REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

CONSOLIDATED FUND SERVICES – PENSION AND GRATUITIES

FOR THE YEAR ENDED 30 JUNE, 2024

THE NATIONAL TREASURY

THE NATIONAL TREASURY AND ECONOMIC PLANNING

Consolidated Fund Services: Pension and Gratuities

FUND IDENTIFICATION NUMBER R 051

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30 JUNE, 2024

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

1. Acronyms and Glossary of Terms

AGPO:	Access to Government Procurement Opportunities
A-in-A	Appropriations in Aid
BETA:	Bottom-Up Economic Transformation Agenda
CARB:	County Allocation of Revenue Bill
CCF:	Climate Change Fund
CGS:	Credit Guarantee Scheme
CSD:	Central Securities Depository
DORB:	Division of Revenue Bill
IPSAS:	International Public Sector Accounting Standards (IPSAS)
IRMF:	Institutional Risk Management Framework
KRA:	Key Result Areas
MCDAs:	Ministries, Counties, Departments and Agencies
MDAs:	Ministries, Departments and Agencies
MSME:	Micro, Small and Medium Enterprises
NIFC:	Nairobi International Financial Centre
NHIF:	National Hospital Insurance Fund
NSSF:	National Social Security Fund
PFM:	Public Finance Management
PSSS:	Public Service Superannuation Scheme
RK-FINFA:	Rural Kenya Financial Inclusion Facility
RTPs:	Restrictive Trade Practices
SACCOs:	Saving and Credit Cooperative Organizations
SAGAs:	Semi-Autonomous Government Agencies
VFM:	Value for Money

2. THE NATIONAL TREASURY INFORMATION AND MANAGEMENT

a) Background Information

The National Treasury was established vide the Executive Order No. 1 of 2023. The basis for establishment of the National Treasury is found in Article 225 (1) of the Constitution of Kenya which states that an Act of Parliament shall provide for the establishment, functions and responsibilities of the National Treasury. This has been actualized in Section 11 and 12 of the Public Finance Management (PFM) Act 2012.

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

Vision

"Excellence in economic and public finance management, and development planning for Kenya's socio-economic transformation".

Mission

"To provide leadership in prudent economic and public finance management and development planning through formulation, implementation and monitoring of policies for Kenya's inclusive growth".

Core Values

The National Treasury is guided by the following **STRICT** core values:
Stakeholder participation;
Transparency and accountability;
Results oriented;
Integrity;
Customer focus;
Teamwork and commitment;

Mandate of the National Treasury

The National Treasury derives its mandate from Article 225 of the Constitution, Public Finance Management Act 2012 and the Executive Order No.2 of 2023. The National Treasury exercises its mandate in consistency with any other legislation as developed or reviewed by Parliament from time to time.

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

i. Overall Economic Policy Management;
ii. Management of Public Finance;
iii. Formulation of National Budget;
iv. Public Debt Management;
v. Formulation and Maintenance of Government Accounting Standards;
vi. Bilateral and Multilateral Financial Relations;
vii. Capital Markets Policy;
viii. Oversight over Revenue Collection;
ix. Competition Policy Management; National Pensions Policy Management;
x. Insurance Policy and Regulation;

xi. Public Procurement and Disposal Policy;
xii. Public Investment Policy and Oversight;
xiii. Development and Enforcement of Financial Governance Standards;
xiv. Financial Sector Analysis and Management including SACCOs, NSSF and NHIF;
xv. Financial Institutions Oversight;
xvi. Management of National and County Governments Financial Management System and Standards;
xvii. Development of Kenya as an International Financial Centre;
xviii. Anti-Money Laundering Policy;
xix. Custodian of National Government Assets and Properties; and
xx. Secretariat to Intergovernmental Budget and Economic Council.

Role of the National Treasury in the Devolved System of Government

The National Treasury is mandated by law to: -

i. Strengthen financial and fiscal relations between the National Government and County Governments and support for county governments in performing their functions;

ii. Issue guidelines on the preparation of county development planning;

iii. Prepare the annual legislative proposals on intergovernmental fiscal transfers;

iv. Provide logistical support to intergovernmental institutions overseeing intergovernmental fiscal relations;

v. Coordinate the development and implementation of financial recovery plans for County Governments that are in financial distress;

vi. Build capacity of County Governments on public finance management matters for efficient, effective and transparent financial management as well as planning, monitoring and evaluation; and

vii. Administer the Equalization Fund.

(b) Key Management

The National Treasury's day-to-day management is bestowed on following key offices.

Office of the Principal Secretary

The Principal Secretary is responsible for the day-to-day administration of the National Treasury operations and is the Accounting Officer and Authorized Officer. In addition, the Principal Secretary is charged with the responsibility of advising the Cabinet Secretary on policy, technical and administrative functions in the National Treasury.

Organizational Structure of the National Treasury

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

Directorate of Budget, Fiscal and Economic Affairs

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

(a) Budget Department;
(b) Macro and Fiscal Affairs Department;
(c) Financial and Sectoral Affairs Department; and
(d) Inter-Governmental Fiscal Relations Department.

Directorate of Accounting Services and Quality Assurance

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

(a) Government Accounting Services;
(b) Information Financial Management Systems (IFMIS);
(c) National Sub-County Treasuries; and
(d) Government Digital Payments Unit.

Directorate of Public Investment and Portfolio Management

The Directorate is headed by a Director General, reporting to the Principal Secretary. It is organized into the following five (5) Technical Departments each headed by a Director:

(a) Government Investment and Public Enterprises;
(b) National Assets and Liabilities Management;
(c) Parastatal Reforms:
(d) Pensions Department; and
(e) Public Investment Management.

Directorate of Public Debt Management Office

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

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

Directorate of Public Private Partnership

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

Directorate of Administrative and Support Services (Common Shared Services)

The Directorate is headed by a Principal Administrative Secretary, reporting to the Principal Secretary. It is organized into ten (10) specialized functions offering common shared services. The common shared services of the National Treasury consist of functions that are not core to the National Treasury but offer critical support services to the National Treasury. The functions include:

(a) Accounting;
(b) Finance;
(c) Human Resource Management and Development;
(d) Central Planning and Project Monitoring;
(e) Supply Chain Management;
(f) Legal;
(g) Public Communications;
(h) General Administration;
(i) Internal Audit; and
(j) ICT.

(c) Fiduciary Management

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

S/No.	Designation	Name
1.	Principal Secretary	Dr. Chris Kiptoo, CBS
2.	Principal Administrative Secretary	Mr. Samson Wangusi, OGW
3.	Director General, BFEA	Mr. Albert Mwenda, HSC
4.	Director General, Accounting Services	Mr. Bernard Ndung'u, MBS
5.	Director General, PIPM	Mr. Lawrence Kibet
6.	Director General, PDMO	Dr. Haron Sirma, EBS
7.	Director General, PPP	Mr. Christopher Kirigua, OGW
8.	Director, Macro and Fiscal Affairs Department	Mr. Musa Kathanje
9.	Director, Budget Department	Mr. Francis Anyona, OGW
10.	Director, Financial and Sectoral Affairs Department	Mr. Ronald Inyangara
11.	Director, Public Procurement Department	Mr. Eric Korir
12.	Director, Intergovernmental Fiscal Relations Department	Mr. Samuel Kiptorus
13.	Ag. Internal Auditor General	Ms. Jane Micheni
14.	Director, Government Accounting Services Department	Mr. Jona Wala
15.	Director, National Sub County Treasuries	Mr. Francis Kariuki, OGW
16.	Ag. Director, Integrated Financial Management Information System	Mr. Mboni Kyallo
17.	Director, National Assets and Liability Management	Mr. Geoffrey Malombe
18.	Director, Government Investment and Public Enterprises	Mr. Kennedy Ondieki
19.	Director, Pensions Department	Mr. Michael Kagika, EBS
20.	Director, Parastatal Reforms	Dr. Karen Kandie, DBA
21.	Ag. Director, Public Investment Management Unit	Mr. Jonah Ourumoi
22.	Ag. Director, Resource Mobilization Department	Mr. David Komen
23.	Director, Debt Policy, Strategy and Risk Management Department	Mr. Daniel Ndolo
24.	Ag Director, Debt Recording and Settlement Department	Mr. George Kariuki
25.	Director Administration	Mr. Elijah Song'ony
26.	Director Accounting Service/Head, Accounts Division	Mr. George K. Gichuru
27.	Head, Finance Unit	Mr. Ambrose Ogango
28.	Senior Deputy Director/Head, SCMU	Mr. Caleb Ogot
29.	Deputy Internal Auditor General/Head, Internal Audit Unit	Ms. Lucy Mugwe

30.	Principal State Counsel, Legal Unit	Ms. Faith Pesa
31.	Director, Human Resource Management and Development	Mr. Benson Giuthua
32.	Director, Information Communication and Technology	Ms. Lynn Nyongesa
33.	Director, Central Planning and Project Monitoring Department	Mr. John Olela
34.	Director, Public Communications Unit	Mr. Godfrey Isiya
35.	Programme Coordinator, Public Financial Management Reform Secretariat	Mr. Joel Bett

(d) Fiduciary Oversight Arrangements
To manage the fiduciary risk, the National Treasury has put in place fiduciary oversight arrangements including setting up committees. The key oversight arrangements include:

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

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

i. Public Finance Management Committees

Budget Implementation Steering Committee

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

Budget Implementation Technical Committee

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

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

ii. Top Management Committee

To monitor the implementation of the Ministry's programmes and performance, the National Treasury has appointed Senior Management Committee comprising of Directors General. The Committee receives reports from departments, build consensus on National Treasury responses to emerging issues, challenges and risks and ensures that the decisions made are implemented in a timely manner. Additionally, the Treasury constituted Ad hoc Committees to handle specific assignments in the Financial Year 2023/24.

iii. Other oversight activities

Other fiduciary oversight arrangements include the following committees with specific objectives:-

Project Implementation Committee

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

Parliamentary Activities

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

Development Partner Oversight

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

Public Financial Management Sector Working Group

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

The National Treasury Monitoring and Evaluation Technical Committee (NTPMEC)

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

The National Treasury Monitoring and Evaluation Technical Committee (NTPMEC) is a dedicated technical committee which was established by PS/NT on 28th May, 2024 to mainstream PM&E practices within the National Treasury and ensure effective oversight and evaluation of fiscal policies, budgetary allocations, and public investments. The Committee is mandated to enhance the efficiency, transparency, and accountability of the planning, budgeting, financial management, and M&E practices within the National Treasury. It aims to provide systematic oversight, evaluation, and evidence-based recommendations for functional and operational efficiency and realization of intended strategic outcomes.

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Auditor General
Office of the Auditor General
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Principal Legal Adviser
The Attorney General
State Law Office
Harambee Avenue
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NAIROBI, KENYA

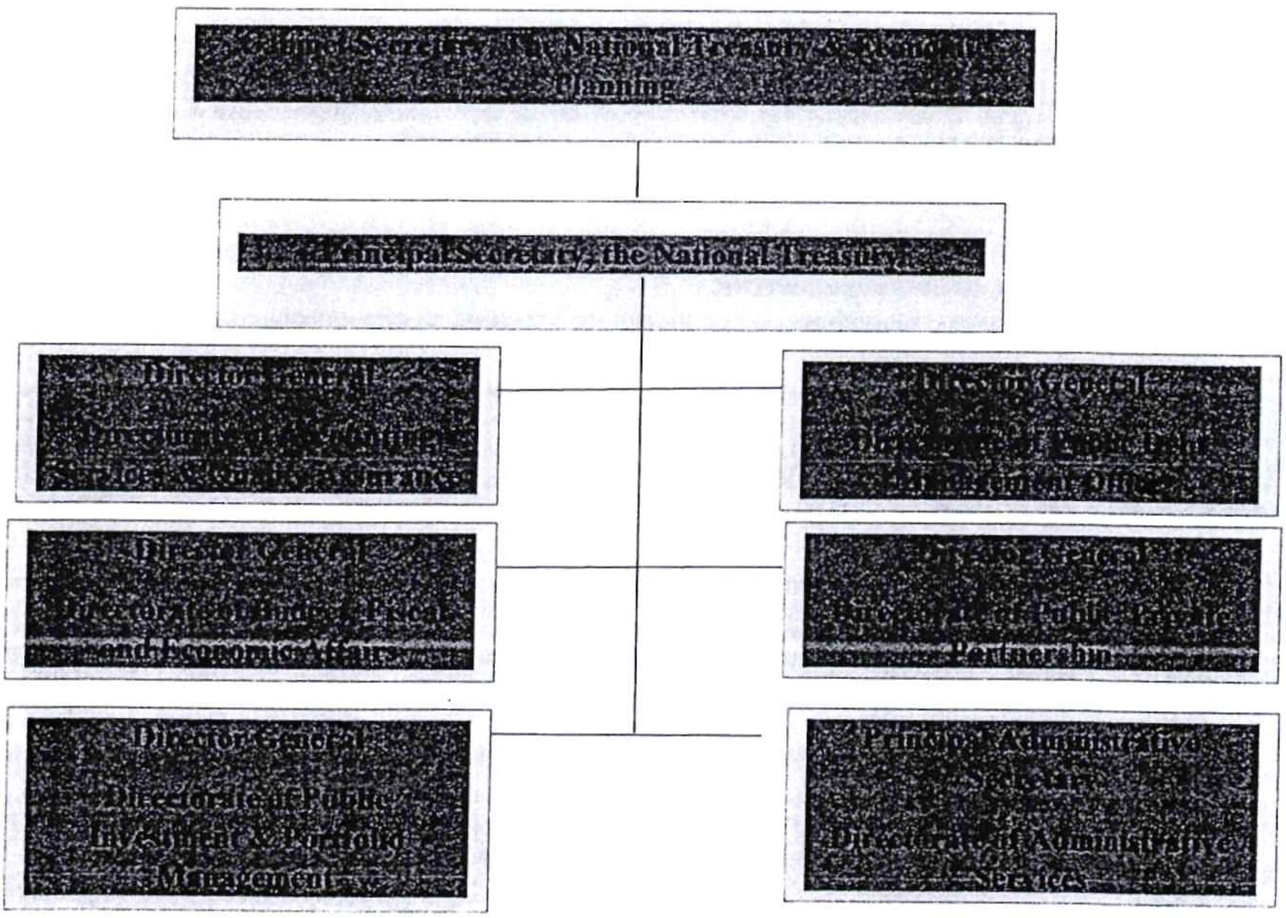
3. STATEMENT OF GOVERNANCE

i. Brief of Key Leadership Structure

The National Treasury and Economic Planning is divided into two entities: The National Treasury and State Department for Economic Planning. It is represented by the Cabinet Secretary who is responsible for the general policy and strategic direction of the Ministry.

At the top management level, the National Treasury is headed by the Principal Secretary who is the accounting officer and is responsible to the Cabinet Secretary in the performance of his duties. The National Treasury has six Directorates headed by Directors General and a Principal Administrative Secretary who is responsible for Administration and Support Services.

The National Treasury Leadership Structure



ii. Management Committees Established and Their Roles

The National Treasury has appointed managements committees to monitor the implementation of programmes, projects and report on their performance. They include:

Top Management Committee

Top Management Committee comprises of Cabinet Secretary, Principal Secretary and Directors General. The Committee receives reports from departments, build consensus on

National Treasury responses to emerging issues, challenges and risks and ensures that the decisions made are implemented in a timely manner.

iii. The Audit Committee

In line with the Public Finance Management Act, the National Treasury has established a Ministerial Audit Committee comprising of the Chairperson and four members, of which three are independent. The members were appointed on 15th December, 2022.

The Committee provides overall oversight and quality assurance including follow up on the effectiveness of implementation of audit recommendations. The Committee is active and meets on a quarterly basis to deliberate on their functions.

iv. Risk Management, compliance, conflict of interest

The National Treasury appointed risk champions who have been trained. The processes of developing a risk management framework have commenced.

v. Recent Trainings and development in governance for those in key leadership

The National Treasury supported those in key leadership positions to attend leadership and strategic management courses at the Kenya school of Government and other reputable international institutions.

vi. Public participation activities

The National Treasury emphasizes the critical role of public participation, as enshrined in the Constitution of Kenya and the Public Finance Management (PFM) Act, 2012, by providing Kenyans with opportunities to review and provide input on proposed amendments to the PFM Act, 2012. This engagement ensures that citizens' views are considered in policymaking and implementation, fostering good governance. During the FY 2023/24 budget preparation and medium-term planning, the National Treasury conducted Public Sector Hearings through both physical and virtual platforms. Furthermore, five public participation forums were held across all regions of the country to gather input on the proposed Privatization Bill, 2023. Additionally, Kenyans were invited to scrutinize the proposed amendments to the PFM Act, 2012, which aimed to align the debt anchor with international best practices.

vii. Compliance with laws and regulations

The National Treasury complies with the Constitution of Kenya, all applicable laws and regulations in line with acceptable national and international standards as well as its internal policies.

In order to enhance compliance to existing legislations and regulations, the National Treasury, through the Legal Unit has lined up a series of interventions to be progressively implemented. To begin with, in the FY 2023/24, the National Treasury being a data recipient and a data controller, initiated efforts to ensure compliance to the Data Protection Act 2019 and the right to privacy as per Article 31 of the Constitution. The effort entailed undertaking a precursor training on data protection for auditees. The training benefited thirty-six (36) the National Treasury staff as part of the steps for comprehensive legal and regulatory compliance audit.

The next step will involve undertaking legal and regulatory compliance of the Public Finance Management and Regulations in the FY 2024/25 and thereafter compliance audit.

4. STATEMENT BY THE CABINET SECRETARY

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

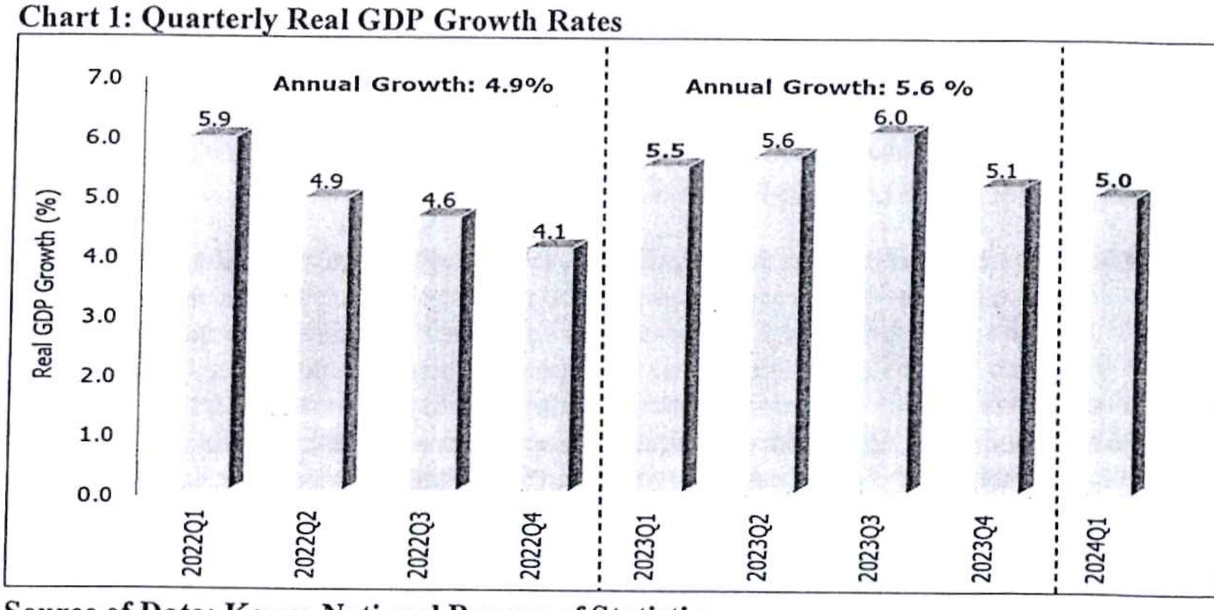
The FY 2023/24 marked the second year following the transition from the previous administration to the current one. The FY 2023/24 was manifested by accelerated implementation of programmes. However, revenue performance into the year fell short of target resulting in deployment of austerity measures and reprioritizations of activities.

Economic Growth

The economy grew by 5.6 percent in 2023 up from 4.9 percent in 2022, a demonstration of resilience and the beginning of economic recovery. The growth in 2023 is above the pre-pandemic average of 4.7 percent per year for the period between 2011-2019. The growth was largely driven by a strong rebound in the agricultural subsector, which benefited from favorable weather conditions after two years of severe droughts and the robust performance of the services sector. However, manufacturing and wholesale and retail trade subsectors slowed down.

This growth momentum has continued in 2024 with the economy expanding by 5.0 percent in the first quarter compared to a growth of 5.5 percent in the corresponding quarter in 2023 **(Chart 1).** The growth is largely driven by strong growth in agriculture supported by favorable weather conditions and government interventions. Additionally, services sector remained resilient with real estate, financial & insurance, ICT and accommodation & food services supporting the growth.

Chart 1: Quarterly Real GDP Growth Rates



Source of Data: Kenya National Bureau of Statistics

The primary sector grew by 5.0 percent in the first quarter of 2024 compared to a growth of 5.3 percent in the first quarter of 2023. This was as a result of the robust growth in the agriculture, forestry and fishing sub-sector despite a contraction in the mining and quarrying sub sector. Activities in the agriculture, forestry and fishing sub-sector expanded by 6.1 percent in the first quarter of 2024 compared to a growth of 6.4 percent in a similar quarter in 2023(**Table 1**). The performance of the sector was attributed to favorable weather conditions as well as government interventions that led to enhanced production. The performance was evident in the significant increase in production of tea, milk and sugarcane during the quarter under review. However, the sector's performance was somewhat curtailed by decline in exports of coffee, fruit and cut flowers.

Mining and quarrying sub-sector contracted by 14.8 percent in the first quarter of 2024 compared to a contraction of 11.0 percent over the same period in 2023. This was due to a decline in production of most minerals such as titanium, soda Ash and gemstone.

Industrial sector performance remained subdued, with growth of the sector slowing down to 1.1 percent in the first quarter of 2024 from a growth of 2.5 percent in a similar quarter of 2023. This was mainly on account of a decline in activities in all its sub-sectors i.e. the manufacturing, electricity& water supply and construction subsectors.

Manufacturing sub-sector expanded by 1.3 percent in the first quarter of 2024 compared to 1.7 percent growth in the corresponding quarter of 2023. In the manufacture of food products, growth was supported by tea and dairy processing despite the decline in soft drink production. In the manufacture of non-food products, cement production declined. Electricity and water supply sub-sector also recorded a decelerated growth of 2.4 percent in the first quarter of 2024 compared to a growth of 3.7 percent in the corresponding quarter of 2023. The sector's growth was supported by an increase in hydroelectric power generation and a decrease in thermal power generation.

Activities in the construction sub-sector registered a decelerated growth of 0.1 percent, down from the 3.0 percent growth recorded in the first quarter of 2023. The slowdown was reflected in the decline in the volume of cement consumption and imported bitumen. However, the volume of iron and steel imported increased during the review period.

The **activities in the services sector** continued to sustain strong growth momentum in the first quarter of 2024 and grew by 6.2 percent compared to a growth of 6.5 percent in a similar period in 2023. The performance was largely characterized by significant growths in: accommodation and food service; financial and insurance; information and communication; real estate and wholesale and retail trade sub-sectors. Accommodation and food service activities sustained the growth momentum that started in the 2022 recovery from the effects of COVID-19 pandemic even though this growth was slower compared to the corresponding quarter of 2023. The sub-sector grew by 28.0 percent compared to a growth of 47.1 percent recorded in the first quarter of 2023. The growth was evidenced by a significant increase in the number of visitor arrivals through the two major airports, the Jomo Kenyatta International Airport (JKIA) and Mombasa International Airport (MIA).

Financial and insurance sub-sector sector grew by 7.0 percent in the first quarter of 2024 compared to 5.9 percent in the corresponding quarter of 2023 while information and communication subsector grew by 7.8 percent compared to a growth of 9.5 percent, over the same period. Growth in the information and communication sub-sector was supported by increased voice traffic, internet use and mobile money despite a decline in the use of domestic Short Messaging Services (SMSs).

Activities in Transportation and Storage sub-sector slowed down to a growth of 3.8 percent in the first quarter of 2024 compared to a growth of 6.6 percent in a corresponding period in 2023. The growth in the sector was mainly supported by increased activities in Mombasa Port throughout and an increase in the number of international passenger arrivals and departures. However, growth in the sector was curtailed by a decline in the number of passengers transported via Standard Gauge Railway (SGR). Consumption of light diesel which is a key input to land transportation also declined during the period.

Table 1: Sectoral Real GDP Growth rate (Percent)

Sectors	Annual Growth Rates		Quartely Growth Rates	
	2022	2023	2023 Q1	2024 Q1
1. Primary Industry	**(0.8)**	**5.6**	**5.3**	**5.0**
1.1. Agriculture, Forestry and Fishing	(1.5)	6.5	6.4	6.1
1.2 Mining and Quarrying	9.3	(6.5)	(11.0)	(14.8)
2. Secondary Sector (Industry)	**3.5**	**2.5**	**2.5**	**1.1**
2.1. Manufacturing	2.6	2.0	1.7	1.3
2.2. Electricity and Water supply	5.5	2.8	3.7	2.4
2.3. Construction	4.1	3.0	3.0	0.1
3. Tertiary sector (Services)	**6.6**	**6.8**	**6.5**	**6.2**
3.1. Wholesale and Retail trade	3.5	2.7	2.9	4.9
3.2. Accomodation and Restaurant	26.8	33.6	47.1	28.0
3.3. Transport and Storage	5.8	6.2	6.6	3.8
3.4. Information and Communication	9.0	9.3	9.5	7.8
3.5. Financial and Insurance	12.0	10.1	5.9	7.0
3.6. Public Administration	5.1	4.6	7.6	5.8
3.7. Others	5.3	6.1	5.7	5.9
of which: Professional, Admin & Support Services	9.4	9.4	8.6	9.9
Real Estate	4.5	7.3	7.3	6.6
Education	5.2	3.1	2.0	4.0
Health	3.4	4.9	5.1	5.5
Taxes less subsidies	6.7	2.2	3.0	4.7
Real GDP	**4.9**	**5.6**	**5.5**	**5.0**

Source of Data: Kenya National Bureau of Statistics

The Government undertook reprioritization and cost-cutting measures to ensure smooth implementation of priority programmes for the remainder of the financial year.

In the FY 2023/24, the fiscal balance (on commitment basis and excluding grants) amounted to KSh.952.9 billion (5.9 percent of GDP) against a targeted deficit of KSh. 963.5 billion (6.0 percent of GDP). The fiscal balance (on a commitment basis and including grants) stood at 5.8 percent of GDP against a target deficit of 5.7 percent of GDP.
Total revenue collection by the end of June 2024, amounted to KSh. 2,702.7 billion against a target of KSh. 2,907.5 billion. The revenue was below target by KSh. 204.9 billion on account of shortfalls recorded in both ordinary revenue and ministerial A-I-A. Total revenue inclusive

of the ministerial A-I-A grew by 14.5 percent, an increase from a growth of 7.3 percent recorded in June 2023. Ordinary revenue collection was KSh.2,288.9 billion against a target of KSh.2,576.8 billion, KSh.287.8 billion below the target.

The ministerial A-I-A collected was below target by KSh.57.1 billion during the period under review. The underperformance of A-I-A was mainly due to underreporting of SAGAs' A.I.A through the Ministerial expenditure returns for the period under review. The Railway Development Levy collection amounted to KSh.66.1 billion against a target of KSh.66.5 billion.

The total expenditure and net lending for the period under review amounted to KSh.3,655.6 billion, against a target of KSh.3,971.5 billion. The resultant under expenditure of KSh.215.5 billion is attributed to lower absorption recorded in recurrent and development expenditures by the National Government and below target equitable share transfers to the County Governments. Recurrent expenditure for National Government amounted to KSh.2,644.6 billion (excluding KSh. 59.7 billion for Parliament and Judiciary) against a target of KSh.2,716.9 billion leading to a below target expenditure of KSh.72.7 billion. The below target expenditure in recurrent category is mainly attributed to below target expenditure on Operation and Maintenance (O&M) and pension payments.

Inflation

The overall year-on year inflation is under control and within the Government target range of 5±2.5 percent. Inflation declined to 4.6 percent in June 2024 from 7.9 percent in June 2023, due to easing of food and energy prices **(Chart 2).** The appreciating Shilling produced a strong pass-through effect of lowering domestic prices supported by a tight monetary policy stance. Additionally, interventions by Government in providing subsidized fertilizer and seeds continue to lower the cost of food production, and revitalize agricultural production.

Chart 2: Inflation Development

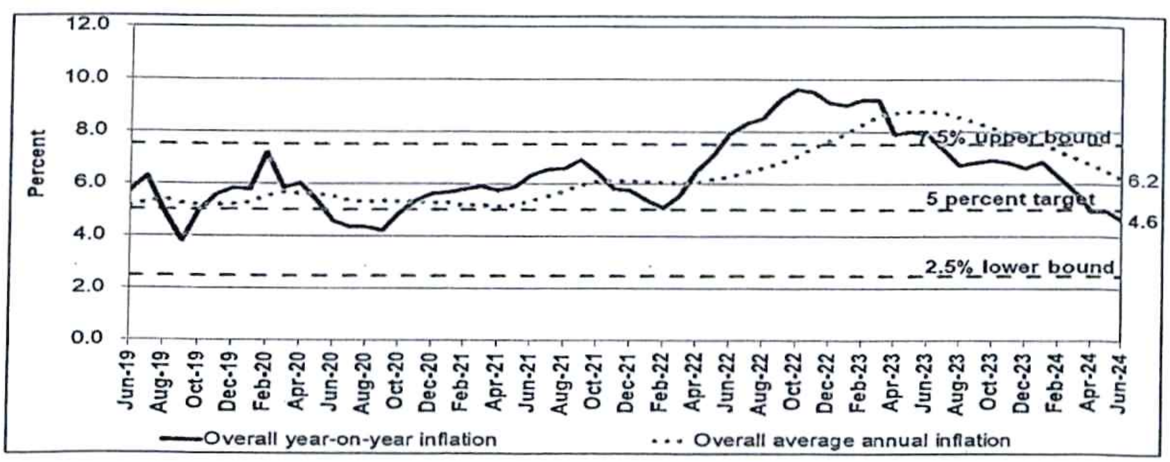
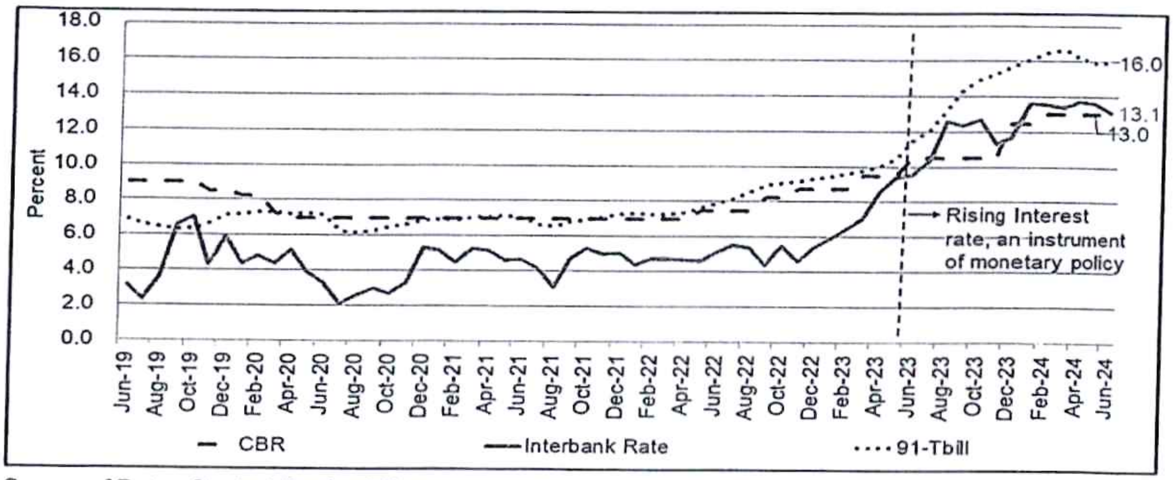


Chart 3: Short-Term Interest Rates



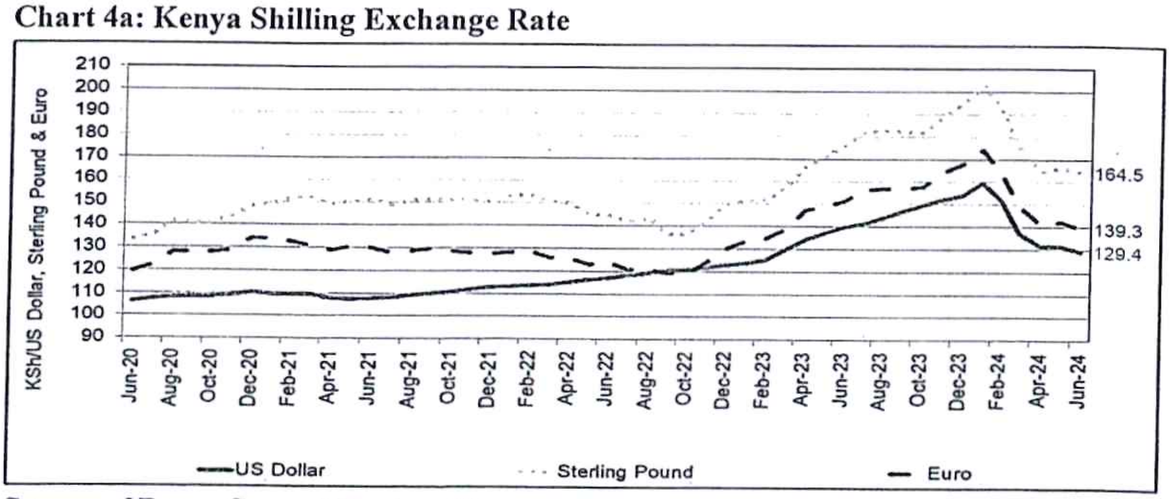
Source of Data: Central Bank of Kenya

Exchange Rates

The Kenya Shilling exchange rate has stabilized against major international currencies. By end June 2024, the exchange rate against the US dollar was KSh.129.4 compared to KSh.160.8 by end January 2024, an appreciation of 19.0 percent. Against the Euro, the Kenya shilling also strengthened by 20.1 percent to exchange at KSh.139.3 by end June 2024 compared to KSh.174.3 by end January 2024 while against the Sterling Pound the Kenyan Shilling strengthened by 18.9 percent to exchange at KSh.164.5 compared to KSh.202.9, over the same period **(Chart 4a).**

Through the repayment of the 2024 Eurobond, the Government successfully removed the investor uncertainty and market perception improved significantly. The appreciation and stability of the exchange rate has created confidence and triggered inflows of foreign direct investment and attracted investors to the Nairobi Securities Exchange. This appreciation has helped to reduce debt service costs, improve performance of domestic borrowing and stabilize interest rates.

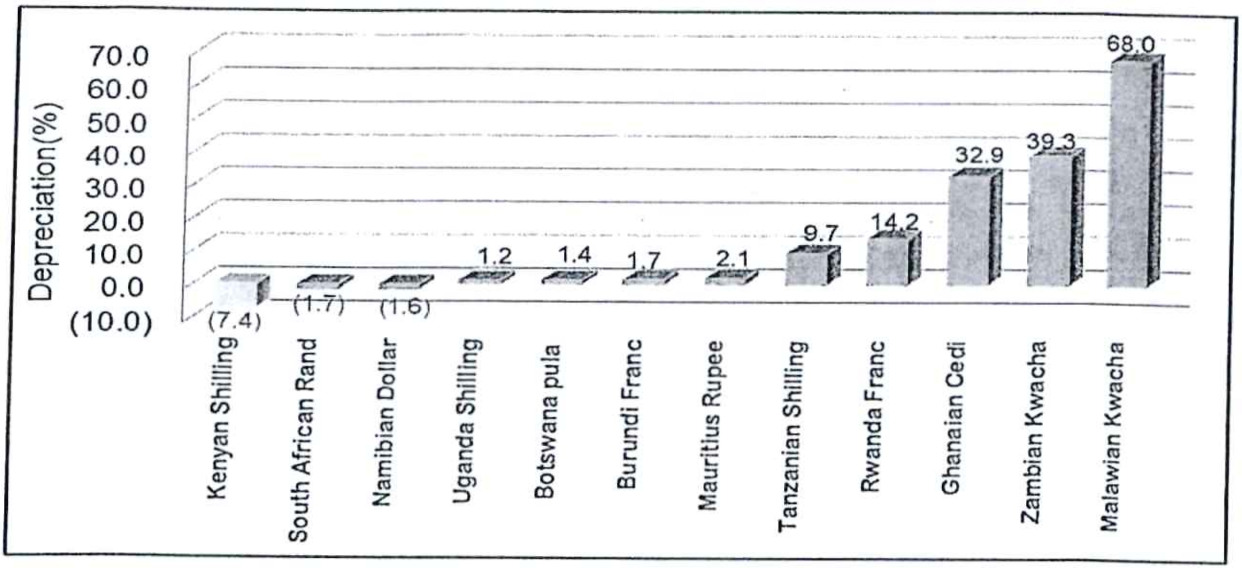
Chart 4a: Kenya Shilling Exchange Rate



Source of Data: Central Bank of Kenya

In comparison to Sub-Saharan Africa currencies, the volatility of the Kenya Shilling exchange rate has remained relatively low amid high demand for the US dollar in the international markets. The Kenya Shilling strengthened against the US Dollar at a rate of 7.4 percent in the 12 months to June 2024 compared to depreciations of 19.1 percent in the 12 months to June 2023 **(Chart 4(b).** The stability of the Kenyan Shilling was supported by resilient remittances, adequate foreign exchange reserves and strong exports receipts. Majority of other Sub-Saharan Africa Currencies depreciated during the same period, particularly: Rwanda Franc, Ghanaian Cedi, Zambian Kwacha and Malawian Kwacha had double-digit depreciation rates **(chart 4b).**

Chart 4b: Performance of Selected Sub-Saharan Countries Currencies against the US Dollar (June 2023 to June 2024)



Source of Data: National Central Banks

Pending Bills

The total outstanding national government pending bills as at 30th June, 2024 amounted to KSh.516.3 billion. These comprise of KSh.379.8 billion (73.6 percent) and KSh.136.5 billion (26.4 percent) for the State Corporations (SCs) and Ministries/State Departments/other government entities respectively. The SCs pending bills include payment to contractors/projects, suppliers, unremitted statutory and other deductions, pension arrears for Local Authorities Pension Trust, and others. The highest percentage of the SCs pending bills (71.5 percent) belong to Contractor/Development Projects and Suppliers. Ministries/State Departments and other government entities pending bills constitutes mainly of the historical ones.

The National Government policy on clearance of pending bills continues to be in force. The National Treasury is currently developing a comprehensive strategy to clear outstanding stock of verified pending bills of the National Government over the medium term. In this strategy, deficiencies and lapses that led to accumulation of pending bills will be addressed. This is being undertaken through the Pending Bills Verification Committee Gazetted in September 2023. In the FY 2024/25 all MDAs are expected to clear all the expenditure carryovers from FY 2023/24 as a first charge before payment of commitments in the current financial year.

Bottom-Up Economic Transformation Agenda (BETA)

MDAs will continue to be required to prioritize allocations towards the achievement of the BETA priorities while addressing the policy, legal, regulatory, and governance issues as a matter of priority to ensure optimal use of resources in execution of the planned interventions. BETA is geared towards economic turn around and inclusive growth and aims to increase investments in at least five sectors with high potential impact on the economy as well as household welfare.

These include: -

i. Agricultural Transformation;
ii. Micro, Small and Medium Enterprise (MSME);
iii. Housing and Settlement;
iv. Health care: and
v. Digital superhighway and Creative Industry.

Fiscal policy for f/yr 2024/2025 and the medium-term budget aims to support the Bottom-Up Economic Transformation Agenda (BETA) through a growth friendly fiscal consolidation plan. The consolidation will be supported by enhanced revenue mobilization, rationalization and prioritization of expenditure while protecting essential social and development budget. As part of the process, the Government has embarked on the implementation of the National Tax Policy and the Medium-Term Revenue Strategy (MTRS) that will further strengthen tax revenue mobilization efforts over the medium term.

Signature.. Date 12/9/2024.

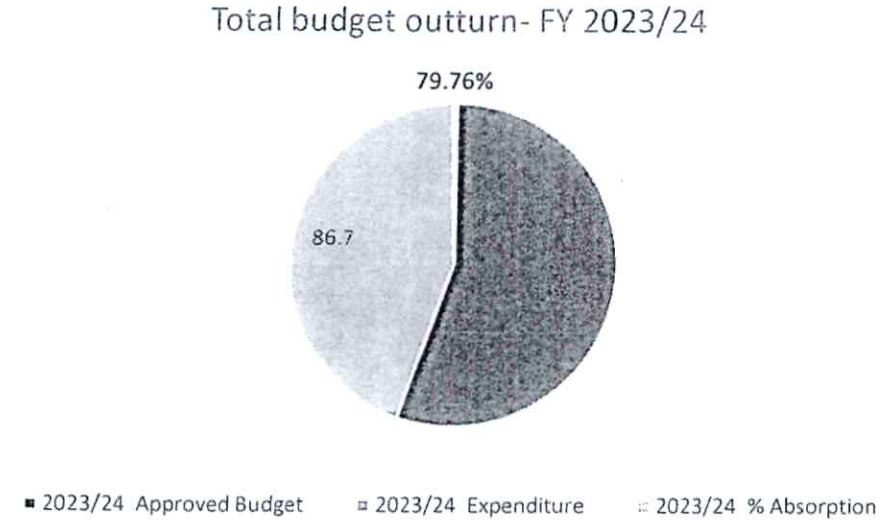
HON. CPA JOHN MBADI, EGH
CABINET SECRETARY
THE NATIONAL TREASURY AND ECONOMIC PLANNING

5. STATEMENT BY THE PRINCIPAL SECRETARY

Budget performance

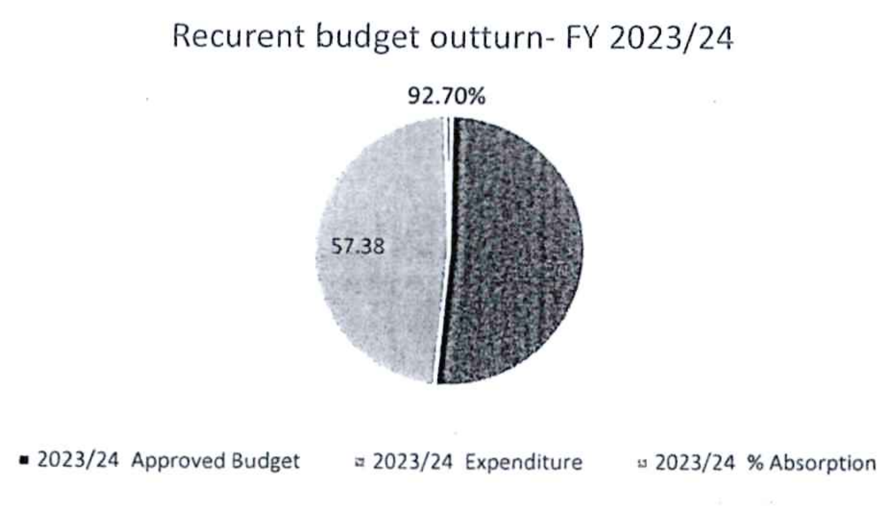
The National Treasury expenditure for the FY 2023/24 stood at KSh.86.7 billion against an approved budget of KSh.108.7 billion translating to an overall absorption rate of 79.76 percent as demonstrated in the pie chart below. This translates to an improvement of 10.33 percent from 69.43 63% recorded in the financial year 2022/23. Chart 2 below presents the National Treasury total budget execution for the FY 2023/24.

Chart 2: Total Allocation against Total Expenditure (KSh. Billions)



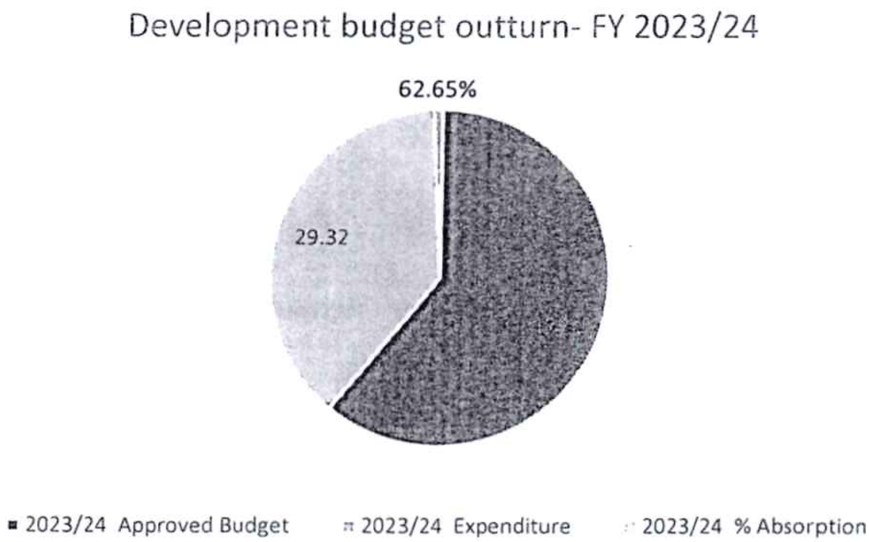
When disaggregated by recurrent and development expenditure, the budget execution indicates that recurrent expenditure stood at KSh.57.38 billion in the FY 2023/24 against an allocation of KSh. 61.90 billion translating to 92.70 % absorption rate as shown in Chart 3 below. This was an improvement from the absorption rate of 78.05 recorded in FY 2022/23.

Chart 3: National Treasury recurrent budget execution for the FY 2023/24 (KSh. Billions)



On the other hand, development expenditure absorption was KSh .29.32 billion against an allocation of KSh 46.80 billion recording an absorption rate of 62.65% as illustrated in Chart 4 below. The under absorption in development expenditure is attributed to exchequer challenges.

Chart 4: Presents the National Treasury development budget execution for the FY 2023/24 (KSh. Billions)

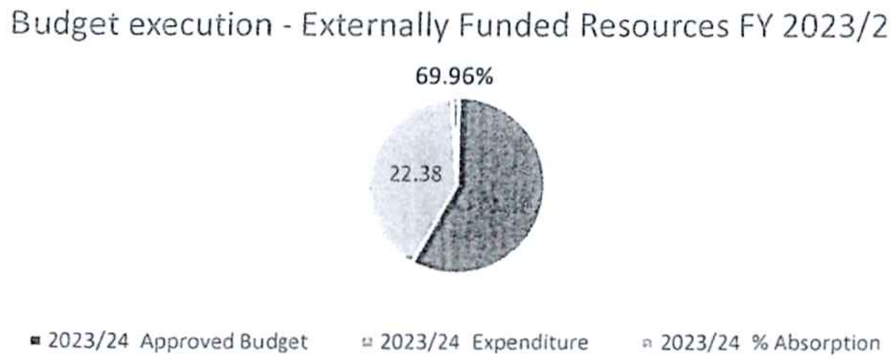


Budget execution for externally funded resources for FY 2023/2024

The externally funded projects recorded an absorption of KSh. 22.38 billion against an allocation of KSh. 31.99 billion translating to an absorption rate of 69.96 per cent. This is a marked improvement from the 29.24%, recorded in 2022/23. The improvement is attributed to increased commitments by donors. However, differences in accounting periods between GoK and Donor continues to affect appropriate recording of absorption since budget outturn are characterised by reporting lags where expenditures may have occurred at the delivery source but not captured in the reporting system in real time as appropriate.

Chart 6 below presents the budget execution for externally funded resources for the FY 2023/24.

Chart 6: Budget execution for externally funded resources for FY 2023/24 (KSh. Billions)

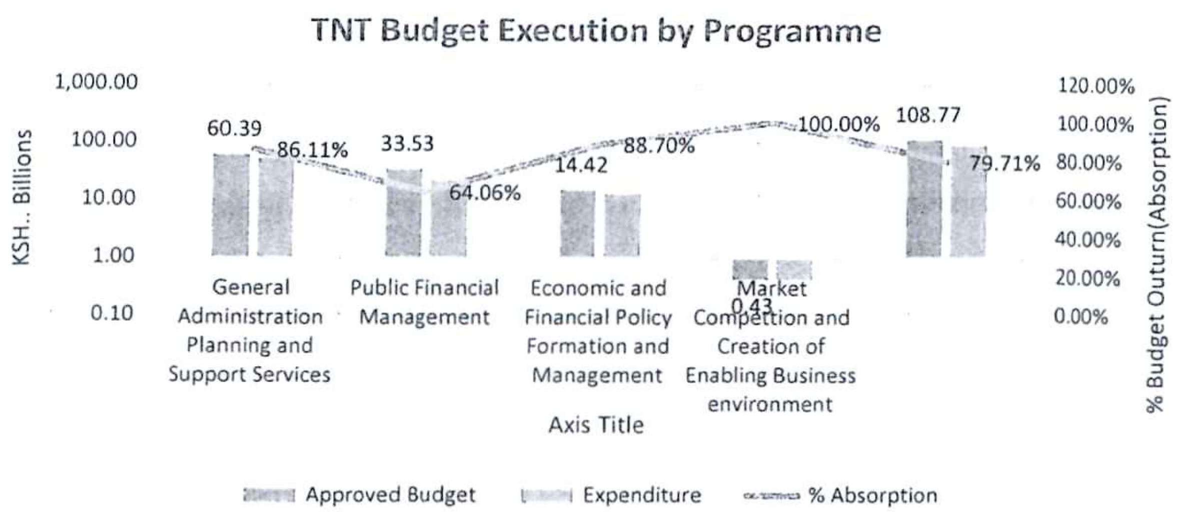


Budget Execution by Programme

The National Treasury implemented the 2023/24 budget within four economic programmes. These were: General Administration, Planning and Support Services; Public Financial Management; Economic and Financial Policy Formulation and Management; and Market Competition.

As demonstrated in the chart below, Market Competition and Creation of Enabling Business Environment Programme had the highest absorption at 100 percent followed by Economic and Financial Policy Formulation and Management at 88.70 percent, General Administration at 86.11 percent, Public Financial Management at 64.06 percent. Chart 7 below illustrates the National Treasury budget execution by programme for the FY 2023/24.

Chart 7: Budget execution (KSh. Billions) and proportion (%) by Programme (KSh. Billions) for the FY 2023/24



Key Achievements under programmes

The National Treasury registered Key Achievements during the Financial Year 2023/2024. They include:

i. **Under General Administration, Planning and Support Services programme,** the National Treasury leased 3,546 security vehicles for the National Police Service towards enhancing security;

ii. **Under the Public Financial Management programme,** despite not meeting revenue targets in absolute terms, total revenue collection grew by 14.5 per cent an increase from a growth of 7.3 per cent recorded in June 2023. National Treasury mobilized a total of KSh.4.3 billion worth of private capital that reached financial closure under Public Private Partnerships; registered 21,335 AGPO Enterprises against a target of 20,000; digitized an additional 13,500 government services from 4,500 recorded in 2023; and conducted 240 Value for Money Audits;

iii. **Under Economic and Financial Policy Formulation and Management programme,** the National Treasury developed the Framework for verification and payment of outstanding Contribution in Lieu of Rate (CILOR) for County Governments. In addition, the National Treasury implemented measures to attract three (3) NIFC firms. These include (i) facilitating discussions with regulators to introduce large scale global insurance provider into the market, (ii) collaborating with the Department of Immigration to facilitate fast-tracked investor and work permit issuance and (iii) supporting a foreign incoming Venture Capital firm with business registration; and

iv. **Under Market Competition and Creation of an Enabling Business Environment programme,** the National Treasury through Competition Authority of Kenya determined 93% of merger and acquisitions applications and concluded 95% of Cases of Deterrence of Abuse of Buyer Power. With respect to access to justice, the National Treasury through the Competitional Tribunal determined 100% of Appeals on Competition.

Highlights of Bottom-UP Economic Transformation Agenda achievements for the 2023/24 Financial Year

No.	BETA Milestone Achieved	2022	2023	% Change	Comments
(a)	Established the Financial Inclusion Fund (Hustler Fund) under the Section 24 (4) of the PFM Act.	-	-	-	The fund will enhance financial access to Micro and Small Enterprises at affordable rates
(b)	Support of Government-to-Government framework for Importation of Petroleum	-	-	-	Provided the Letter of Support to facilitate the implementation of importation of Petroleum through the Government to Government (G-to-G) arrangement with the Government of the United Arab Emirates (UAE). This was aimed at easing the pressure on the monthly demand for USD.
(c)	Ensuring sustainability of State Corporations	-	-	-	Prepared the Privatization Bill, 2023 which is aimed at encouraging more participation of the private sector in the economy. Ownership Regulations have been developed to guide management of commercial state corporations.

Emerging Issues

The emerging issues that impacted on the operations the National Treasury include: -

i. Technological advancement in the ICT sector present opportunities to leverage ICT innovations in the conduct of business as well as risks relating to governance and data security. As the financial systems increasingly go digital, there is the associated risks with cyber-attacks;

ii. The proliferation of fake news on social media platforms, which have a wider audience and faster response time sometimes portrayed the National Treasury in a negative manner;

iii. Green Finance: with climate change concerns, there is the pressing need to integrate environmental, social, and governance (ESG) considerations into fiscal policies and investments;

iv. Development of Sector specific Project Appraisal Manuals continues to be a priority to guide sector specific analysis. The National Treasury is required to develop over 40 sector specific appraisal manuals to guide the over 40 sectors on the nuanced appraisal process; and

v. Debt sustainability concerns. Ensuring that debt levels remain sustainable while funding essential services is a critical challenge that continues to face the National Treasury.

Challenges

Some of the challenges the National Treasury faced while implementing the 2023/24 budget include:-

i. Resource Constraint persisted and affected implementation of budgets;

ii. The rationalization of the budget, occasioned by underperformance of revenue collection and emerging government priorities affected the implementation of programmes. In the FY 2023/24, the National Treasury faced a total revenue collection shortfall of KSh. 204.9 billion on account of shortfalls in both ordinary revenue and ministerial A-I-A;

iii. Shortage of Key Technical Staff continues to affect operational efficiency in the core mandate:
   (a) Despite recruitment of staff across certain cadres, the National Treasury continues to experience staff shortage across all cadres against authorized establishment. As indicated in the operational performance on human resource, the current staff capacity is at 58% This is mainly attributed to natural attrition. The planned recruitment and promotion of staff by the appointing authorities has been slow hence affecting service delivery and succession management initiatives; and

(b) Operating environment is manifested, among others, by shortage of office space especially for key technical staff and, Inadequate resourcing of the Monitoring and Evaluation function.

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

i. Raised domestic resources to support implementation of various ongoing programme through development of diverse methods for domestic resource mobilization;

ii. Continued to implement succession planning towards progressively filling in staff shortage, continued training and timely promotions; and

iii. Engaged other development partners for concessional loans and grants as well as pursued strategies to finance government projects.

Recommendations

In order to address the challenges and emerging issues, the following measures should be undertaken: -

i. Sustain efforts for effective mobilization of resources to finance public expenditure particularly towards facilitation and implementation of the Bottom-Up Economic Transformation Agenda and emerging Government priorities. Key in this respect is the need for adequate resourcing of Kenya Revenue Authority to deploy innovative tax administration for efficient and optimal collection of taxes.

   In addition, the National Treasury should leverage on the digitization of all critical Government processes with a view to bringing convenience to citizens and raising revenue efficiently for Government services that are paid for electronically;

ii. Reforms in Public Financial Management and taxation should be sustained to enable the National Treasury expand the fiscal space and enhance absorption capacity. This includes reforming institutions and restructuring of parastatals to wean some from reliance on exchequer;

iii. Strengthening Tax Administration, The National Treasury should enhance KRA's capacity to leverage technology to seal leakages; enhancements of iTax and Integrated Customs Management System (iCMS); and use of e-TIMS (Tax Invoice Management System). These policy strategies will expand the primary surplus in the fiscal framework and stabilize the growth of public debt thereby boosting the country's debt sustainability position;

iv. Continued implementation of succession planning, especially with respect to recruitment of key technical staff to achieve optimal staffing levels for enhanced operational efficiency;

v. Strengthening Monitoring and Evaluation Framework and capacity through automation of the Planning and M&E processes;

vi. Continued leveraging on ICT to ensure timely delivery of targets and foster efficiency; and

vii. Implementing the recommendations arising from the 2023/24 project rationalization review to achieve optimal project portfolio and increase fiscal space.

Going forward the National Treasury, will support the Government's priority on scaling up efforts on policy interventions and structural reforms under BETA so as to navigate the global turbulence, accelerate economic recovery, and address overarching development challenges namely creating jobs, eradicating poverty and mitigating climate change. As part of the efforts, the National Treasury will accelerate investments in: (i) reforming markets (ii) domestic resource mobilization and application of those resources to development projects; (iv) reform and restructure of State-Owned Entities and (v) digitization of government services.

Signature .... Date ...10/9/24...................................

DR. CHRIS KIPTOO, CBS

PRINCIPAL SECRETARY/ NATIONAL TREASURY

6. STATEMENT OF PERFORMANCE AGAINST PREDITERMINED OBJECTIVES FOR THE FY 2022/23

Introduction

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

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

Progress on Attainment of Strategic Development Objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made Specific, Measurable, Achievable, Realistic and Time-bound **(SMART)** and converted into development outcomes. Attendant indicators were identified for tracking progress and performance measurement: Below is the progress implementation of the stated objectives: -

Table 1:

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
Programme 1: General Administration, Planning and Support Services	SP 1 Administration Services	Administration	Security Vehicles Leased	Security Vehicles leased	4,023	3,546	-477	Due to reprioritization from rolling in additional vehicles to replacing old fleet, the target was not achieved. Going forward, there is a consideration to shift to environmentally friendly fleet, specifically, piloting electric vehicles
		State Corporations Appeals Tribunal (SCAT)	Appeals against the surcharge decisions of Inspectorate of State Corporations determined	% of appeal cases determined	100	100	0	The Tribunal was not optimally constituted to fully discharge its mandate following the expiry of the tenure of the chairman and one Board Member. The mandate of the Tribunal is dependent on the operations of the office of Inspector General of State Corporations which for a long time has not issued any certificate of surcharge. The Certificate of surcharge is a formal document issued a Inspector General of State Corporations to indicate that a individual has been assessed a charge or penalty for loss of or misappropriation of funds of a State Corporation and which the individual is required to pay.
	SP 2 Human Resources Management Services	State Corporations Appeals Tribunal (SCAT)	Reviewed State Corporations Act	No. of reviewed Acts	1	0	-1	Underperformance due to delay in gazettement of the Board. The gazettement was done in January 2024 hence the process of review will be undertaken in FY 2024/25

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
	SP 3 Financial Services	Public Service Super Annuation Scheme (PSSS)	Public Servants enrolled onto PSSS	% level of eligible Public Servants enrolled onto PSSS	100	100	0	The eligible public servants are on boarded in real time and existing ones maintained through remittances of contributions to the PSSS
		Pensions Department	Pensions claims paid	No of days taken to process pension claims	60	60	0	Target Achieved
		Kenya Revenue Authority	Ordinary revenue collected	Ordinary revenue as a percentage of GDP	18	10.4	-7.6	All revenue categories recorded below target performance with income tax recording the highest shortfall of 50.9 billion on account of below target collection in both PAYE of 25.8 billion and other income tax of 25.1 billion.
		Institute of Certified Financial Investment Analyst	Income from member services and consulting activities	At least Kshs.4,500,000 or 500,000 per month	July -March	Kshs 21,090,604 from training and new members' registration	19,590,604.00	The institute had a positive return on trainings and workshop forums due to aggressive marketing hence the surpassed target
			ICFA Members Recruited	At least 40 new members (jointly with Member Services Team)	July -March	60 members have been approved	20	Target surpassed due to additional recruitment drive efforts
	SP. 4 ICT Services	Information, Communication and Technology Unit	National Assets and Liabilities System developed	% level of development of the National Assets and Liabilities Management System	50	50	0	The target was to develop the asset management Module which has been finalized. The Liabilities Management Module is scheduled for the FY 2024/25
rogramme 2: Public Financial Management	SP. 1 Resource Mobilization	Resource Mobilization Department	Resources mobilized from development partners	Externally mobilized resources as a % of fiscal gap	40	46.17	6.17	The extra mobilization was occasioned by underperformance in domestic revenue which meant that to cover up for the fiscal gap,

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
								additional external financing was warranted
				External mobilized resources disbursed as a % of resources budgeted	100	77	-23	The disbursement is based on milestones achieved by the implementing agencies, evidenced by submission of interim payment certificates as well as disbursement linked performance whereupon.
		Debt Policy, Strategy and Risk Management Department	M-Akiba, sovereign Green, and benchmark Bonds	No. of Sovereign Green bonds issued	1	0	-1	Market conditions were not favorable
				No. of benchmark bonds issued	7	6	-1	3 new benchmark bonds issued and 3 early issued were re-opened to new investors.
			Annual Borrowing Plan	No of Annual Borrowing Plans	1	1	0	Target achieved
		Debt recording and settlement Department	Mature serviceable public debt serviced	% Of mature serviceable public debt serviced	100	100	0	Target achieved
			Annual Public Debt Management Performance report	No. of developed Annual Public Debt Management performance report	1	1	0	Target achieved
			Published External Public Debt Stock & Register on the TNT website	No. of Published External Public Debt Stock & Register on the TNT website	1	1	0	Target Achieved
		PPP Unit	Private capital unlocked for investments in PPP Projects	Amount mobilized in KShs. (Billion)	50	4.3	-45.7	KSh. 4 billion was raised against a target of KSh. 50 billion. The KSh. 4.3 billion relates to development of 3,069 residential units for the Kenya Defense Forces under a 15 year Build and Transfer (BT) Model. The project achieved financial close in May 2024 and construction began in June 2024.

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
								The shortfall against the target was occasioned by financial close of three (3) projects with a combined value of KSh. 147 billion which had been projected to achieve financial close during the period under review. The 3 projects are Lot 32 of the Road Annuity Programme which was terminated by the contracting Authority, 35MW Orpower 22 Geothermal Power Plant and Equipment, Operation and Maintenance of Port Assets in Lamu and Mombasa.
		Global Fund	Adults and children provided with Anti-Retroviral Therapy	Number of Adults and Children Receiving ART	1.2	1.2	0	Target achieved
			ACT Treatment	No. of People receiving ACT (Millions)	6	6	0	The total number of confirmed malaria cases annually is about 6 million. The number of doses of ACT distributed to ensure continuous supply at facility is 7 million doses annually. On a quarter about 1.5 million doses are expected to be issued to facilities.
			TB patients treated and tested for HIV	% of TB patients treated and tested for HIV	100	97	-3	Underachievement relates to the fact that testing is voluntary, some of the patients diagnosed with TB when requested to be tested for HIV declined
	SP 2 .Budget Formulation Coordination	Directorate of Budget, Fiscal	Annual National Budget	Annual national budget presented to Parliament by 30th April	1	1	0	Target Achieved

ROGRAMM	SUB-PROGRAMM E	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
	and Management	&Economic Affairs	Budget Review and Outlook Paper	Budget Review and Outlook Paper	1	1	0	Target Achieved
			Budget Policy Statement	Budget Policy Statement	1	1	0	Target Achieved
			Annual Appropriation Bill	Annual Appropriation Bill	1	1	0	Target Achieved
			Supplementary Appropriation Bills	Supplementary Appropriation Bills	2	2	0	Target achived
			Finance Bill	Finance Bill	1	1	0	Target Achieved
	SP 3. Audit Services	Internal Audit Department	Value for Money Audits conducted	No. of VFM Audits reports	268	240	-28	Budget cuts
			Government Entities capacity built on IRMF	No. of Government Entities capacity built on IRMF	32	36	4	Target surpassed due to more requests from MDAs to be trained
			Audit Committees Capacity Built.	No. of Audit Committees Capacity Built.	24	26	2	Target surpassed due to more requests from County Governments to be trained
	SP 4. Accounting Services	Accounting Services Department	Consolidated Financial Statements	No of Consolidated Financial Statements	1	1	0	Target achieved
			officers trained on International Public Sector Accounting Standards (IPSAS)	No. of Officers trained on International Public Sector Accounting Standards (IPSAS)	2000	2100	100	Target surpassed
		National Sub-County Treasuries	Site inspection of National Sub-County Treasuries undertaken	No. of inspection reports	80	28	-52	Target not achieved due lack of funding
		IFMIS Department	PFM users trained on IFMIS in financial reporting	No. of PFM users trained	2,000	2,100	100	Target surpassed
		Government Digital Payments Unit	Government Payments Digitized	No. of additional Government Payments Digitized	3,500	17,000	13,500	Target surpassed due to prioritization of digitalization of Govt services and improved compliance by MDAs

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
		Public Sector Accounting Standards Board	Guidelines for IPSAS 41,42,43,44,45,46 developed	No.of guidelines developed	6	4	-2	The underperformance due to the fact that the development of the remaining guidelines was contingent upon the approval of transition to accrual accounting which came in 4th quarter, therefore the same has been earmarked for 1st quarter of FY 2024/25
			Accountants from the OAG, Parliament, and Judiciary on requisites for transition to accrual accounting sensitized	No.of Accountants sensitized	200	600	400	The overachievement was due to enhanced need for all accountants to embrace transition to accrual accounting
			Model internal control framework for County Government entities developed	Model Developed	1	1	0	Target achieved
			Training Accountants from Teachers Training Colleges (TTCs).	No. of Accountants sensitized	50	600	550	The overachievement was due to enhanced need for all accountants to embrace transition to accrual accounting
			Internal Auditors and Risk Practitioners in Public sector on Global Internal Audit sensitized	No. of Auditors sensitized	200	580	380	Target on track
			Financial Reporting Templates for County Government on Accrual Accounting developed	No. of Templates Developed	9	9	0	Target Achieved.

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
			Audit committee members of Public Sector Audit Committees (Sensitization of Governing bodies and Senior Management) sensitized	No. of Audit committee and senior management trained	200	400	200	The overachievement was due to enhanced need for all accountants to embrace transition to accrual accounting
			County visit to check compliance with financial reporting conducted	No. of Counties visited to monitor compliance with standards	12	4	-8	Underperformance due to refocusing from county visits to compliance surveys
			Financial Reporting (FiRe) Awards Evaluation and Gala Dinners conducted	% of Entities Financial Report evaluated.	1	1	0	All eight hundred and thirty three(833)Financial Reports Submitted and Evaluated.
			Reviewed Guidelines on National and County Governments Audit Committee	Reviewed National and County Governments Audit committee guidelines	2	2	0	Target Achieved.
			Public Sector Internal Control guidelines developed	No. of Guidelines developed	1	1	0	Target Achieved.
	SP 5. Supply Chain Management Services (SCMs)	Public Procurement Department	AGPO enterprises registered	No. of AGPO enterprises registered	20000	21335	1335	Target surpassed due to enhanced targeted sensitization
			AGPO beneficiaries trained on Government Procurement Opportunities	No of AGPO beneficiaries trained on Government Procurement Opportunities	2000	2235	235	Target overachieved due to partnerships with other Government Institutions to train more beneficiaries.
		Public Procurement	Market Price Index survey conducted	No. of MPI survey reports published	4	0	-4	Target not achieved due to budget constraints

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
		Regulatory Authority (PPRA	MCDAs monitored on Compliance with PPADA 2015	No. of MCDAs monitored on Compliance with PPADA 2015	200	2087	1887	Overachievement attributed to leveraging technology to undertake audits based on information posted on Public Procurement Information Portal and site visits undertaken only for select projects under implementation
			Public Procurement disputes resolved	% Of cases resolved within 21 days	100	100	0	Target achieved
			Supply chain professionals certified in the public sector	% of supply chain professionals certified in the public sector	60	44	-16	Underperformance due to inadequate enforcement of compliance by Regulatory entities and employers
	SP. 6 Public Financial Management Reforms	PFMR Secretariat	Skills and capacity in PFM	No. of officers trained on Public Finance Management	8,000	8,150	150	Annual target surpassed
				PFM Reforms Strategy Developed	1	1	0	Target achieved
				Develop Implementing Agencies Work Plans	1	1	0	Target achieved
				Cumulative % of PFM reforms implemented (102 reform interventions)	20	17	-3	The underperformance due to delay in approval of some legislations by Parliament and inadequate funding. These have rolled over to the FY 2024/25
	SP. 7 Government Investment and Assets	Government Investment and Public Enterprises	Budget for State Corporations Reviewed	% of State Corporations Budgets reviewed	100	100	0	All relevant budgets for SC reviewed
			3 years report on Assessment of Investment in State corporation & Government- linked Corporations	No of assessment Report	1	1	0	Target Achieved. Report prepared and sent to Parliament as required

PROGRAMM E	SUB-PROGRAMM E	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
		Unclaimed Financial Assets Authority	Unclaimed financial assets reunified with the rightful owners	Cash assets Remitted in KSh. (million)	4500	3,800	-700	The underachievement was due to the fact that there was no moratorium granted (amnesty for non-remittance) during the financial year unlike the year FY 2022/2023 when the CS National Treasury had granted Amnesty via the Finance Bill 2022 for filing remittances without being penalized for noncompliance.
				Unit of shares remitted (non-cash assets) in Million	300	407	107	Overachievement due Compliance Audits and aggressive awareness on holders of unclaimed assets
				Reunification rate, in %	5	6	1	Reunification is an ongoing improvement supported by enhanced reunification clinics, Huduma Service Centre and National Government Administrative Officers (NGAO) partnership, Unclaimed Financial Assets Management System (UFAM) systems and customized relationship management
		Privatization Commission	Privatized government owned entities	No. of Government owned entities privatized	4	0	-4	No approved transaction has been completed; however, the following is the progress: • Draft Share Sale Documentation is in place for the following entities: (a) International Hotels Kenya Limited (Hilton) (b) Kenya Hotel Properties Limited (c) Mountain Lodge Limited (d) KWA Holding E.A Limited •Draft Expression of Interest (EOI) has been prepared for International Hotels (Kenya) Limited.

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
				No. of entities approved for inclusion in the privatization programme	7	0	-7	Following the operationalization of the Privatization Act, 2023 on 27th October 2023, the assessment function was transferred to the National Treasury. The CS NT published Privatization Programme on 27th November 2023. However, the high court issued a conservatory order that suspended implementation of section 21(1) of the Privatization Act
		Kenya Trade Network Agency	Cargo dwelling time at ports of entry reduced	No. of days taken to clear goods at the ports of entry	3	3	0	Target achieved
Programme 3: Economic and Financial Policy Formulation and Management	**SP 3.1.1 Fiscal Policy Formulation, Development and Management**	Macro and Fiscal Affairs	Stable Average annual inflation rates maintained	Inflation rate (%)	5 +-2.5	0.046	0.7	Target within policy range.
			Strong Official foreign reserves	Months of import cover	5.5	4	-1.5	Target not met due to high demand for forex.
			Fiscal deficit as a % of GDP including grant	% of fiscal deficit	4.4	5.6	-1.2	Target not achieved due to revenue underperformance.
		Inter-Governmental Fiscal Relations	County Allocation of Revenue Bill (CARB) & Division of Revenue Bill (DORB) prepared.	County Allocation of Revenue Bill (CARB) & Division of Revenue Bill (DORB)	2	2	0	Target achieved

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
			Framework for verification and payment of outstanding Contribution in Lieu of Rate (CILOR)	No. of Framework for verification and payment of outstanding Contribution in Lieu of Rate (CILOR)	1	1	0	Framework developed and awaiting Cabinet Approval
		Nairobi International Financial Centre Authority	Nairobi International Financial Centre (NIFC) guidelines and regulations prepared	No. of Guidelines and regulations prepared	1	1	0	Target achieved
			Investments and Regional Financial Institutions certified	No. of Certified NIFC firms	4	3	-1	Three firms certified
		Financial and Sectoral Affairs	Climate Change Fund (CCF) established in counties	No. of counties with CCF	2	1	-1	Apart from Nairobi County, CCF has been established in all the 46 Counties.
	SP3.2 Debt Management	Debt Policy, Strategy and Risk Management Department	Sustainable Public Debt	Public Debt at ≤ KSh. 10 trillion	10	65 % of GDP (10.56 trln)	1.12	Under achievement was due to depreciation of the Kenyan Shilling against Foreign Currencies.
		Financial and Sectoral Affairs	Capital injected into Credit Guarantee Scheme (CGS)	Value in KShs. (Billions)	5	3	-2	The 3 billion allocated is still pending awaiting the corporation of the CGS as a company. Documents for establishment of the CGC are with the Cabinet.
Programme 4: Market Competition and Creation of Enabling Business Environment	SP 4.1 Elimination of Restrictive Trade Practices	Competition Authority of Kenya	Consumer complaints on Competition investigated	% of consumer complaints on competition investigated	100	57	-43	Target not achieved due to complexity of the cases and budget cuts
			Merger and acquisitions	% applications/ cases determined/ concluded	100	93	-7	Target not achieved due to budget cuts

PROGRAMME	SUB-PROGRAMME	Delivery Unit	Key Output	Key Performance Indicator	Annual Target	Actual as at 30th June 2024	Variance	Remarks
			applications determined					
			Cases of Deterrence of Abuse of Buyer Power concluded	Cases concluded as a % of total investigations	95	62	-33	Target not achieved due to complexity of the cases.
			Cases on restrictive trade practices investigated and finalized	% of cases on restrictive trade practices investigated and finalized	100	42	-58	Target not achieved due to inadequate funding
	SP .4.2 Access to Justice	Competition Tribunal	Appeals on Competition Determined	% of Appeals on Competition Determined	100	100	0	Target achieved

PERFORMANCE REPORT FOR THE PENSIONS DEPARTMENT, NATIONAL TREASURY (FY 2023/2024)

The Pensions Department is a vital department under the Directorate of Public Investment and Portfolio Management within the National Treasury, responsible for administering and paying pensions, death gratuities, and other retirement benefits to eligible public servants. The Department manages various schemes that serve a diverse group of retirees, including Presidents, Deputy Presidents, Vice Presidents, Prime Ministers, Speakers of the National Assembly and Senate, Chief Justices, Deputy Chief Justices, Members of Parliament, Civil Servants, Teachers, Disciplined Services, and Military Personnel, as well as their eligible dependents.

This report provides a detailed overview of the department's performance for the financial year 2023/2024, highlighting the implementation of the new Pension Management Information System (PMIS), trends in pension payments, claim processing statistics, financial analysis, and new initiatives aimed at enhancing service delivery.

Implementation of New PMIS

A major milestone in the financial year 2023/2024 has been the comprehensive overhaul of the pension administration business process with a view to informing the architecture of the re-engineered Pension Management Information System (PMIS). The National Treasury embarked on re-engineering the PMIS to improve functionality, data management, and overall efficiency. On 19th January 2024, a provider was contracted for the development, supply, configuration, installation, testing, implementation, and commissioning of an Online Pension Management Information System. This system is designed to provide an Enterprise Resource Planning (ERP) solution that automates pension processes end-to-end, eliminating manual interfaces and significantly streamlining pension processing for faster and more accurate disbursements. The system development is expected to be completed by Mid-2025.

Key Features and Benefits of the New PMIS:

1. Online Submission: Pension claims can be submitted online, reducing physical paperwork and speeding up processing times.
2. Self-Service Portal: Pensioners can access a user-friendly portal, enabling them to manage their information and services conveniently from their homes.
3. Timely Payments: The system processes gratuity payments within a few days and pension payments within a single payroll cycle, minimizing delays and financial hardship.
4. Real-Time Monitoring: Supervisors can track pension claims in real-time through comprehensive dashboards and reports, identifying and addressing bottlenecks quickly.
5. Enhanced Security: Advanced security measures protect sensitive pension data, ensuring system integrity and preventing unauthorized access.
6. Automated Processes: The PMIS automates many manual workflows, reducing errors and improving efficiency.
7. Integration with Existing Systems: Seamless integration with other government systems like GHRIS, Civil Registration Bureau, KRA, Registration of Persons Bureau, and IPRS ensures data accuracy and consistency.

8. Digital Records Management: Digitizing pension records reduces the risk of loss or damage to physical documents.
9. Customer Support: A dedicated help desk provides support to pensioners and stakeholders, ensuring smooth operation and implementation.

The proposed E-Pension System will revolutionize pension administration in Kenya by leveraging technology and innovative processes to provide a seamless and efficient experience for pensioners. The project is on track for completion and rollout by the end of this calendar year.

Analysis of Pension Payment Trends:

- Claim Processing Time: The average processing time for pension claims have reduced significantly attaining the 90 days turn-around time for most files received. In the Financial year out of 18,464 claims received and processed, 11,845 were processed within 90 days. This has been attributed to the streamlined processes and digital initiatives.
- Payment Accuracy: There was a significant improvement in payment accuracy, with errors reduced by a significant percentage compared to the previous financial year.
- Customer Satisfaction: Internal customer feedback indicated a significant increase in pensioner satisfaction, attributed to faster processing times and improved customer service.

Financial Performance

The Pensions Department's budget for the financial year 2023/2024 was Kshs.187,563,778,297 allocated for payment of gratuities, lumpsum and monthly pension payment to ensure comprehensive payment of pensions.

Beyond the PMIS overhaul, in the financial year 2023/2024, the Pensions Department has implemented several critical initiatives to enhance service delivery:

1. Deployment of Pension Officers to Key Ministries, Departments, and Agencies (MDAs): To expedite the pension processing chain, the Government deployed 32 pension officers to key MDAs, including the Teachers Service Commission, National Police Service, and various ministries. These officers handle pension claims on-site, drastically reducing the time needed for verification and submission of claims.
2. Adherence to the 90-Day Processing Timeline: The Pensions Department has reinforced its commitment to processing fully supported pension claims within 90 days, minimizing financial uncertainty for retirees.
3. Deployment of Pension Officers to Huduma Centres Nationwide: Pension officers have been deployed to all 56 Huduma Centres, reducing the travel and financial burden on retirees and alleviating congestion at the central office.
4. Review of the Pension Legal Framework: The Government is undertaking a comprehensive review of the pension legal framework to align laws with changing demographics, economic conditions, and social expectations through a Multi-Agency Committee.
5. Digitizing Change of Pay point Procedures: The Department has implemented a digital system for updating pay point information, allowing pensioners to make changes online, reducing processing times and improving accuracy.

Conclusion

The financial year 2023/2024 was marked by significant achievements for the Pensions Department. The ongoing implementation of the PMIS, coupled with improved trends in pension payments, effective budget management, and innovative initiatives, underscores the department's dedication to delivering effective and efficient pension services. The forthcoming launch of the pensioners' self-registration portal is a testament to the continuous improvements being made to better serve our pensioners. Moving forward, we aim to build on this momentum, embracing innovation and stakeholder collaboration to further enhance our service delivery and support the well-being of our pensioners. By leveraging new technologies and maintaining a strong focus on stakeholder engagement, the Pensions Department will continue to strive for excellence in all aspects of its operations.

7. MANAGEMENT DISCUSSION AND ANALYSIS

7.1. Report on Operational and financial performance of the organization for the last three-to-five-year period

7.1.1. Operational Performance

Operational performance is examined from two main indicators. These are: (i) performance contract management (ii) human resource staff capacity.

7.1.1.1. Performance Contract Management

In the Financial Year 2019/2020, the National Treasury and Economic Planning was ranked as the best performing Ministry with a Composite Score of 3.0209. This means that TNT&P achieved but not fully all its set PC targets resulting to a score of between 70 – 100% which translates to Good Performance.

In the Financial Year 2020/ 21, the National Treasury and Planning was ranked 5th in the Top Five Performing Ministries with an Average Composite Score of 3.2124 which is a good performance. There was a decline in performance compared to that of 2019/2020 whereby TNT&P was ranked the best performing Ministry with a Composite Score of 3.0209.

In the FY 2021/2022 the National Treasury and Economic Planning retained a ranking of position 5 with a composite score of 3.1173 representing 'good performance'. The composite score was an improvement from the 3.2124 recorded in 2020/21.

The results for the 2022/23 have not been published, hence the composite score of 3.3158 is provisional following moderated evaluation in September 2023.

A summary of performance contract indicators for two years and ranking for the last five years are given in tables 2 and 3 respectively below.

Table 2. Performance in various indicators over the last two evaluation periods

PC Area	Score FY 2021/22	Score FY 2022/23 (provisional)[1]
Overall Composite Score	**3.1173**	**3.3158**
Financial Stewardship	**0.2550**	**0.3219**
Service Delivery	**0.3096**	**0.3112**
Core Mandate	**1.9344**	**1.9930**
Implementation of Presidential Directives	**0.0600**	**0.0683**
Access to Government Procurement Opportunities	**0.0402**	**0.1042**
Promotion of Local Content in Procurement	**0.0470**	**0.0591**
Cross-cutting issues	**0.4667**	**0.4581**

[1] The results for the FY 2022/23 has not been formally published

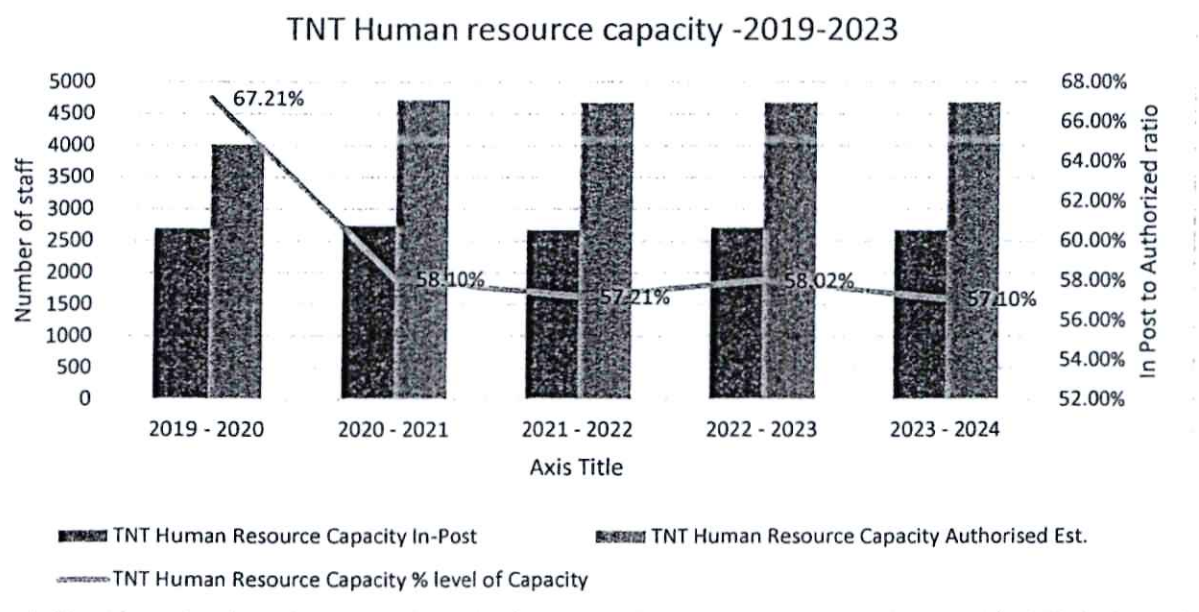
Table 3: Summary of performance of the National Treasury and Economic Planning in ranking of Ministries Departments and Agencies over five Financial Years

2018/19	2019/2020	2020/2021	2021/2022	2022/2023 (provisional)
Ministries were not ranked	Overall Score: 3.0209 Overall Rank: Position 1 Overall Grade: 70-100% Performance category: Good Core Mandate Score: 1.8089 Core Mandate Rank: Position 3	Overall Score: 3.2124 Overall Rank: Position 5 Overall Grade: 70-100% Performance category: Good Core Mandate Score: Not measured Core Mandate Rank: Not ranked among the 5 best performing Ministries	Overall Score: 3.1173 Overall Rank: Position- 5 Overall Grade: 70-100% Performance category: Good Core Mandate Score: 1.9344 Core Mandate Rank: Not ranked among the top five or the bottom 5	Overall Score: 3.3158 Overall Rank: Position – Note yet published Overall Grade: 70-100% Performance category: Good Core Mandate Score: 1.9930 Core Mandate Rank: Not yet published

7.1.1.2. **Human resource staff capacity.**

Human resource capacity is a component of operational efficiency in the National Treasury. In this regard, the National Treasury currently operates at 57.1 per cent staff capacity in relation to authorized establishment. This is a decline from staff operational capacity of 58% in 2022/23 and 67.21 percent in 2019/20. The decline in staff capacity is attributed to slow succession management in relation to increasing staff requirement as indicated by authorized establishment. Chart 8 below illustrates the current staff capacity against authorised establishment.

Chart 8 (a): Human resource capacity for the period 2019/20 to 2023/24



In terms of cadre, the National Treasury ratio of core technical to support staff currently stands at 39.6 per cent of in-post staff against a target of 70 per cent. Chart 8 (b) below illustrates the composition of the National Treasury staff disaggregated by technical and support cadre.

Chart 8 (b): Human resource capacity for 2023/24 by cadre

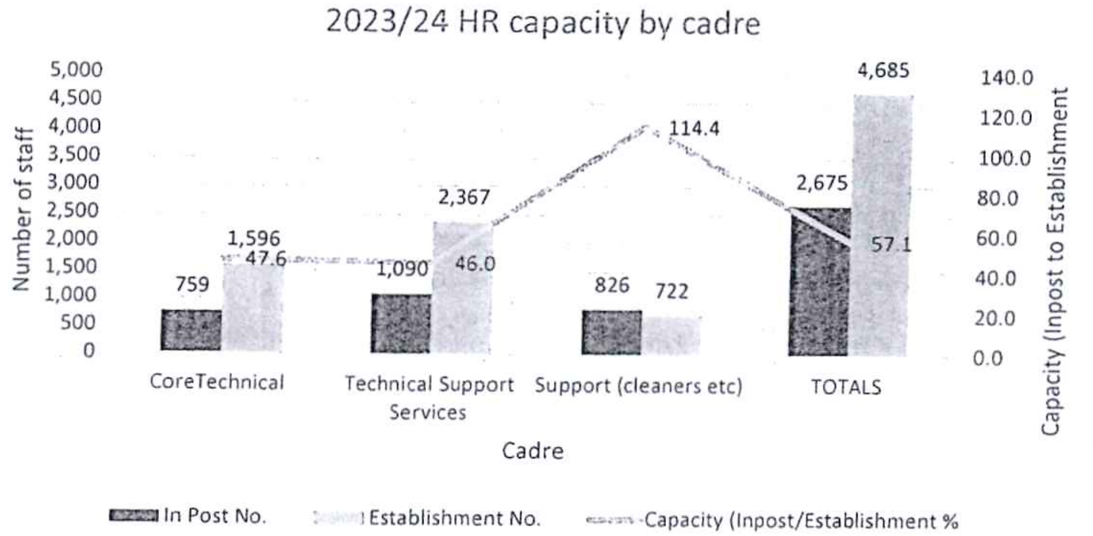
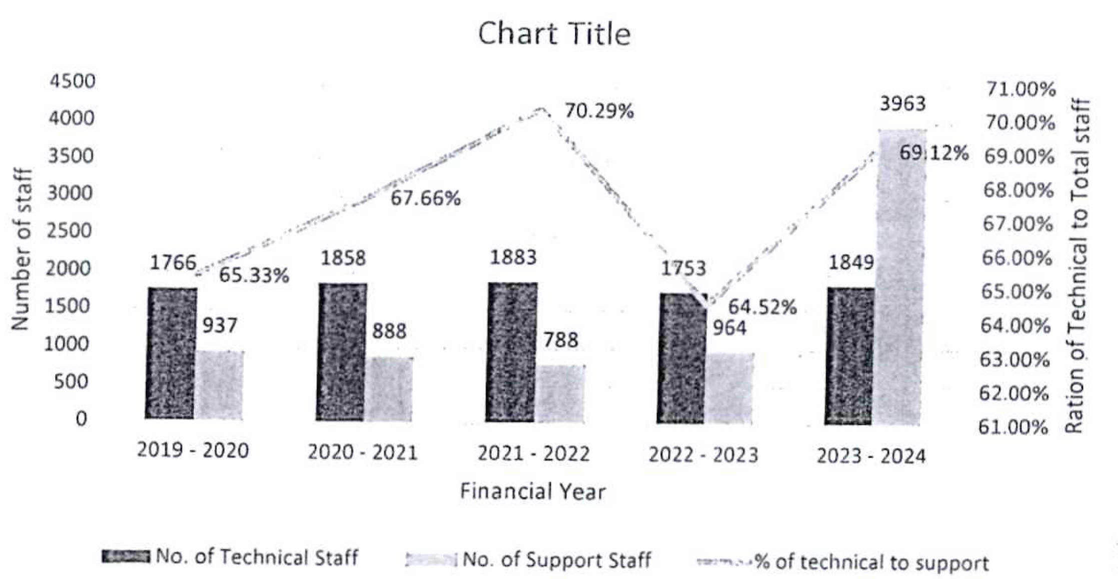


Chart 9: The National Treasury staff composition (technical staff to total staff ration for the period 2019/20-2023/24



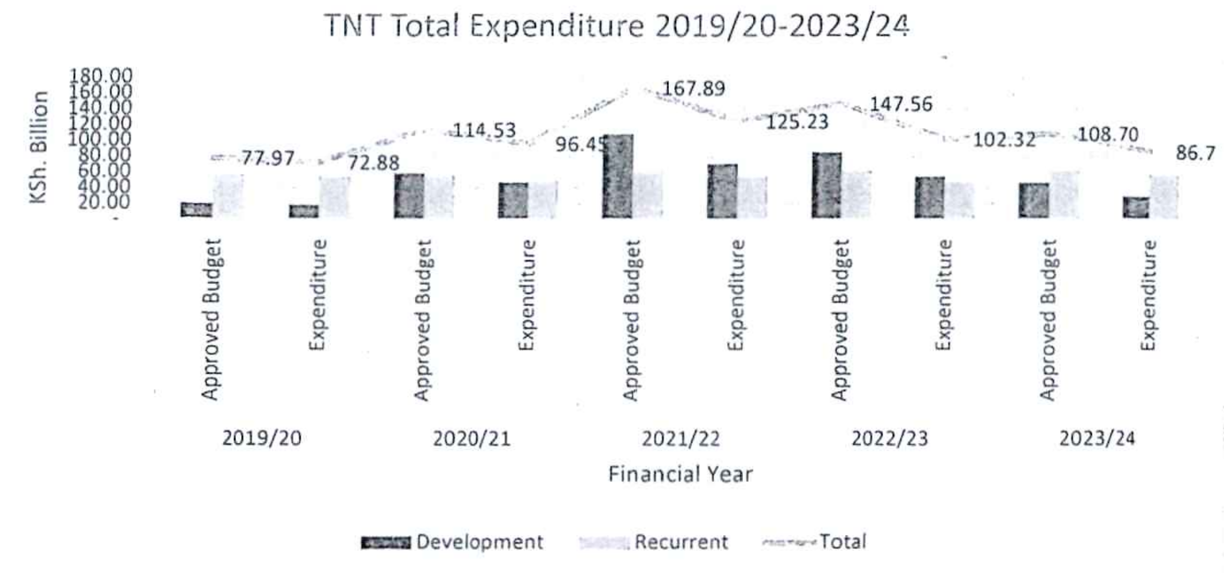
7.1.2 Financial Performance

Over the last five-year period, the National Treasury recorded mixed trend in performance in financial stewardship relating to absorption of GoK funds and externally funded resources as well as in A-in-A. **Charts 10, 11** and 12 below indicate the specific performance in the mentioned areas.

Overall budget execution for the National Treasury for the period 2019/20- 2023/24

Chart 10 illustrates the National Treasury financial performance in relation to expenditure for the period 2019/20- 2024/25. The allocations to the National Treasury recorded increasing trend with highest allocations recorded in the FY 2021/22. The increase in allocation in the FY 2021/22 is attributed to transferring of marine and transport functions to the National Treasury. These functions were transferred back to the Ministry of Transport and Infrastructure in the FY 2023/24.

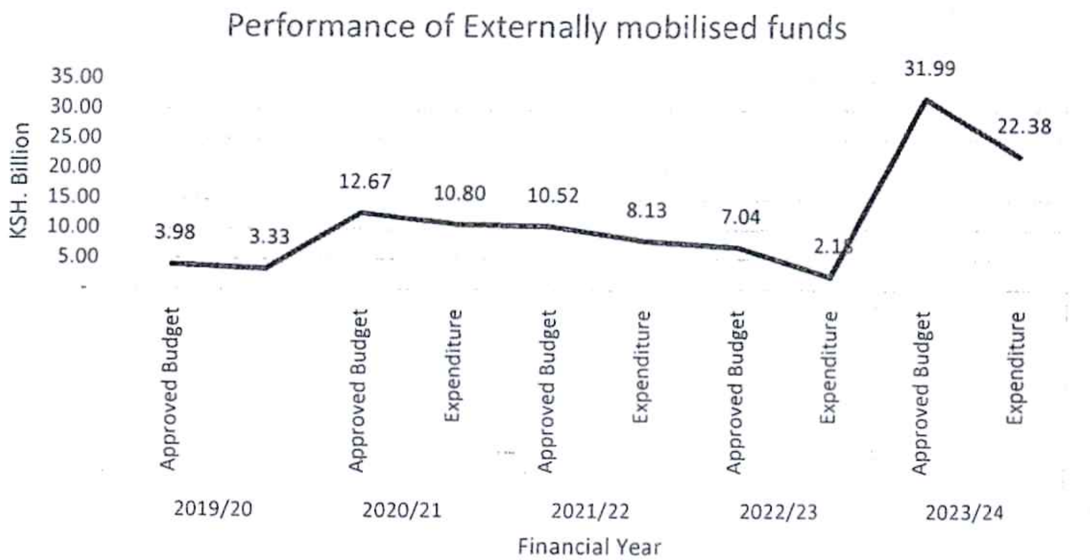
Chart 10: The National Treasury total budget against expenditure for 2019/20- 2023/24 (KSh. Billions



Performance of externally funded resources for the period 2019/20-2023/24

The externally funded resources rose sharply in the FY 2020/21 before gradually decreasing in the subsequent years. The rise was due to mobilization of additional resources to combat the COVID 19 pandemic. **Chart 11** highlights the performance of externally funded resources for the period 2019/20-2023/24.

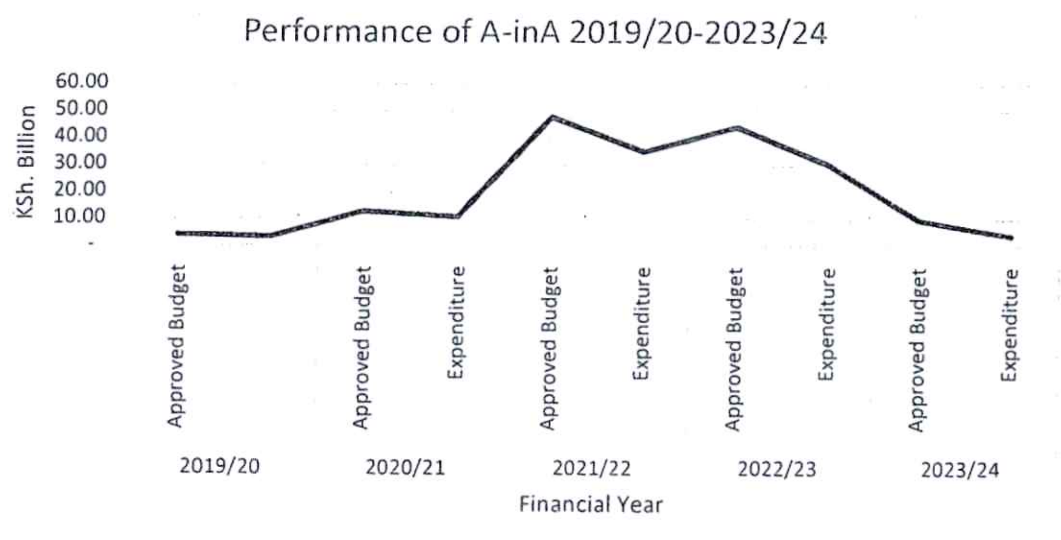
Chart 11: the performance of externally funded resources for the period 2018/19-2022/23 (KSh. Billions)



Performance of Appropriation in Aid the period 2018/19-2022/23

The National Treasury registered a sharp rise in A-in-A allocations in the FY year 2020/21. The rise in A-in-A relates to development partner financing towards interventions to combat COVID 19 pandemic. The decline in A-in-A in the FY 2023/24 is due to reduction in donor commitments under Global Fund Programme. Chart 12 below illustrates the trend in the performance of A-in-A for the period 2019/20 to 2023/24.

Chart 12: Performance of A-in-A for the period 2018/19-2022/23 (KSh. Billions)



a. The National Treasury Key Projects/ Investments implemented or ongoing

The Table below indicates a summary of 13 key projects for the National Treasury indicating project cost, source of funds, cumulative expenditure to date and project status.

Table 3: Key projects implemented by the National Treasury

No.	Project	Project Cost	Age in Years	Budgeted Amount	% of Completion	Comments
1.	1071110501 Special Global Fund - HIV NFM 3	24,705.00	2	9,932.74	50	Ongoing
2.	1071110601 Special Global Fund - Malaria NFM 3	8,653.00	2	2,526.26	12	Ongoing
3.	1071108302: Credit Guarantee Scheme	10,000.00	3	0.00	30	Ongoing
4.	1071108801: Operationalization of the Kenya Mortgage Refinance Company	10,170.00	3	2,070.01	25	Ongoing
5.	10711104401: Contingency Fund Transfers	30,000.00	4	1,200.00	23	Ongoing
6.	1071100101: Support to Public Financial Management (PFMR)	27,427.00	9	686.37	21	Ongoing
7.	1071108101: Kenya Affordable Housing Project	25,000.00	3	4,200.00	16	Ongoing
8.	1071102601: Equity and Subscriptions in International Financial Institutions	32,533.00	7	732.01	29	Ongoing
9.	1071108201: Kenya Financing Locally led Climate Action Programme	46,793.00	3	4,892.21	6	Ongoing
10.	1071111701 Supporting Access to Finance and Enterprise Recovery (SAFER)	11,912.40	1	3,060.00	1	Ongoing
11.	1072109200Eastern Africa Regional Statistics Program-for-Results	13,700.35	1	1000.00	13	Ongoing
12.	1071113301Rural Kenya Financial Inclusion Facility (RK-FINFA)	40,898.4	1	253	16	Ongoing

7.2. Future Developments and other information

In the next five (5) Year period, the National Treasury plans to implement the following Four (4) Key Result areas and attendant strategies as stipulated in the Strategic Plan for the period 2023-2027:

1. Stable and sustainable macroeconomic environment

Under this Key Result Area, the National Treasury plans to:

i. Develop and implement macroeconomic and fiscal policies that support stable macroeconomic environment and stimulate economic recovery to 5.6 percent growth in FY 2027/28; boost the ratio of gross national savings to GDP to 13.3 percent in the FY 2027/28; increase the ratio of national investments to 18.6 percent GDP in the FY 2027/28;

ii. Oversee implementation of monetary policy that targets to maintain inflation rate at 5 percent +/- 2.5 percent; low and stable lending interest rates; stable and competitive exchange rates; and strong official foreign exchange reserves;

iii. Establish the Kenya Credit Guarantee Company to administer CGS – This will entail establishing a functional Credit Guarantee Company to administer Credit Guarantee Scheme (CGS);

iv. Agricultural and Rural Financial Inclusion (RK- FINFA) – this will enhance access, efficiency and stability of agricultural and rural finance by smallholder farmers and agribusiness MSME;

v. Implement the Green Financial Markets programme to enhance access to green finance and strengthen the enabling environment to attract green finance and investments needed to transition to a low-carbon, climate resilient and green economy;

vi. The National Treasury has embarked to redesign the taxation instruments to make them more supportive to economic activity without distorting the market and eroding investment incentives. This will boost revenue collection and raise tax effort from the current 16.0 percent of GDP in FY 2023/24 to where it was previously, above 20 percent of GDP. This will be done through the implementation of the National Tax Policy and the Medium-Term Revenue Strategy for the period FY 2024/25 - 2026/27 that will provide a combination of tax administration and policy measures to enhance revenue mobilization; and

vii. Operationalize Nairobi International Financial Centre (NIFC) to develop a more predictable, efficient and globally competitive financial environment

2. Resource mobilization for financing public expenditure

i. Under this Key Result Area, the National Treasury plans to;
ii. Broaden the tax base and enhance tax compliance;
iii. Digitization of government payment services;
iv. Mobilization of external and domestic resources;
v. Diversification of borrowing sources;
vi. Undertake periodical portfolio review, assessment and reporting;
vii. Enhance public debt management efficiency and transparency;

viii. Support contracting authorities in preparation of PPP projects and procurement of private investors;
ix. Support contracting authorities in the management of PPPs in operation;
x. Enhance mobilization of resources for the Project Facilitation Fund (PFF);
xi. Establish and sustain relations with investors in PPPs;
xii. Enhance PPP legal and regulatory framework;
xiii. Enhance the capacity of County Governments on tax analysis and revenue forecasting; and
xiv. Development of legal framework for County Government tax processes.

3. Policy, legal and institutional frameworks for development planning, budgeting, and intergovernmental and stakeholder relations

Under this key Result Area, the National Treasury plans to:-

i. Enhance uptake of government procurement opportunities by the marginalized groups;
ii. Promote value for money in public procurement;
iii. Enforce compliance on public sector accounting standards and other government regulations;
iv. Support effective implementation and reporting of reform interventions in the PFM Reforms Strategy 2023-2028;
v. Prepare and disseminate guidelines on PFM with County Governments;
vi. Enhance compliance with PFM laws by County Governments;
vii. Enhance compliance of all public sector entities with assets and liabilities policies and guidelines;
viii. Prepare legislative proposals on sharing of resources between the two levels of governments and among the counties are in place;
ix. Enhance the capacity of SCs in budgeting, performance contracting, financial reporting, and monitoring;
x. Develop Public Investment Policy and Guidelines;
xi. Digitalize and automate the budget process;
xii. Improve efficiency and effectiveness in pensions administration and management;
xiii. To strengthen transparency and accountability in public investment management; and
xiv. Provide objective assurance on Management of resources in public sector entities.

4. Strengthened institutional capacity and internal business processes

Under this Key Result Area; the National Treasury will implement the following;

i. Scale up efforts to towards optimal staffing levels;
ii. Undertake Employee capacity building and development;
iii. Institutionalize knowledge management;
iv. Restructure the Organizational for enhanced productivity;
v. Enhancement of communication mechanism and brand identity; and
vi. Enhance the efficiency and effectiveness of planning and project monitoring

8. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

The National Treasury's mandate is to formulate, implement and monitor prudent economic and financial policies at national and county levels of government. The core values include customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Guided by the above principles, we undertake the following: -

8.1 Sustainability Strategy and Profile

The Kenyan economy is unwinding from layers of negative and persistent shocks that had a structural effect on economic activities. These shocks include: the COVID-19 Pandemic and its ensuing effects; conflict in Eastern Europe, and Middle East; global oil supply cuts leading to elevated commodity prices such as petroleum products; and effects of climate change in the Country: the prolonged drought in 2021 to the floods in 2024.

These shocks escalated the cost of essential household commodities. They also pushed up fuel prices and led to a rapid depreciation of the Kenya Shilling exchange rate, pilling pressure on public debt.

The focused interventions, structural reforms and policies of the Government over the last two years have started to yield some positive results namely: -

i. Real GDP grew by 5.6% in 2023 up from 4.9% in 2022, a demonstration of resilience and the beginning of economic recovery. Growth momentum continued in 2024 with the economy expanding by 5.0 percent in the first quarter and projected at 5.5 percent by the end of the year;

ii. Nominal GDP rose to 15.1 trillion in 2023 from Ksh 13.5 trillion in 2022; a 12% increase. Similarly, GDP per capita income increased to Ksh 293,229 in 2023 from Ksh 266,473 in 2022;

iii. Total new jobs (both formal and informal) generated in the economy were 848.2 thousand in 2023. Of this, wage employment in the modern sector grew by 4.1% which translated to creation of 122.8 thousand new jobs;

iv. Inflationary pressures that had remained above the 7.5% upper bound target since June 2022 have eased. Overall inflation declined to 4.3% in July 2024 from 4.6% in June 2024, thereby remaining below the mid-point of the target range. The pass-through effects of the strengthening exchange rate since February 2024, the tight monetary policy stance and interventions by Government in providing subsidized fertilizer and seeds have supported the easing of inflation;

v. The Kenya Shilling exchange has strengthened against major international currencies, following the issuance of the US$ 1.5 billion that de-risked the 2024 Eurobond and inflow of dollar liquidity to the Infrastructure Bond. By end July 2024, the Kenya Shilling strengthened against the US Dollar to exchange at an average of Ksh 129.8 in July 2024 from Ksh 160.8 in January 2024; and

vi. The external sector remains strong. The current account deficit improved to 3.7% of GDP in the 12 months to June 2024 from 4.2% of GDP in a similar period of 2023. Remittances increased to USD 4,536 million in the 12 months to June 2024, and were 12.9% higher compared to a similar period in 2023. This increases forex inflows into the country, some going to investment while others support household consumption.

Official foreign exchange reserves at USD 8,462.7 million (4.6 months of import cover) by end June 2024, provide adequate buffers and gives market confidence.

In order to support the Government's Bottom-Up Economic Transformation Agenda (BETA), the National Treasury has implemented a growth responsive fiscal consolidation plan over the last two years designed to reduce debt vulnerabilities and rebuild fiscal buffers amid significant global and domestic challenges. Special focus has been placed on broadening the revenue base and containing non-priority expenditures while enhancing social safety nets with the support of our Development Partners.

In order to support debt sustainability and fiscal consolidation, the National Treasury has implemented the following measures:

i. Developed a National Tax Policy that was approved by Parliament in December 2023 sets out broad parameters on tax policy and other tax related matters. The Policy provides broad guidelines for governing tax administration and the tax system in Kenya. More specifically, the policy provides a set of guidelines for taxation of income, goods and services and forms the basis for review of tax legislation, development and administration;

ii. Developed a Medium-Term Revenue Strategy (MTRS) that was approved by Cabinet on 27th November 2023. The MTRS is aligned to the National Tax Policy and is expected to further strengthen tax revenue mobilization efforts to 20.0 percent of GDP over the medium term;

iii. Focused on unlocking additional non-tax revenue (Appropriation-in-Aid) potential by Ministries, Departments and Agencies through the services they offer to the public;

iv. Embarked on tax policy review through a number of tax studies that will support the development of a progressive tax system. The objective of the review was to develop an elaborate tax policy that will raise adequate revenue to finance recurrent as well as development budgets. Specifically, the review targets to:-

   (a) Develop diverse methods to enlarge the tax base;
   (b) Minimize the tax expenditures that amount to Ksh 396.9 billion or 2.9% of GDP as of 2022. Of the Ksh 396.9 billion, 63.1% is on VAT refunds on zero rated final consumer goods; and
   (c) Create a tax system that is not only predictable to taxpayers but also yields predictable revenues to Government.

v. Develop a tax system that support markets, production, consumption and investments;

vi. Strengthened tax administration by the Kenya Revenue Authority for enhanced compliance through leveraging on technology to revolutionize tax processes, seal revenue loopholes and enhance the efficiency of tax system;

vii. Established a Fiscal Risk Committee in December 2022 in order to improve coordination of fiscal risks analysis, quantification and mitigation in line with best practice; and

viii. Successfully implementation of the Extended Fund Facility and the Extended Credit Facility (EFF/ECF) arrangements supported by the IMF. The program has strengthened Kenya's ability to navigate through the recent multiple shocks and safeguard debt sustainability.

Implementation of these measures has yielded some positive dividends. Total revenue collection has grown by 23% from Ksh 2.2 trillion in FY 2021/22 to Ksh.2.7 trillion in FY 2023/24. Fiscal deficit including grants has declined from 6.2% of GDP in FY 2022/23 to 5.6% of GDP in FY 2023/24.

1.2 Environmental performance/climate change/mitigation of natural Disaster

The National Treasury has constituted a committee comprising officers from the key Departments of the Ministry to oversee all matters relating to environmental sustainability. The Committee has since developed a ministerial policy on the same in line with the National Policy on environmental management and participated in planting over 30,000 seedlings at Kessup Forest Station thus contributing towards the 10 percent tree cover initiative. Additionally, to ensure a conducive work environment, the National Treasury has contracted a company to manage cleaning and waste disposal services.

1.3 Employee welfare

Employee welfare is critical for effective implementation of the programmes and projects of an organization. Noting the importance of human resources, the National Treasury has a department established to handle Human Resources Management and Development. The Ministry has also established a Human Resource Management Advisory Committee and Departmental Training Committees that processes all the promotions, discipline, training, appraisal and general employee matters in line with the Public Service guidelines and procedures. Recruitment of officers is guided by the principles of the public service such as inclusivity among others.

In addition, a committee on occupational safety and health has been established to follow up of the safety conditions in the work place. In order to attract and retain competent officers, the National Treasury conducted capacity building for the staff in various technical subjects and recruited officers at the entry grade to fill skills gaps and enhance human resource capacity.

During the review period, we implemented succession management plan by declaring vacant posts to be filled by the Public Service Commission at the higher levels. This is in preparation for the anticipated in the next two years arising from retirement of officers who will have attained the exits mandatory retirement age. Further, the National Treasury has continued to build the capacity on the online staff appraisal management system in collaboration with the Public Service Commission to ensure seamless implementation of the system.

1.4 Operational Practices/Market place practices

The National Treasury is responsible for promoting fair trade practices in the economy. To ensure effective implementation of this function assigned by the Constitution, one of the programmes implemented by the Treasury is ensuring that existing market structures encourage competition and orderly conduct of business in order to support high productivity and competitive markets. This is undertaken mainly by the Competition Authority of Kenya, a State Corporation under the National Treasury. Further, to ensure fairness in the allocation of procurement contracts, the National Treasury ensures strict adherence to the provisions of the Public Procurement and Assets Disposal Act and its regulations.

1.5 Community Engagements

Towards Corporate social responsibility, members of staff from the National Treasury participated in this year Annual Kaptagat Tree planting exercise which was graced by His Excellency the President in 1st July, 2023. The two-day exercise saw over 30,000 seedlings planted at Kessup Forest Station by the National Treasury staff, corporates and members of the community.

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

9. STATEMENT OF PENSIONS FUND MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the National Treasury is responsible for the preparation and presentation of the Pensions and Gratuities Departments – Pensions and Gratuities financial statements, which give a true and fair view of the state of affairs of the Pension Fund for and as at the end of the financial year ended on June 30, 2024. 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 Pension Fund; (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 entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the National Treasury accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Pensions and Gratuities Departments – Pensions and Gratuities financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer in charge of the National Treasury further confirms the completeness of the accounting records maintained for the Pensions and Gratuities Departments – Pensions and Gratuities, 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.

The Accounting Officer in charge of the National Treasury confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants, and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The National Treasury - Pension department financial statements were approved on 2/12, 2024 and signed by:

DR. CHRIS KIPTOO, CBS **PRINCIPAL SECRETARY**	**MICHAEL A. KAGIKA, EBS** **SECRETARY/DIRECTOR OF PENSIONS**	**FRANCIS L. AMUYUNZU** **ICPAK NO. 6175** **SENIOR DEPUTY ACCT. GENERAL**

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON CONSOLIDATED FUND SERVICES – PENSION AND GRATUITIES FOR THE YEAR ENDED 30 JUNE, 2024 – THE NATIONAL TREASURY

PREAMBLE

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

A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.

B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.

C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Consolidated Fund Services – Pension and Gratuities set out on pages 1 to 20, which comprise the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Consolidated Fund Services - Pensions and Gratuities as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Long Outstanding Bank Reconciliation Items

The statement of assets and liabilities reflects a balance of Kshs.1,404,944,844 in respect of cash and cash equivalents as disclosed in Note 9 to the financial statements. However, the June, 2024 bank reconciliation statement reflects an amount of Kshs.15,640,107 in respect to payments in bank not in cash book out of which Kshs.14,891,205 had been outstanding since 2008. Although Management attributed this to fraudulent payments that were paid through the CFS Pension and Gratuities bank account, and that after investigations and court proceedings the accused were acquitted, it was not clear why it had taken unduly long to clear the items from the bank reconciliation statement.

In the circumstances, the accuracy and completeness of the cash and cash equivalent balance of Kshs.1,404,944,844 could not be confirmed.

2.0 Long Outstanding Payables

As previously reported, the statement of assets and liabilities reflects an amount of Kshs.7,109,779,106 in respect of accounts payables - deposits and retentions which, as disclosed in Note 10 to the financial statements, relates to returned pensions (recredited cheques) balance (FY 2022/2023 – Kshs.6,715,563,752). The balance has been increasing over the years mainly due to the demise of the pensioners or for lack of claims by dependents. However, Management did not provide an analysis to determine what is payable and what needs to be receipted back. Further, the Department did not have the funds in the bank account to pay the returned pensions if they were to be claimed by the beneficiaries. Some of the payables have been outstanding for more than ten years as shown in the aging analysis below.

Category	**Amount (Kshs.)**
Below 1 year	418,364,502
Between 1-3 years	1,939,143,921
Between 4-5 years	1,060,450,154

Category	Amount (Kshs.)
Between 6-10 years	1,880,305,558
Above 10 years	1,811,514,971
Total	**7,109,779,106**

In the circumstances, the accuracy and completeness of accounts payables - deposits and retentions balance of Kshs.7,109,779,106 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.187,563,778,297 and Kshs.148,948,574,989 respectively, resulting to an underfunding of Kshs.38,615,203,308 or 21% of the budget.

Further, The National Treasury issued to the Department exchequer release notices amounting to Kshs.174,978,234,728 against the actual amounts received of Kshs.148,948,574,989, resulting to unfunded exchequers amounting to Kshs.26,029,659,739.

The underfunding affected the planned activities and may have impacted negatively on service delivery to the public through the delayed pensions payment.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

Management is responsible for the other information set out on page (iii) to (lv) which comprise of The National Treasury Information and Management, Statement of Governance, Statement by the Cabinet Secretary, Statement by the Principal Secretary, Management Discussion and Analysis, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting and Statement of Pension Fund

Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Consolidated Fund Services- Pensions and Gratuities' financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and, accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Delay in Processing of Pension Payments

The statement of comparison of budget and actual amounts reflects payments to pensioners of Kshs.118,552,668,481 against the budgeted amount of Kshs.154,508,946,903. It was observed that, during the year under review, payment of pensions took an average waiting time of 195 days as compared to the National Treasury's service charter that provides that retirement benefits shall be paid within 90 days upon the claim being received.

In the circumstances, delay in payment of pensions represents a failure to meet established service standards and negatively impacts pensioners who rely on timely payments.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1.0 Incomplete Pension Records

The statement of receipts and payments reflects an amount of. Kshs.118,552,668,481 in respect of payment of pensions which, as disclosed in Note 7 to the financial statements, includes amounts of Kshs.61,667,825,279 and Kshs.8,403,837,502 in respect of civil pension and military pensions, respectively. However, as previously reported, the payroll provided for audit review had some missing pensioners details such as ID numbers while some pensioner employee numbers had been recorded as "DUMMY".

In the circumstances, the credibility and integrity of the pensioners' data used for processing pension payments could not be confirmed.

2.0 Inadequate Staffing

Review of the approved staff establishment for the Department revealed that the Department had an authorized establishment of three hundred and eighty-one (381) personnel against the in-post of one hundred and eighty-one (181) personnel leading to shortage of two hundred (200) staff. The Department continues to experience shortage of technical staff across a number of cadres. This key Department continued to suffer personnel shortage despite the public outcry on delays in processing of pensioners' payroll. Further, management did not provide a clear plan to correcting the shortage.

In the circumstances, the evident staff shortage within the Department may contribute to the significant delays in processing pension claims.

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

Responsibilities of the Management and 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 (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Consolidated Fund Services- Pensions and Gratuities' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 December, 2024

11. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE, 2024

	Note	2023/2024 Kshs	2022/2023 Kshs Audited
RECEIPTS			
Exchequers releases	5	148,948,574,989	136,358,726,797
Other Receipts	6	-	-
TOTAL RECEIPTS		**148,948,574,989**	**136,358,726,797**
PAYMENTS			
Payment to Pensions	7	118,552,668,481	106,118,823,808
Transfer to PSSS	8	31,608,035,161	29,572,713,605
TOTAL PAYMENTS		**150,160,703,642**	**135,691,537,413**
SURPLUS/DEFICIT		**(1,212,128,653)**	**667,189,384**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The National Treasury- Pension department financial statements were approved on 2/12 2024 and signed by:

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS L. AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

12. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE, 2024

FINANCIAL ASSETS		2023/2024	2022/2023
	NOTES	Kshs.	Kshs.
Cash and Cash Equivalents			
Bank Balances	9	1,404,944,844	4,598,497,594
Total Cash and cash equivalent		1,404,944,844	4,598,497,594
TOTAL FINANCIAL ASSETS		**1,404,944,844**	**4,598,497,594**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	10	(7,109,779,106)	(9,091,203,203)
NET FINANCIAL ASSETS		**(5,704,834,263)**	**(4,492,705,609)**
REPRESENTED BY			
Fund balance b/fwd	11	**(4,492,705,609)**	**(5,159,894,993)**
Surplus/Deficit for the year		(1,212,128,653)	667,189,384
NET FINANCIAL POSITION		**(5,704,834,263)**	**(4,492,705,609)**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The National Treasury: Pension department financial statements were approved on 2/12 2024 and signed by:

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS L. AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

13. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2024

	Notes	2023/2024	2022/2023 Audited
		Kshs.	Kshs.
Receipts for operating Income			
Exchequer Releases	5	148,948,574,989	136,358,726,797
Other Receipts	6	-	-
Payments for operating expenses			
Payment of Pensions	7	118,552,668,481	106,118,823,808
Transfer to PSSS	8	31,608,035,161	29,572,713,605
Increase/(Decrease) in Payables	12	(1,981,424,097)	1,939,483,791
Net cash flow from operating activities		**(3,193,552,750)**	**2,606,673,175**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT		**(3,193,552,750)**	**2,606,673,175**
Cash and cash equivalent at Beginning of the year		**4,598,497,594**	**1,991,824,419**
Cash and cash equivalent at End of the year		**1,404,944,844**	**4,598,497,594**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The National Treasury- Pensions Department financial statements were approved on 2/12, 2024 and signed by:

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS L. AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

14. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR FY 2023/2024

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual	Budget utilization difference	%
	Kshs	Kshs		Kshs	Kshs	
RECEIPTS			Kshs			
Exchequer releases	189,089,778,297	(1,526,000,000)	187,563,778,297	148,948,574,989	38,615,203,308	79%
Other receipts				-	-	
Total Exchequer Releases	**189,089,778,297**	**(1,526,000,000)**	**187,563,778,297**	**148,948,574,989**	**38,615,203,308**	**79%**
PAYMENTS						
Payment to Pension	160,625,100,304	(6,116,153,401)	154,508,946,903	118,552,668,481	35,956,278,422	76%
Transfer to PSSS	28,464,677,993	4,590,153,401	33,054,831,394	31,608,035,161	1,446,796,233	96%
Total Payments	**189,089,778,297**	**(1,526,000,000)**	**187,563,778,297**	**150,160,703,642**	**37,403,074,655**	**80%**
Surplus/(Deficit)	-	-	-	**(1,212,128,653)**	**(1,212,128,653)**	-

Note:

The amount of Kshs. 4,590,153,401/= was additional funding allocated to PSSS to caterer for financial year 2023-2024 accrued GOK remittance.

The under expenditure of 20% on CFS Pension and gratuities during the financial year was due to non-availability of the exchequer.

The National Treasury- Pension department financial statements were approved on 2/12, 2024 and signed by:

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS ~~L.~~ AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

14 (a) Summary Statement of Appropriation: Recurrent for FY 2023/2024

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual	Budget utilization difference	% of Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
RECEIPTS						
Exchequer releases	189,089,778,297	(1,526,000,000)	187,563,778,297	148,948,574,989	38,615,203,308	79%
Other Receipts					-	
Total Receipts	**189,089,778,297**	**(1,526,000,000)**	**187,563,778,297**	**148,948,574,989**	**38,615,203,308**	79%
PAYMENTS						
Payment to Pension	160,625,100,304	(6,116,153,401)	154,508,946,903	118,552,668,481	35,956,278,422	76%
Transfer to PSSS	28,464,677,993	4,590,153,401	33,054,831,394	31,608,035,161	1,446,796,233	96%
Total Payments	**189,089,778,297**	**(1,526,000,000)**	**187,563,778,297**	**150,160,703,642**	**37,403,074,655**	80%
Surplus/(Deficit)	-	-	-	**(1,212,128,653)**	**1,212,128,653**	-

Note:

The amount of Kshs. 4,590,153,401.00 was additional funding allocated to PSSS to caterer for financial year 2023-2024 accrued GOK remittance.

The under expenditure of 20% on CFS Pension and gratuities during the financial year was due to non-availability of the exchequer.

The National Treasury- Pension department financial statements were approved on 2/12, 2024 and signed by:

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS L. AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

14 (b) Summary Statement of Appropriation: Development for FY 2023/2024

Note:

(i) The National Treasury_ Pensions Department does not receive development allocation.

The National Treasury- Pension department financial statements were approved on 2/12, 2024 and signed by:

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS L. AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

14 (c) Budget Execution by Programmes and Sub-Programmesfor FY 2023/2024

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual cumulative to date	Budget utilization difference
	2024		2024	2024	
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Ordinary Pension	82,933,732,361	2,883,846,599	85,817,578,960	81,191,436,238	4,626,142,722
Commuted Pensions	77,557,267,943	(9,000,000,000)	68,557,267,943	37,357,622,556	31,199,645,3[illegible]
Other Pension Scheme	134,100,000	-	134,100,000	3,609,687	130,490,3[illegible]
Transfer to PSSS	28,464,677,993	4,590,153,401	33,054,831,394	31,608,035,161	1,446,796,233
Other Transfers				-	
TOTAL	**189,089,778,279**	**(1,526,000,000)**	**187,563,778,297**	**150,160,703,642**	**37,403,074,655**

The National Treasury: Pension department financial statements were approved on 2/12 2024 and signed by:

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS L. AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

15. NOTES TO THE FINANCIAL STATEMENT

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

1. Statement of compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the National Treasury-Pensions Department .The statements encompass the reporting entity as specified under Section 81 of the PFM Act 2012 and also comprise of the following development projects implemented by the entity.

3. Reporting Currency

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

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by Pensions and Gratuities Department (Pension and Gratuities) for all the years presented.

a) Recognition of Receipts

The Pensions and Gratuities Department (Pension and Gratuities) recognises all receipts from the various sources when the event occurs, and the related cash has been received by the Pensions and Gratuities Department (Pension and Gratuities).

(i) Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving Pensions and Gratuities Department (Pension and Gratuities).

(ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2024, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Significant Accounting Policies (Continued)

(iii)Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Pensions and Gratuities Department (Pension and Gratuities) recognises all payments when the event occurs, and the related cash has been paid out by the Pensions and Gratuities Department (Pension and Gratuities).

i) Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

ii) Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

iii) Interest on Borrowing

Borrowing costs that include interest are recognized as payment in the period in which they are paid for.

iv) Principal on borrowing

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

Significant Accounting Policies (Continued)

v) Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained and a summary provided for purposes of consolidation.

vi) In-kind contributions

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *Entity* includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

vii) Third Party Payments

Included in the receipts and payments, are payments made on its behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings.

Significant Accounting Policies (Continued)

c) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

A bank account register is maintained and a summary provided for purposes of consolidation.

Restriction on Cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits as at 30 June, 2024 this amounted to Kshs 7,109,779,106 compared to Kshs 6,715,563,752 in prior period as indicated on note 8. There were no other restrictions on cash during the year.

d) Impressts and advances

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or Authority to Incur Expenditure (AIE) holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

Significant Accounting Policies (Continued)

e) Third party deposits and retention

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies.

Other liabilities including pending bills are disclosed in the financial statements.

f) Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

g) Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2023 for the period 1st July 2023 to 30th June 2024 as required by Law and there were two number of supplementary adjustments to the original budget during the year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognised as inter-entity transfers.

Significant Accounting Policies (Continued)

h) Comparative Figures

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

i) Subsequent Events

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30 June, 2024.

j) Prior Period Adjustment

During the financial year 2023/2024, we did not have any prior financial error.

k) Related Party Transactions

Related party means parties are related if one party has the ability to:

a) Control the other party or
b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Relates party transaction is a transfer of resources of obligations between related parties regardless of whether a price is charged.

Significant Accounting Policies (Continued)

l) Contingent Liabilities

A contingent liability is:

a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) A present obligation that arises from past events but is not recognised because:

   i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or

   ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, and indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, The Pensions and Gratuities Department (Pension and Gratuities) does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Notes to the Financial Statements (Continued)

5 Exchequer releases

Total Exchequer Releases	2023/2024			2022/2023
	CFS	PSSS	Total	Audited
	Kshs	Kshs	Kshs	Kshs
For Quarter One	26,242,279,324	4,590,153,401	30,832,432,725	24,499,269,690
For Quarter Two	28,173,009,261	-	28,173,009,261	23,074,341,311
For Quarter Three	27,382,031,449	14,637,574,032	42,019,605,481	10,909,301,493
For Quarter Four	35,543,219,794	12,380,307,728	47,923,527,522	77,875,814,303
Total	**117,340,539,828**	**31,608,035,161**	**148,948,574,989**	**136,358,726,797**

6. Other Receipt

The amount of Kshs. Nil are receipts from various MDA in respect of deductions from employees being contribution towards the PSSS contributions.

7. Payment of Pensions

PAYMENTS OF PENSIONS	2023/2024	2022/2023
Ordinary Pensions	**Kshs**	**KShs**
Civil Pensions	61,667,825,279	51,723,012,846
Military Pensions	8,403,837,502	7,641,202,595
Widows, Children & Dependants Pension	10,644,501,119	9,734,538,558
Civil Pensions MP's	459,432,339	425,401,228
Civil Pensions President	15,840,000	12,540,000
Sub Total	**81,191,436,238**	**69,536,695,227**
Commuted Pension		
Commuted Pensions and gratuities	31,260,865,723	30,763,885,339
Military gratuities	4,876,541,080	4,254,331,530
Commuted Pensions MP's	122,189,550	1,517,748,152
Commuted Pensions	1,098,026,203	39,600,000
Sub Total	**37,357,622,556**	**36,575,565,021**
Other Pension Scheme		
Refunds and other ex-gratia allowances	3,609,687	6,563,560
Payment to Crown Agents	-	-
Sub Total	**3,609,687**	**6,563,560**
Total	**118,552,668,481**	**106,118,823,808**

Notes to the Financial Statements (Continued)

7(b) Note: Pending Bill

The Department processed payment claims amounting to Kshs.140,607,917,400.00

Exchequer issue during the Financial Year amounted to Kshs.117,340,539,828.00

Unfunded Exchequer issue during the year amounted to Kshs. 23,267,377,572.00 being pending bill/payable. **(See Pending Bills breakdown: Annex 5)**

8. Employer/Employee Contributions to Staff Pensions Scheme (Transfer to PSSS)

	2023/2024	2022/2023
	Kshs	Kshs
Employer Contributions to Staff Pensions Scheme	31,608,035,161	29,572,713,605
Total	**31,608,035,161**	**29,572,713,605**

Note; PSSS MDAs Deposits

Balance B/f	Kshs. 2,375,639,450.00
Receipts for the year	Kshs.16,075,129,879.70
Transfers to PSSS	Kshs.18,450,769,329.70
Balance c/f	Kshs. Nil

9. Cash and Bank Accounts

Bank Accounts

Name of Bank, Account No. &Currency	**Indicate whether recurrent, Development, deposit etc.**	**2023/2024**	**2022/2023**
		Kshs	**Kshs**
CFS - Pensions Central Bank Of Kenya Account No.1000204397 (KES)	Recurrent	1,404,944,844	2,222,858,144
PSSS Central Bank of Kenya Account No.1000482044 (KES)	Recurrent	-	2,375,639,451
Total		**1,404,944,844**	**4,598,497,594**

Notes to the Financial Statements (Continued)

10. Account Payables-Deposits and Retention

Description	2023/2024 Kshs	2022/2023 Kshs
Deposits (Re-credited cheques)	7,109,779,106	6,715,563,752
PSSS Payables	-	2,375,639,451
Total	**7,109,779,106**	**9,091,203,203**

[Deposit increases from 6.71 billion to 7.1 billion due increase in re-credited cheques]

11. Fund Balance Brought Forward

	2022/2023 Audited Kshs.	2021/2022 Audited KShs
Bank Balance	4,598,497,594	1,991,824,419
Accounts Payables	(9,091,203,203)	(7,151,719,412)
Total	**(4,492,705,609)**	**(5,159,894,993)**

These are balances related to the last financial year.

12. Increase/ (Decrease) in Payables

Description	2023/2024 Kshs	2022/2023 Kshs
Payables As At 1st July	9,091,203,203	6,484,589,705
Payables As At 30th June	7,109,779,106	6,715,563,752
Increase/ (Decrease) In Payables	1,981,424,097	230,974,047
Increase/ (Decrease) In Payables	-	**1,708,509,744**
Total	**1,981,424,097**	**1,939,483,791**

Notes to the Financial Statements (Continued)

13. Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the Pensions and Gratuities Department.

i) Key management personnel that include the Cabinet Secretaries and Accounting Officers
ii) Other Ministries Departments and Agencies and Development Projects;
iii) County Governments; and
iv) State Corporations and Semi-Autonomous Government Agencies.

14. ANNEXES

Annex 1: Progress on follow up of Prior Years Auditor-General's recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. 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)*
1.0	Long Outstanding Reconciliation Items.	Effort done	Michael Kagika S/Director Pensions	Partially resolved	
2.0	Long Outstanding Payables	Effort done	Michael Kagika S/Director Pensions	Partially resolved	
3.0	Incomplete Records	A team is appointed to address files that have incomplete records.	Michael Kagika S/Director Pensions	Partially resolved	

DR. CHRIS KIPTOO, CBS
PRINCIPAL SECRETARY

FRANCIS L. AMUYUNZU
ICPAK NO. 6175
SENIOR DEPUTY ACCT. GENERAL

Annex 2: Bank Reconciliation Statement

REPUBLIC OF KENYA

F.O 30

PENSIONS DEPT-NAIROBI CFS-R051 A/C NO 1000204397

BANK RECONCILIATION AS AT THE END OF 30 JUNE, 2024

DETAILS	KSHS	KSHS
BANK BALANCE AS PER CERTIFICATE		**7,699,159,033.27**
LESS- 1 & 2		
1.PAYMENTS IN CASH BOOK NOT IN BANK	6,309,854,297.20	
[UNPRESENTED CHEQUES]		
TOTAL UNCLEARED EFFECTS		
2. RECEIPTS IN BANK NOT IN CASH BOOK	-	
TOTAL-APENDEX 1 &2	**6,309,854,297.20**	**(6,309,854,297.20)**
3.PAYMENT IN BANK NOT IN CASHBOOK-	15,640,107.45	
4. RECEIPTS IN CASH BOOK NOT IN BANK	-	
TOTAL APENDEX 3& 4	**15,640,107.45**	**15,640,107.45**
BANK BALANCE AS PER CASHBOOK		**1,404,944,843.52**

"DETAILS OF THE ABOVE ATTACHED"

"I CERTIFY THAT I have verified the bank balance in the cash book with the Bank statement and that the above Reconciliation is correct".

Signature—————————Designation
PRINCIPAL ACCOUNTANT

DATE—————————

Annex 3: Trial Balance

TRIAL BALANCE
CFS PENSIONS
FOR THE YEAR ENDED 30 JUNE, 2024

	DR	CR
Exchequer releases		148,948,574,989
Other Receipts		-
Payments to Pensions	118,552,668,481	
Transfer to PSSS (Employer Contributions to Staff Pensions Scheme)	31,608,035,161	
Other Payments	-	
Bank Balances(CFS)	1,404,944,844	
Bank Balances(PSSS)	-	
Accounts Payables - Deposits		7,109,779,106
Fund balance b/fwd	4,492,705,609	
	156,058,354,095	**156,058,354,095**

TRIAL BALANCE
CFS PENSIONS
FOR THE YEAR ENDED 30 JUNE, 2023

	DR	CR
Exchequer releases		136,358,726,797
Other Receipts		-
Payments to Pensions	135,691,537,413	
Transfer to PSSS (Employer Contributions to Staff Pensions Scheme)	-	
Other Payments	-	
Bank Balances	2,222,858,144	
Bank Balances (PSSS)/Payables	2,375,639,451	2,375,639,451
Accounts Payables - Deposits		6,484,589,705
Fund balance b/fwd	5,159,894,992	
Prior year adjustments	-	
	145,449,930,000	**145,449,930,000**

Annex 4(a): Re-credited Cheques Analysis

S/N	Financial Year	Amount
1.	FY 2002/2003	67,847,907.25
2.	FY 2003/2004	2,157,186.50
3.	FY 2004/2005	61,528,095.52
4.	FY 2005/2006	128,580,277.72
5.	FY 2006/2007	107,814,507.36
6.	FY 2007/2008	124,919,764.21
7.	FY 2008/2009	140,638,036.64
8.	FY 2009/2010	282,482,719.08
9.	FY 2010/2011	118,356,038.05
10.	FY 2011/2012	152,149,101.82
11.	FY 2012/2013	170,866,515.27
12.	FY 2013/2014	454,174,820.55
13.	FY 2014/2015	140,041,543.30
14.	FY 2015/2016	514,801,899.40
15.	FY 2016/2017	390,409,465.95
16.	FY 2017/2018	835,052,649.75
17.	FY 2018/2019	486,049,167.15
18.	FY 2019/2020	574,400,987.34
19.	FY 2020/2021	1,259,095,324.79
20.	FY 2021/2022	392,476,384.98
21.	FY 2022/2023	287,572,211.25
22.	FY 2023/2024	418,364,502.13
	TOTAL	7,109,779,106.01

Annex 4(b): Extract of Re-Credited Cheques

RV2023-24_010737	14-Jun-24	BPN/PC0000190617_2	Catherine Chemtai Tot	106,259.00
RV2023-24_010737	14-Jun-24	BPN/PC0000136391_1	Jahi Omar Hussein	107,693.00
RV2023-24_010731	14-Jun-24	BPN/GC0000374784_2	Rehema Cherotich YegonRehema Cheroti	111,361.50
RV2023-24_010731	14-Jun-24	BPN/GC0000374784_1	Mercy Chepkemoi	111,361.50
RV2023-24_010737	14-Jun-24	APN/PC0000393806	Bernard Muema Mbevi	112,686.40
RV2023-24_010735	14-Jun-24	5PN/PC0000269207_1	Leah Jemaiyo Seroney	121,425.00
RV2023-24_010737	14-Jun-24	5PN/PC0000136391_1	Jahi Omar Hussein	128,289.00
RV2023-24_010737	14-Jun-24	APN/PC0000391636	Evans Mdamu Mongo	135,998.40
RV2023-24_010731	14-Jun-24	5DG0000237901_4	Selina NasipwondiSelina Nasipwondi	198,983.50
RV2023-24_010735	14-Jun-24	5PN/PC0000068448_1	Fridah Netia Wesonga	208,646.00
RV2023-24_010737	14-Jun-24	5PN/PC0000190617_2	Catherine Chemtai Tot	231,474.00
RV2023-24_010737	14-Jun-24	APN/MP0000397137	James Njeru Nkandika	237,709.20
RV2023-24_010735	14-Jun-24	BPN/PC0000269207_1	Leah Jemaiyo Seroney	255,910.00
RV2023-24_010737	14-Jun-24	5PN/MP0000219596_2	Consalata Auma Wesonga	395,928.00
RV2023-24_010734	14-Jun-24	VARIOUS		803,162.50
RV2023-24_010736	14-Jun-24	VARIOUS		1,664,341.00
RV2023-24_010739	14-Jun-24	VARIOUS		1,835,074.70
RV2023-24_010732	14-Jun-24	APN/PC0000112193	KASITI BERNADETTE	2,535,046.40
RV2023-24_010745	20-Jun-24	APN/PC0000079184	SYLVESTER KUYA NYIKWAYA	7,081.00
RV2023-24_010746	20-Jun-24	APN/GC0000052931	TIMOTHY NZYOKA MUANGE	40,051.25
RV2023-24_010744	20-Jun-24	BPN/PC35044	SALOME MASIKA MAKUNDA	63,389.00
RV2023-24_010744	20-Jun-24	APN/PC0000122610	JOHN SIRENGO MUKWEYI	83,870.00
RV2023-24_010744	20-Jun-24	APN/PC0000102460	DOMINIC MULI MBITI	118,690.00
RV2023-24_010742	20-Jun-24	APN/PC0000144999	JAMES WANYEKI THUO	129,189.85
RV2023-24_010744	20-Jun-24	APN/PC0000091413	FRANCIS KIARIE NJOROGE	165,032.00
RV2023-24_010744	20-Jun-24	APN/PC0000039485	KATONI M NZOUZO	195,125.00
RV2023-24_010747	20-Jun-24	APN/PC0000085190	FRANCIS GITHUI WAHOME	378,728.00
RV2023-24_010748	20-Jun-24	APN/PC0000251277	Philip Were Obunde	460,562.10
RV2023-24_010744	20-Jun-24	APN/PC0000102859	JAMES NJOGU GITII	1,417,746.00
RV2023-24_010744	20-Jun-24	APN/PC0000145416	SAMUEL NZOMO FANJU	2,084,992.00
RV2023-24_010859	29-Jun-24	APN/PC0000084180	EDWARD KINYANJUI P.	7,381.00
RV2023-24_010874	29-Jun-24	APN/PC0000100388	JULIUS KAMAU CHEGE	14,622.00
RV2023-24_010875	29-Jun-24	APN/PC0000279734	Charles Gitonga Miriti	22,709.20
RV2023-24_010865	29-Jun-24	APN/PC0000049379	PATRICK M ITOOI	36,041.10
RV2023-24_010864	29-Jun-24	APN/PC0000282996	James Kamande Njananga	40,793.00
RV2023-24_010866	29-Jun-24	APN/PC0000119577	JOHN GICHUHI KARIUKI	43,785.00
RV2023-24_010860	29-Jun-24	APN/MP0000008796	DOMINIC MBUTHIA GAKERE	63,655.00
RV2023-24_010867	29-Jun-24	APN/PC0000140484	JUSTUS WACHIRA TIMOTHY	69,048.50
RV2023-24_010868	29-Jun-24	APN/MP0000009592	GERISHON KARUBARA ZENDE	75,114.00
RV2023-24_010869	29-Jun-24	APN/PC0000226348	Edwin Nganga Moroko	84,954.00
RV2023-24_010870	29-Jun-24	APN/PC0000303710	Alex Mwirikia Zacharia	88,121.20
RV2023-24_010871	29-Jun-24	APN/PC0000185545	JOSEPH KARANJA MACHARIA	124,392.00
RV2023-24_010872	29-Jun-24	APN/PC0000308885	Hellen Wambui Thumbi	161,280.00
RV2023-24_010876	29-Jun-24	APN/PC0000037411	ENAN WANGAI	313,918.30
RV2023-24_010855	29-Jun-24	APN/MP0000312608	Samson Kimote Lotianga	337,547.60
RV2023-24_010862	29-Jun-24	APN/PC0000320490	Raphael Kisavi Kathuli	551,336.80
RV2023-24_010873	29-Jun-24	APN/PC0000361592	Serah Wanjiru Kahonoki	564,823.90
RV2023-24_010863	29-Jun-24	APN/PC0000296140	Livingstone H K Karanja	845,441.90
RV2023-24_010856	29-Jun-24	VARIOUS		1,610,583.70
RV2023-24_010858	29-Jun-24	APN/PC0000163929	ALFONSE G. KARUME NYALE	2,995,529.40
RV2023-24_010888	30-Jun-24	DG0000011475	JOSEPH OKOYO KOLA	50,395.80
			GRAND TOTAL	7,109,779,106.01

Annex 5: Pending Bills Breakdown

NORMAL PENSIONS AFRICANS
JV0258

COA Code:	Sub Votes.	Voucher Number	Voucher Date	AMT	DR
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025344	30-Jun-24	607,653.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_008784	29-Jun-24	280,688.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_018608	29-Jun-24	54,665.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_020157	29-Jun-24	68,184.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_020584	29-Jun-24	326,603.20	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_021182	29-Jun-24	28,671.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_022145	29-Jun-24	399,410.20	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023290	29-Jun-24	81,718.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023374	29-Jun-24	240,480.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023407	29-Jun-24	90,869.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023859	29-Jun-24	1,579,981.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023863	29-Jun-24	1,701,292.10	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023898	29-Jun-24	398,102.20	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024217	29-Jun-24	203,332.90	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024738	29-Jun-24	84,779.80	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025244	29-Jun-24	232,765.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025289	29-Jun-24	1,501,189.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025375	29-Jun-24	9,511.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_019151	28-Jun-24	103,881.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024134	28-Jun-24	99,850.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025323	28-Jun-24	288,487.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025368	28-Jun-24	78,568.20	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024579	26-Jun-24	212,898.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025359	26-Jun-24	28,845.90	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_022017	25-Jun-24	151,571.30	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023739	25-Jun-24	117,656.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023912	25-Jun-24	109,002.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023943	25-Jun-24	715,597.20	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024348	25-Jun-24	454,945.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025154	25-Jun-24	452,267.30	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025171	25-Jun-24	965,933.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025321	25-Jun-24	731,868.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025334	25-Jun-24	298,650.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025343	25-Jun-24	217,740.90	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_013610	22-Jun-24	597,028.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_020787	22-Jun-24	161,024.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023024	22-Jun-24	308,649.80	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023489	22-Jun-24	420,579.90	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023677	22-Jun-24	248,876.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023725	22-Jun-24	83,981.30	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024020	22-Jun-24	83,322.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024211	22-Jun-24	397,864.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024257	22-Jun-24	15,457.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024302	22-Jun-24	261,938.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024522	22-Jun-24	2,630,936.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024777	22-Jun-24	308,214.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024795	22-Jun-24	334,246.10	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024910	22-Jun-24	101,708.80	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024974	22-Jun-24	158,285.30	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025022	22-Jun-24	624,497.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025129	22-Jun-24	417,597.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025176	22-Jun-24	139,204.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025195	22-Jun-24	170,125.10	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025201	22-Jun-24	297,451.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025274	22-Jun-24	400,730.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025277	22-Jun-24	3,623,657.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025280	22-Jun-24	107,807.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025281	22-Jun-24	892,674.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025282	22-Jun-24	280,257.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_025299	22-Jun-24	588,681.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_007777	21-Jun-24	217,172.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_021143	21-Jun-24	289,140.20	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023468	21-Jun-24	170,996.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023913	21-Jun-24	205,856.90	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_023986	21-Jun-24	141,555.00	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024099	21-Jun-24	990,627.20	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024168	21-Jun-24	272,066.80	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024216	21-Jun-24	184,484.50	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024289	21-Jun-24	284,201.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024303	21-Jun-24	176,392.30	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024451	21-Jun-24	196,016.60	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024729	21-Jun-24	88,328.70	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024842	21-Jun-24	515,607.10	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024883	21-Jun-24	48,409.40	Debit
0-955-0900-2710107	Sub Vote: 511	PV2023-24_024920	21-Jun-24	79,653.60	Debit

0-955-0910-2710107	Sub Vote: 511	PV2023-24 022299	08-May-24	411,732.90	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022477	08-May-24	551,558.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022496	08-May-24	694,384.80	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022522	08-May-24	1,757,017.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022544	08-May-24	158,787.90	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022553	08-May-24	259,324.40	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022592	08-May-24	279,982.30	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022598	08-May-24	752,059.60	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022608	08-May-24	1,332,179.30	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022623	08-May-24	202,971.80	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022705	08-May-24	386,486.90	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022738	08-May-24	382,554.60	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022746	08-May-24	1,493,771.40	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022747	08-May-24	1,402,736.90	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022750	08-May-24	366,360.70	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022753	08-May-24	279,421.60	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022774	08-May-24	198,161.70	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022784	08-May-24	2,279,951.80	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022785	08-May-24	429,664.50	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022789	08-May-24	210,635.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022807	08-May-24	616,143.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022821	08-May-24	784,224.50	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022841	08-May-24	323,799.20	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022847	08-May-24	228,134.70	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022861	08-May-24	858,095.20	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022863	08-May-24	953,410.40	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022865	08-May-24	384,598.40	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022868	08-May-24	541,482.80	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022886	08-May-24	387,150.30	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022891	08-May-24	1,096,177.80	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022894	08-May-24	297,609.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022957	08-May-24	215,754.10	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022961	08-May-24	1,093,413.60	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022962	08-May-24	544,316.50	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022968	08-May-24	219,657.40	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 023003	08-May-24	336,840.90	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 023040	08-May-24	255,368.30	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 023045	08-May-24	356,812.60	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 023047	08-May-24	321,298.40	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 023101	08-May-24	1,027,945.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 023168	08-May-24	356,051.30	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022853	06-May-24	1,188,888.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022856	06-May-24	323,585.90	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022857	06-May-24	432,909.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022858	06-May-24	1,373,556.20	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022877	06-May-24	1,635,036.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022933	06-May-24	813,392.50	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022976	06-May-24	392,198.50	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 022988	06-May-24	625,416.00	Debit
0-955-0910-2710107	Sub Vote: 511	PV2023-24 023026	06-May-24	328,969.60	Debit
	SUB-TOTAL			1,039,651,147.99	
	GRAND TOTAL				23,267,377,572.00

Annex 6: Certificate of Balances

RECEIVED
Accountant General Department
Treasury Management Section
01 AUG 2024
THE NATIONAL TREASURY
P. O. Box 30007, NAIROBI.

July 10, 2024

CERTIFICATE OF BALANCES

Customer: 120373 THE NATIONAL TREASURY
Balance Date: 30 Jun-24

Account No	Account Name	Currency	Balance
1000204397	REC-PENSIONS	KES	7,699,159,033.27
1000213744	EUROPEAN WIDOWS AND ORPHANS PENSION	KES	179,348,691.85
1000213752	ASIAN OFFICERS FAMILY PENSION FUND	KES	450,793,684.65
1000213768	PROVIDENT FUND KE AND EA COMMUNITY	KES	1,029,530,737.90
1000209518	NATIONAL TREASURY REVENUE COLL	KES	0.00
1000482044	PUBLIC SERVICE SUPERANNUATION SCHEM	KES	0.00

Priscilla Keitany (Mrs)
Authorised Signatory
Banking Services Division

Joyce Nasieku
Authorised Signatory
Banking Services Division

HAU- Amuyanzu - Pension
Please deal.
1/8/2024.

CBK Official