and Experiences of Corruption in the Public Service in Kenya, 2018; Boda Boda Motorcycle Transport and Security Challenges in Kenya, 2018; National Crime Mapping Survey, 2016; National Crime Mapping Survey, 2018; Perceptions on Capital Offences and Punishment in Kenya, 2017; The Delivery of Community-based Sentences in Kenya: The Case of Community Service Orders in Kenya, 2017; Mombasa County Crime and Violence Rapid Assessment Report; and Isiolo County Crime and Violence Rapid Assessment Report.
3. Published research reports on: Borderland-related Crimes and Security Threats in Kenya, 2018; Perceptions and Experiences of Corruption in the Public Service in Kenya, 2018; Perceptions on Capital Offences and Punishment in Kenya, 2017; and 2018 Kenya Annual Crime Year Book.

4. Prepared and disseminated to National Security Advisory Committee (NSAC) and other agencies in the administration of criminal justice crime advisories through **Issue and Policy Briefs** on: A rapid assessment of the impact of the covid-19 pandemic on crime and security in Kenya; Alshabaab Jihadists, Killings and Loyalty: Organized Crimes or Disorganized Criminals; and Managing Secure and Stable Borders through localized approaches.
5. Undertook collation, uploading and management of crime data from various agencies to enhance generation of national crime trends and provide coordinated Crime research platform for practitioners and scholars to access information.
6. Received, analysed and shared crime data received through the Mobile Phone Crime Reporting Application to capture crimes witnessed by the public to inform policy.
7. Undertook County by County crime profile live streaming and shared information on primary, secondary and tertiary causes of crime on the Centre's website.
8. Undertook preparations for a National State of Crime Conference (earlier scheduled for April, 2020 and involving about 600 participants but which was rescheduled to FY 2020/21 due to COVID-19 pandemic). Conference papers on the sub-themes of Child Protection, Corruption, Intimate Partner Violence, and Crime and Violence and invitations to the Conference were made to 19 individual crime research and practice experts and 78 agencies.
9. Participated in Research Partnerships and Collaboration activities with institutions that included the Council of Governors (through the larger MOU between the National Council on the Administration of Justice (NCAJ) and the Council of Governors), Rongo University, The World Bank, United States International University-Africa, Kenya School of Government and RE-INVENT/Jamii Thabiti Programme. Specific areas of collaboration included on: Crime and Violence Prevention Baseline Surveys; Crime and Violence Prevention Training (CVPT); Funding and implementation of Study on Intimate Partner Violence; Power of Mercy Advisory Committee's Research on the Best Practices and Risk Assessment in the Pardon Process in Kenya; National State of Crime Conference multi-agency preparatory meetings; Migration issues; NCAJ's Taskforce on Children; and Receipt of crime data from partner agencies.

**b) Financial performance**

**i. Resource requirement vs resource allocation**

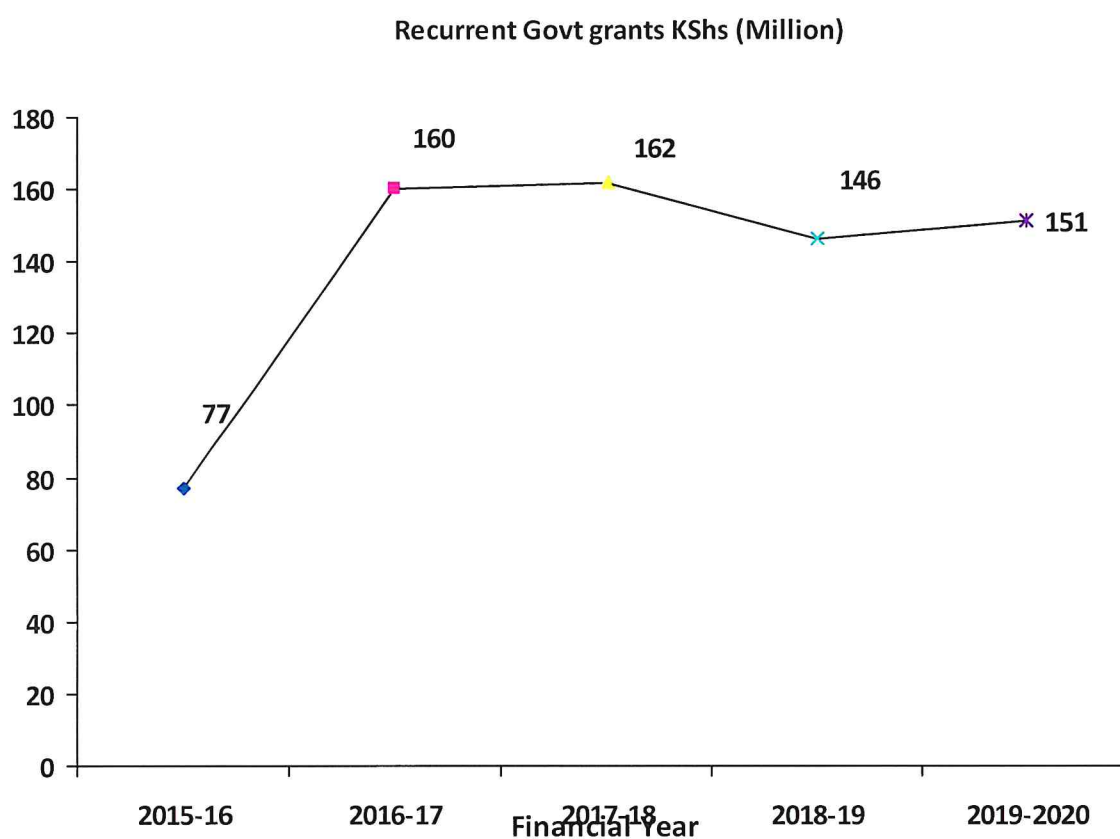


Over the years the Centre allocation is less than the resource requirement by a huge margin hence not able to optimally achieve its mandate.

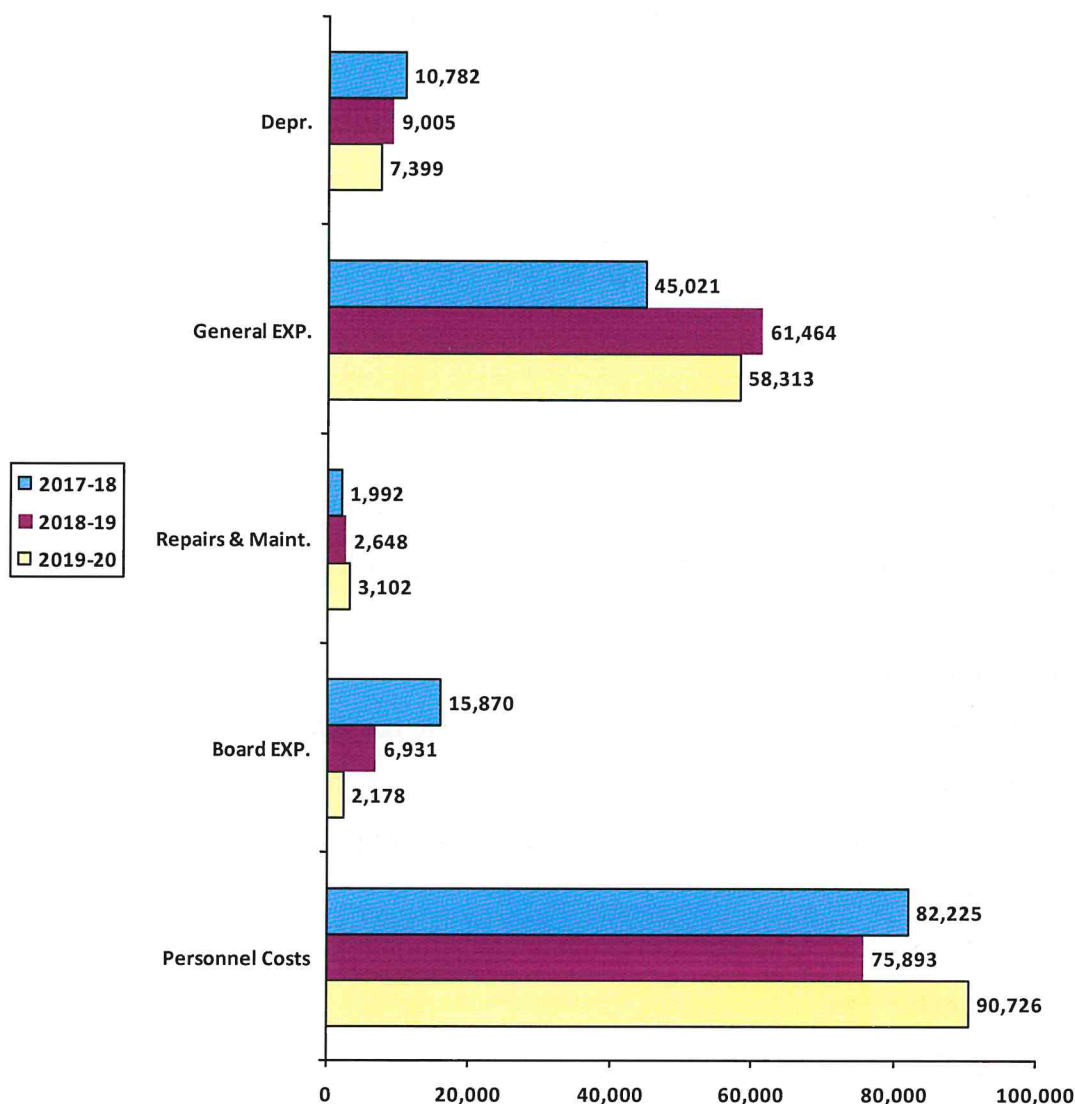




**ii. Recurrent Government grants trend**



### iii. Recurrent Expenditure analysis Financial years 2018-2019 and 2020



*NB Depreciation is a non cash item*

### iv. Entity's Compliance with Statutory Requirements

There is no major noncompliance that is likely to expose the organization to potential liability.

### v. Key Projects and Investment decisions the entity is planning to implement

No project is being implemented at the moment due to lack of budgetary allocations. The Centre has a plan to construct a data repository.

**vi. Major Risks facing the entity**

Due to budgetary constraints and late receipt of transfer of the grants the Centre is exposed to the both operational and liquidity risks.

Human capacity risk in that the Centre has 29 substantive staff compared to the approved staff establishment of 217.

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

No material arrears in statutory and financial obligations for the Centre.

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

The number of staff in-post against the approved staff establishment hence lack of capacity in terms of personnel and skill. Most senior positions are not filled.

**c) Centre's Challenges**

- i. Governance issues as most of the senior positions are not filled,
- ii. Budgetary constraints
- iii. The level of security systems on the offices considering the type and manner of data held at the Centre.
- iv. Lack of ICT research infrastructure to aid in quick turnaround of research

**d) Centre's Opportunities**

- i. Recognition of crime as a challenge in the realization of Kenya Vision 2030 and Big 4 Agenda.
- ii. Development partners' support and good will
- iii. Collaboration, partnership and networking with relevant government agencies
- iv. Advancements in ICT based-research
- v. Devolution to Counties
- vi. Government commitment to reforms and international conventions
- vii. Large pool of competent professionals in the labour market

**e) Entity's compliance with statutory requirements**

The Centre has complied on the payment of statutory deductions.

## REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2020 which show the state of the Centre's affairs.

### Principal activities

The objectives of NCRC is to carry out research into the causes of crime and its prevention and to disseminate research finding and recommendations to the Government agencies concerned with the administration of criminal justice system.

The Centre is mandated to undertake six principle activities which forms its strategic themes. The activities include development of the Kenya Annual Crime Year Book, National Crime Data Repository Unit and Systems, National Crime Research Communication Strategy, Human Resource Capacity in crime research at all levels of Government and Crime Management.

### Results

The results of the entity for the year ended June 30, 2020 are set out on pages 39 to 45.

### Directors

The members of the Governing Council who served during the year are shown on page 6 to 10.

### Surplus remission

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. The entity is not a regulatory entity and did not make any surplus during the year Financial Year 2019- 2020 hence no remittance to the Consolidated Fund.

### Auditors

The Auditor General is responsible for the statutory audit of the Centre in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2020.

By Order of the Governing Council



**DIRECTOR/ CEO**  
**NATIONAL CRIME RESEARCH CENTRE**

DATE: 25<sup>th</sup> March 2021



## STATEMENT OF GOVERNING COUNCIL MEMBERS RESPONSIBILITIES

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

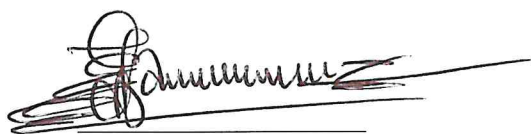
This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Centre; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Governing Council members accept responsibility for the entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 .The Governing Council members are of the opinion that the entity's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Governing Council members further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Governing Council members to indicate that the Centre will not remain a going concern for at least the next twelve months from the date of this statement.

### Approval of the Financial Statements

The Centre's Financial Statements were approved by the Audit Committee on 22<sup>nd</sup> September, 2020 and signed on its behalf by:



G.C MEMBER



G.C MEMBER



G.C MEMBER

## **CO-OPORATE SOCIAL RESPONSIBILITIES & SUSTAINABILITY REPORTING**

### **a) Sustainability strategy and profile**

The impact of crime, its changing risks and ability to accumulate response is a shared mandate of all persons living in Kenya evidence shows that the first of test of security is vigilance and early warning. Weak or lack of inter-agency coordination and collaboration framework hampered the realization of some of the Centre's targets. The Center will develop collaboration and partnership, networking and coordination framework to enhance research activities. To this end the Center further strengthens its linkages with institutions under NCAJ to benefit from economies of scale on shared platforms.

Crime is a security threat and insecurity matter whose agenda setting revolves around national security. In practice, law enforcement tends to have the upper hand in resource allocation due to the approach of hands-on crime. However, despite the significant increase in resource allocation the problem of security and insecurity still persists. The between "paying for law enforcement" and "investing in order" has proven to yield higher standards of public safety. The NCRC is positioning itself not only as providers of crime based data, but also a strategic drivers of crime prevention programmes to reduce cost of security and insecurity.

The challenges can be mitigated by identifying the remaining areas and pursue full compliance with Mwongozo code, Recruit staff to existing vacant positions while developing the current workforce, Use report launching events to improve visibility of the Center, Consult widely to strengthen crime research agenda setting and Intensify the frequency of policy and issue briefs to NCAJ

NCRC's Annual report is a comprehensive national policy reference source on crime research and data for agencies in the administration of criminal justice, the public and other interested stakeholders involved in security and crime management and control. It will also present a national crime index outlook and present in a broad picture the crime trends, causes, consequences and prevention mechanisms in Kenya.

The Center developed a national crime communication strategy to facilitate sharing of the information with agencies in the administration of criminal justice, the public and other interested stakeholders. Effective management of crime in the country demands timely sharing of valid, reliable and evidence-based crime information. The sharing of information involved web-based

sharing, print media, publications, dissemination forums and online crime stopper information platforms designed to increase access to crime research information at the national and county government level.

#### **b) Employee welfare**

NCRC is an equal opportunity employer guided by the NCRC Human Resource and Procedure Manual 2018 which in its formulation took into account other relevant laws and regulations governing hiring of employees. The policy takes into consideration gender ratio, stakeholder engagements and it is improved after five years.

On skill improvements the Centre has undertaken a training needs assessment to determine officers to be trained, courses for training, identify performance gaps, aid in allocation of training budget. Through collaboration with other government organizations one officer was sponsored for master's programme in Hungary. On skill improvement the Centre sponsors officers to attend professional workshops, seminars, conferences and pays annual membership subscription fees. During the year the centre's staff were sensitised on cross cutting issues as per performance contract agreement. The centre undertook performance appraisal and evaluation of all staff with the aim of rewarding best performers.

The policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA) is provided for in the Human Resource and Procedure Manual. In compliance with the policy the Centre provides Group Personal Accident, group life and Medical cover. The Centre has maintained clean, and safe working environment by providing adequate office space, putting signage and fire extinguishers. The centre provides sanitary equipments and clean drinking water to all staff.

#### **c) Market place practices**

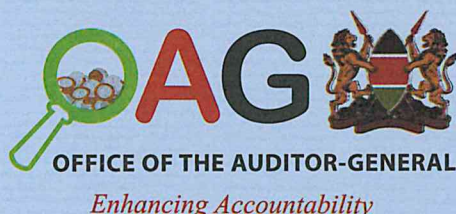
National Crime Research Centre Supply Chain Section prepares an Annual Procurement Plan which details; the time, cost and mode of procuring for the Centres Financial Year, 90% of the Centres procurement is usually done through tendering process this ensures fair completion amongst potential suppliers. The whole process is posted on a public website known as Public Procurement Information Portal so as to enhance transparency and encourage any positive criticism from the suppliers and general public.

The Centres' also upholds high standard of Integrity and various mechanisms have been put in place to ensure that this is achieved, this mechanism includes:



# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: [info@oagkenya.go.ke](mailto:info@oagkenya.go.ke)  
Website: [www.oagkenya.go.ke](http://www.oagkenya.go.ke)



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL CRIME RESEARCH CENTRE FOR THE YEAR ENDED 30 JUNE, 2020**

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

#### **Opinion**

I have audited the accompanying financial statements of National Crime Research Centre set out on pages 39 to 56, which comprise the statement of financial position as at 30 June, 2020, 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 knowledge and belief were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Crime Research Centre as at 30 June, 2020, and of its financial performance and its cash flows for the year ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the National Crime Research Centre Act.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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



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

### Conclusion

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

### Basis for Conclusion

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

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

### Conclusion

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

### Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 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 Centre's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Centre or to cease operations.

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

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

Those charged with governance are responsible for overseeing the Centre's financial reporting process, reviewing the effectiveness of how the 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 applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to 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 Centre to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Centre to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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.

  
**Nancy Gathungu**  
**AUDITOR-GENERAL**  
**Nairobi**

**22 November, 2021**

- All Bidders are required to sign a sworn affidavit not to participate in any corrupt activity during bidding.
- A corruption reporting procedure is in place to enable corruption complains to be channelled for action.
- Strict adherence to the Public Procurement Act 2015 and Regulation 2020 that helps the Centre achieve good practise, fair competition and respect to its suppliers.
- Adherence to Service Charter which helps in safe guarding consumer rights, interest through provision of information and prompt payments to suppliers.

#### **d) Community Engagements**

As a Community Social Responsibility policy requirement, NCRC strives to engage in a sustained effort to create a social environment that upholds the opportunity for NCRC to achieve its mandates effectively. In so doing, NCRC builds strong symbiotic bond between the community, stakeholders and customers.

During the year under review, NCRC engaged in corporate social responsibilities focussed at ensuring environmental sustainability. During the world water day celebrated on March 22<sup>nd</sup> 2019, NCRC used its social media platform to advocate for the need to take care of our water bodies. Further, during the International Day of Forests, NCRC shared digital messages advocating for eradication of illegal logging to protect our forests.

Illegal logging, which remains a key environmental crime in Kenya, has negatively impacted on our development and food security through delay on onset of rains, drying up of water sources, dilapidated range land conditions and increased number of human and animal distress. In its message, NCRC raised awareness on the need to protect Kenya's water bodies and the forests.





**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2019-2020	2018-2019
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from government – ministry of interior	9	151,933,400	146,588,400
<b>Total revenue</b>	9	151,933,400	146,588,400
<b>Expenses</b>			
Use of goods and services	10	58,358,105	61,054,041
Employee costs	11	90,680,577	75,892,611
Governing Council Expenses	12	2,178,400	7,200,757
Depreciation and amortization expense	13	7,398,516	9,005,251
Repairs and maintenance	14	3,101,797	2,650,624
<b>Total expenses</b>		<b>161,717,395</b>	<b>155,803,284</b>
<b>Deficit for the period/year</b>	24	<b>(9,783,995)</b>	<b>(9,214,884)</b>

The notes set out on pages 45 to 55 form an integral part of these Financial Statements

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020**

	Notes	2019-2020	2018-2019
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	1,178,639	2,265,248
Receivables from non-exchange transactions	17	10,482,507	7,450,486
Inventories	18	426,065	3,163,778
<b>Total</b>		<b>12,087,211</b>	<b>12,879,512</b>
<b>Non-current assets</b>			
Property, plant and equipment	19	41,979,160	49,377,677
<b>Total assets</b>		<b>54,066,371</b>	<b>62,257,189</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	20	5,238,661	3,645,484
<b>Total liabilities</b>		<b>5,238,661</b>	<b>3,645,484</b>
<b>Net assets</b>		<b>48,827,710</b>	<b>58,611,705</b>
Reserves		48,827,710	58,611,705
<b>Total net assets and liabilities</b>		<b>48,827,710</b>	<b>58,611,705</b>

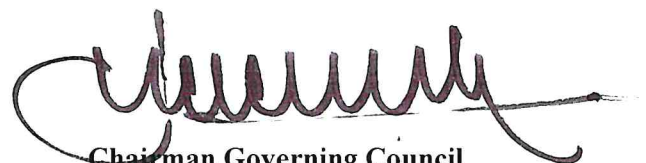
The Financial Statements set out on pages 39 to 43 were signed on behalf of the Board of Directors by:



**Director/C.E.O**  
Gerard E. Wandera



**Finance & Accounts In-charge**  
Samuel Ng'ang'a Maina  
ICPAK Member Number: 13520



**Chairman Governing Council**  
Hon Justice Paul Kihara Kariuki

Date: 25/03/2021

Date: 25/03/2021

Date: 25/03/2021

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2019-2020	2018-2019
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
<b>Surplus/ (Deficit) for the Year</b>	24	<b>(9,783,995)</b>	<b>(9,214,884)</b>
Adjusted for:			
Depreciation	13	7,398,516	9,005,251
<b>Cash Generated from within Changes in Working Capital</b>		<b>(2,385,479)</b>	<b>(209,633)</b>
Increase/Decrease in Debtors	17	(3,032,021)	294,996
Increase/Decrease in Creditors	20	1,593,177	(2,055,970)
Changes in Inventory	18	2,737,713	333,221
<b>Net Cash Flow from Operating Activities</b>		<b>1,298,869</b>	<b>(1,427,753)</b>
Cash flow from Investing Activities			
Purchase of Assets	19	0	(1,229,447)
<b>Net Cash Flow from Investing Activities</b>		<b>0</b>	<b>(1,229,447)</b>
Increase in Cash and Cash Equivalents		(1,086,610)	(2,866,834)
Cash and Cash Equivalent at the Beginning	16	2,265,248	5,132,084
<b>Cash and Cash Equivalent at the End</b>		<b>1,178,638</b>	<b>2,265,248</b>



**STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2020**

	NOTES	Retained Surplus	Total
		<b>Kshs</b>	<b>Kshs</b>
At July 1, 2018		67,826,589	67,826,589
Receivables Write Off		(7,700)	(7,700)
Surplus for the period		(9,207,184)	(9,207,184)
<b>At June 30,2019</b>		<b>58,611,705</b>	<b>58,611,705</b>
At July 1, 2019		58,611,705	58,611,705
Deficit for the period		(9,783,995)	(9,783,995)
<b>At June 30, 2020</b>		<b>48,827,710</b>	<b>48,827,710</b>

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>Original Budget</b>	<b>Adjustment</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Performan ce difference Kshs</b>	<b>% Performan ce Difference</b>
	<b>2019-2020</b>	<b>2019-2020</b>	<b>2019-2020</b>	<b>2019-2020</b>	<b>2019-2020</b>	<b>2019-2020</b>
<b>Revenue</b>						
Government grants & Subsidies	144,688,400	7,245,000	151,933,400	151,933,400	-	0%
Balance BF	2,265,248	-	2,265,248	2,265,248	-	
<b>Total Income</b>	<b>146,953,648</b>	<b>7,245,000</b>	<b>154,198,648</b>	<b>154,198,648</b>	<b>-</b>	
<b>Expenses</b>						
Employee costs	83,481,077	7,199,500	90,680,577	90,680,577	-	0%
Governing Council Expenses	6,780,000	(4,601,600)	2,178,400	2,178,400	-	0%
Use of Goods and Services	52,042,571	6,315,534	58,358,105	58,358,105	-	0%
Routine Maintenance - Vehicles and other Transport Equipment	4,650,000	(1,548,203)	3,101,797	3,101,797	-	0%
<b>TOTALS</b>	<b>146,953,648</b>	<b>7,365,231</b>	<b>154,318,879</b>	<b>154,318,879</b>	<b>-</b>	<b>0%</b>

Reconciliation between expenditure in the statement of financial performance and the statement of comparison of budget and actual amounts;

Total expenditure as per statement of comparison of budget and actual amounts	Kshs.154,318,879
Add Depreciation and amortisation expense for the year	Kshs. 7,398,516
Total expense as per the statement of financial performance	Kshs. 161,717,395

## NOTES ON STATEMENT OF BUDGET

- i) The centre had a balance of a reconciled bank balance of Kshs 2,265,248 This amount has been included in the statement of budget for the year and expensed
- ii) The centre received a supplementary budget of Kshs 7,245,000 during the year. This was occasioned by the review of organisation salary structure by Salaries and Remuneration Commission.
- iii) Due to Covid 19 pandemic there was change in operational strategies hence budget revision during the year. The budget vote line changes were approved by the Governing Council.
- iv) The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance; the budget is prepared on a cash basis and eventually restated to accrual. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.
- v) Previous year figures on various expenses were amended to compare with the current year due to the revised reporting template for the year ended 30<sup>th</sup> June 2020.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

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

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on accrual Basis Financial Reporting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost. The cash flow statement is prepared using the indirect method.

### 3. ADOPTION OF NEW AND REVISED STANDARDS

The Centre did not adopt any new or amended standards in the year 2020.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Revenue Recognition

The entity receives Government grants through the Ministry of Interior and Coordination of National Government. Revenue is recognized once received.

#### b) Budget Information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single line statement to determine the needs of the entity. Even with the adoption of the accrual basis there is some basis, timing or entity differences that would require reconciliation between the actual comparable amounts presented as a separate additional financial statement of comparison of budget and actual amounts especially provisions of gratuity that is payable after successful completion of the contact period.



## NOTES TO THE FINANCIAL STATEMENTS ( Continued)

### c) Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. The Centre has no intangible assets.

Depreciation rates are as below:

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

Furniture and Fittings	12.5%
Office Equipment's	12.5%
Computers	33%
Motor Vehicles	25%

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

### d) Research and Development Costs

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

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**e) Inventory**

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

**f) Provisions – IPSAS 19**

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

**g) Contingent assets**

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

**h) Changes in accounting policies and estimates – IPSAS 3**

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

**i) Employee benefits Retirement benefit plans**

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

## **NOTES TO THE FINANCIAL STATEMENTS ( Continued)**

### **j) Related parties**

The Entity regards a related party as a person or an entity with the ability to exercise control or exercise significant influence over its operating and financial decisions.

The Centre is related to:

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management Personnel;
- iv) Governing Council Members;

### **k) Cash and cash equivalents**

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

### **l) Comparative figures**

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

### **m) Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2020.

## **5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

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

## **6. ACCOUNTS RECEIVABLES**

All revenue is invoiced and recorded when service has been provided. When circumstances dictate, that repayment will not be received it is treated as an accounts receivable for reporting purposes. In case the account will not be collected, the receivable is written off from the books.

**NOTES TO THE FINANCIAL STATEMENTS ( Continued)**

**7. ACCOUNTS PAYABLES**

This is money owed by the Center to its customers by the end of the financial year.

**8. TAXATION**

The Centre is nonprofit Semi-Autonomous Government Agency (SAGA) and is exempted from taxes by an Act of Parliament.

**9. TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES**

Name of the Entity sending the grant	Amount recognized to Statement of Comprehensive Income KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund.	Total grant income during the year	2019-2020	2018-2019
			KShs	KShs	KShs	Kshs
Ministry of Interior and Coordination of National Government	151,933,400	0	0	0	151,933,400	146,588,400
<b>Total</b>	<b>151,933,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>151,933,400</b>	<b>146,588,400</b>



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**10. USE OF GOODS AND SERVICES**

<b>Description</b>	<b>2019-2020</b>	<b>2018-2019</b>
	<b>KShs</b>	<b>KShs</b>
Professional services/Research	15,654,220	20,079,843
Subscriptions	333,400	160,700
Advertising	372,517	0
Audit fees	232,000	232,000
Conferences and delegations	2,660,463	3,746,325
Consulting fees	855,174	3,135,993
Consumables	4,769,915	3,943,671
Fuel and oil	1,871,859	1,802,498
Insurance	776,257	723,374
Printing and stationery	1,934,155	801,409
Rental	23,580,739	22,585,097
Telecommunication	1,942,693	1,998,915
Training	1,000,360	1,997,216
Other general expenses	2,374,353	7,700
<b>Total</b>	<b>58,358,105</b>	<b>61,214,741</b>

**11. EMPLOYEE COSTS**

	<b>2019-2020</b>	<b>2018-2019</b>
	<b>KShs</b>	<b>KShs</b>
Salaries and wages	35,907,807	25,421,447
Employee related costs - contributions to pensions and medical aids	13,670,524	11,582,594
Travel, motor car, accommodation, subsistence and other allowances	28,734,182	26,630,829
Housing benefits and allowances	12,368,064	12,257,741
<b>Employee costs</b>	<b>90,680,577</b>	<b>75,892,611</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**12. REMUNERATION OF DIRECTORS**

Description	2019-2020	2018-2019
	KShs	KShs
Governing Council	2,178,400	7,200,757
<b>Total director emoluments</b>	<b>2,178,400</b>	<b>7,200,757</b>

**13. DEPRECIATION EXPENSE**

Description	2019-2020	2018-2019
	KShs	KShs
Property, plant and equipment	7,398,516	9,005,251
<b>Total depreciation and amortization</b>	<b>7,398,516</b>	<b>9,005,251</b>

**14. REPAIRS AND MAINTENANCE**

Description	2019-2020	2018-2019
	KShs	KShs
Vehicles	2,224,415	1,993,961
Other	877,382	656,663
<b>Total repairs and maintenance</b>	<b>3,101,797</b>	<b>2,650,624</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**15. CASH AND CASH EQUIVALENTS**

Description	2019-2020	2018-2019
	KShs	KShs
Current account	1,113,882	2,064,607
Cash in Hand	64,757	200,641
<b>Total cash and cash equivalents</b>	<b>1,178,639</b>	<b>2,265,248</b>

**16. DETAILED ANALYSIS OF THE CASH AND CASH EQUIVALENTS**

Financial institution	Account number	2019-2020	2018-2019
		KShs	KShs
<b>a) Current account</b>			
Kenya Commercial bank	1122479417	1,113,882	2,064,607
<b>Sub- total</b>		<b>1,113,882</b>	<b>2,064,607</b>
<b>b) Others(specify)</b>			
Cash in Hand		64,757	200,641
<b>Sub- total</b>		<b>64,757</b>	<b>200,641</b>
<b>Grand total</b>		<b>1,178,639</b>	<b>2,265,248</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. RECEIVABLES FROM NON-EXCHANGE CONTRACTS

Description	2019-2020	2018-2019
	KShs	KShs
<b>Current receivables</b>		
Customer Prepayments – Training Bond	34,875	174,375
Lloyd Masika – Rental Deposits	1,949,026	1,949,026
Lloyd Masika – Parking Fees Deposits	108,000	108,000
CIC Insurance – General Life	668,367	0
CIC Insurance – Medical	4,821,767	4,618,922
Lloyd Masika – Rent	2,436,993	0
Safaricom Limited	4,500	4,500
Postal Corporation of Kenya	4,725	4,725
Kenya Postel Directory	0	108,993
The Standard Group	118,496	128,325
Google Cloud	0	6,572
Vista Prime Ltd.	18,755	18,755
Institute of Certified Public Accountants	11,200	11,200
Public Relations Society of Kenya	0	5,000
Human Resource Institute	5,500	4,500
Kenya Library Information Services	135,000	135,000
CIC Insurance GPA	160,303	172,593
Institute of Internal Auditors	5,000	0
<b>Total</b>	<b>10,482,507</b>	<b>7,450,486</b>

18. INVENTORIES

Description	2019-2020	2018-2019
	KShs	KShs
Consumable stores	426,065	3,163,778
<b>Total inventories at the lower of cost and net realizable value</b>	<b>426,065</b>	<b>3,163,778</b>



NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. PROPERTY, PLANT AND EQUIPMENT

Cost	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Total
	KShs	KShs	KShs	KShs	KShs
At 1 July 2018	24,438,724	65,660,255	13,325,504	3,092,250	106,516,733
Additions	0	151,300	306,567	771,580	1,229,447
Disposals	0	0	0	0	0
At 30 <sup>th</sup> June 2019	24,438,724	65,811,555	13,632,071	3,863,830	107,746,180
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
At 30 <sup>th</sup> June 2020	24,438,724	65,811,555	13,632,071	3,863,830	107,746,180
Depreciation and impairment					
At 1 July 2018	16,202,845	21,403,618	10,325,241	1,431,549	49,363,253
Depreciation	2,058,970	5,550,992	1,091,254	304,035	9,005,251
At 30 June 2019	18,261,815	26,954,610	11,416,495	1,735,584	58,368,504
Depreciation	1,544,227	4,857,118	731,140	266,031	7,398,516
Disposals	0	0	0	0	0
At 30 <sup>th</sup> June 2020	19,806,042	31,811,728	12,147,635	2,001,615	65,767,020
Net book values					
At 30 <sup>th</sup> June 2020	4,632,682	33,999,827	1,484,436	1,862,215	41,979,160
At 30 <sup>th</sup> June 2019	6,176,909	38,856,945	2,215,576	2,128,246	49,377,676

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**20. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS**

Description	2019-2020	2018-2019
	KShs	KShs
Office of the Auditor General	928,000	928,000
Government Pension	0	0
Gratuity	2,588,098	1,066,618
PAYE	1,722,563	0
<b>Total Trade and other payables</b>	<b>5,238,661</b>	<b>3,645,484</b>

**21. EVENTS AFTER THE REPORTING PERIOD**

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

**22. ULTIMATE AND HOLDING ENTITY**

The entity is a State Corporation/ or a Semi- Autonomous Government Agency under the **Ministry of Interior and Coordination of National Government**. Its ultimate parent is the Government of Kenya.

**23. CURRENCY**

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

**24. DEFICIT**

The statement of financial performance includes the depreciation expense which is a non cash item. The Centre also had some brought forward cash balances during the year.

## APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The Centre had obtained a qualified report on the basis of the two issues indicated on the table below for the period ending 30<sup>th</sup> June, 2018.

Ref. No. on the External Audit, Report	Issue/ Observation's from Auditor	Management Comments	Focal Point person to resolve the issue	Status	Timeframe
1.Cash and Cash Equivalent	Non-disclosure of two cheques totalling to Kshs 10,833 whose clearance status as at 31 <sup>st</sup> March ,2019 was not disclosed	The cheques have been written back to the cashbook	Accountant	Finalized	-
2.Prior Year Adjustment	Schedule of the consumable store adding up to 4,015,752 was not provide for audit review The treatment was against paragraph 47 of IPSAS No. 3 on Accounting policies, changes in Accounting Estimates and Errors	The stock take schedule for the consumable stores is available for audit review.  IPSAS 3 Paragraph 47 and 48 has been complied with. The value of stock was undervalued by Kshs 188,885/- This amount has been restated in the Financial statements for the year 2017-2018	Accountant	Finalized	-



GERARD E. WANDERA  
DIRECTOR/CEO  
NATIONAL CRIME RESEARCH CENTRE



HON. JUSTICE PAUL KIHARA KARJUKI  
CHAIRMAN  
NATIONAL CRIME RESEARCH CENTRE

Date. 25/03/2021

Date. 25/03/2021

NATIONAL CRIME RESEARCH CENTRE ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020

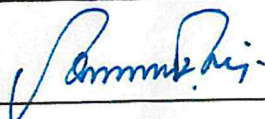
APPENDIX II: CONFIRMATION OF INTERENTITY TRANSFERS

Confirmation of amounts received by ( National Crime Research Centre) as at 30 <sup>th</sup> June 2020							
Amounts Disbursed by Ministry of Interior as at 30 <sup>th</sup> June 2020							
Voucher Number	Date Disbursed	Recurrent (Ksh) a	Development (ksh) b	Inter- Ministerial (ksh) c	Total (ksh) D=(a+b+c)	Amount received by (National Crime Research Centre) as at 30 <sup>th</sup> June 2020 (ksh) e	Differences (Ksh) =( d-e)
20110998	30-July-19	36,172,100.00			36,172,100.00	36,172,100.00	0.00
20116911	14-Oct-19	36,172,100.00			36,172,100.00	36,172,100.00	0.00
20124629	06-Jan-20	36,172,100.00			36,172,100.00	36,172,100.00	0.00
20134856	15-Apr-20	36,172,100.00			36,172,100.00	36,172,100.00	0.00
20140260	28-May-20	7,245,000.00			7,245,000.00	7,245,000.00	0.00
Total		151,933,400.00	0.00		151,933,400.00	151,933,400.00	0.00

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

Head of Accounts, State Department of Interior

Name: JAMES K. KARORI

Signature: 

Date: 03/09/20

SENIOR ASSISTANT ACCOUNTANT GENERAL  
STATE DEPARTMENT OF INTERIOR  
P.O. BOX 30300 NAIROBI

Head of Accounts & Finance, National Crime Research Centre

Name: JOSEPHINE DYANISA MANDERE

Signature: 

Date: 04/09/2020



