



## **ETHICS AND ANTI-CORRUPTION COMMISSION**

# **REPORT OF ACTIVITIES AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2020/2021**

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## LIST OF ABBREVIATIONS AND ACRONYMS

<b>ACCA</b>	Association of Chartered Certified Accountants
<b>AACD</b>	Africa Anti-Corruption Day
<b>ACC</b>	Anti-Corruption Court
<b>ACEC</b>	Anti-Corruption and Economic Court
<b>ACECA</b>	Anti-Corruption and Economic Crimes Act
<b>ADC</b>	Agricultural Development Corporation
<b>APNAC</b>	African Parliamentarian Network Against Corruption
<b>AfDB</b>	African Development Bank
<b>CBAM</b>	Community Based Anti-Corruption Monitors
<b>CBO</b>	Community Based Organization
<b>CBS</b>	Chief of the Order of the Burning Spear
<b>CEC</b>	County Executive Committee
<b>CECM</b>	County Executive Committee Member
<b>CEO</b>	Chief Executive Officer
<b>CPC</b>	Criminal Procedure Code
<b>CPCs</b>	Corruption Prevention Committees
<b>CPSB</b>	County Public Service Board
<b>CRA</b> s	Corruption Risk Assessments
<b>CSOs</b>	Civil Society Organizations
<b>COVID-19</b>	Corona Virus Disease of 2019
<b>DIALs</b>	Declaration of Income, Assets and Liabilities
<b>DCI</b>	Directorate of Criminal Investigations
<b>DRC</b>	Democratic Republic of Congo
<b>EAAACA</b>	East African Association of Anti-Corruption Authorities
<b>EAC</b>	East Africa Community
<b>EACC</b>	Ethics and Anti-Corruption Commission
<b>EACCA</b>	Ethics and Anti-Corruption Commission Act
<b>EBS</b>	Elder of the Order of the Burning Spear
<b>ELC</b>	Environment and Land Court
<b>ELRC</b>	Employment and Labour Relations Court
<b>FBI</b>	Federal Bureau of Investigations
<b>FBOs</b>	Faith Based Organizations
<b>FAQs</b>	Frequently Asked Questions
<b>FY</b>	Financial Year
<b>GDC</b>	Geothermal Development Company
<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit
<b>GoK</b>	Government of Kenya
<b>HRM</b>	Human Resource Management
<b>IACD</b>	International Anti-Corruption Day
<b>IAOs</b>	Integrity Assurance Officers
<b>ICT</b>	Information Communication Technology



<b>IEBC</b>	Independent Electoral and Boundaries Commission
<b>IEC</b>	Information, Education and Communication
<b>IFMIS</b>	Integrated Financial Management Information System
<b>JKUAT</b>	Jomo Kenyatta University of Agriculture and Technology
<b>JR</b>	Judicial Review
<b>KALRO</b>	Kenya Agricultural and Livestock Research Organization
<b>KEMSA</b>	Kenya Medical Supplies Authority
<b>KenHA</b>	Kenya National Highways Authority
<b>KeRRA</b>	Kenya Rural Roads Authority
<b>KES/ Kshs</b>	Kenya Shillings
<b>KICD</b>	Kenya Institute of Curriculum Development
<b>KIP</b>	Kenya Integrity Plan
<b>KISM</b>	Kenya Institute of Supplies Management
<b>KLIF</b>	Kenya Leadership Integrity Forum
<b>KNH</b>	Kenyatta National Hospital
<b>KPA</b>	Kenya Ports Authority
<b>KPC</b>	Kenya Pipeline Corporation
<b>KRA</b>	Kenya Revenue Authority
<b>KRC</b>	Kenya Railways Corporation
<b>LIA</b>	Leadership and Integrity Act
<b>MCA</b>	Member of County Assembly
<b>MDAs</b>	Ministries, Departments and Agencies
<b>MoU</b>	Memorandum of Understanding
<b>MP</b>	Member of Parliament
<b>NCA</b>	National Construction Authority
<b>NIACA</b>	National Integrity Academy
<b>NIB</b>	National Irrigation Board
<b>NHIF</b>	National Hospital Insurance Fund
<b>NLC</b>	National Land Commission
<b>NYS</b>	National Youth Service
<b>ODPP</b>	Office of the Director of Public Prosecutions
<b>PC</b>	Performance Contracting
<b>PFMA</b>	Public Finance Management Act
<b>POEA</b>	Public Officer Ethics Act
<b>PPADA</b>	Public Procurement and Asset Disposal Act
<b>PSPMMU</b>	Public Service Performance Management and Monitoring Unit
<b>SACCO</b>	Savings and Credit Cooperative Organization
<b>TVET</b>	Technical and Vocational Education and Training
<b>UNDP</b>	United Nations Development Programme



## MISSION STATEMENT

### VISION

An integrity driven Kenyan Society

### MISSION

To promote integrity and combat corruption through law enforcement, prevention and education

### MANDATE

To combat and prevent corruption and economic crime in Kenya through law enforcement, prevention, public education and promotion of standards and practices of integrity, ethics and anti-corruption

### CORE VALUES

Integrity

Professionalism

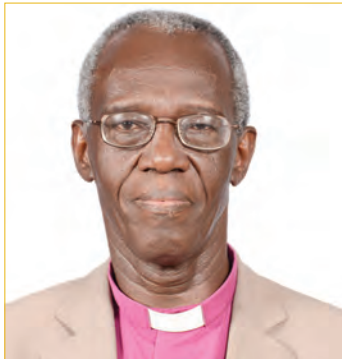
Fidelity to the Law

Courage

Teamwork

Innovation

## MEMBERS OF THE ETHICS AND ANTI-CORRUPTION COMMISSION



*Archbishop (Rtd) Eliud Wabukala, EBS*  
**Chairperson**



*Sophia Lepuchirit, EBS*  
**Vice-Chairperson**



*Dr. Dabar Abdi Maalim*  
**Commissioner**



*Rose Mghoi Mtambo Macharia*  
**Commissioner**



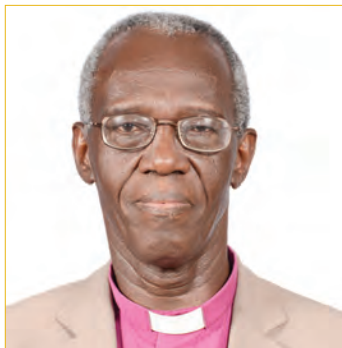
*Paul Gachoka Mwaniki, EBS*  
**Commissioner**



*Twalib Mbarak, CBS*  
**Secretary/Chief Executive Officer**



## MESSAGE FROM THE CHAIRPERSON



The Ethics and Anti-Corruption Commission is a constitutional body established pursuant to Article 79 of the Constitution of Kenya, 2010 and the EACC Act, 2011. The Commission is mandated to combat and prevent corruption through law enforcement, prevention, public education and awareness and promotion of standards and practices of ethics and anti-corruption.

The Commission continues to rationalize its strategies to the international and national development priorities as set out in the Kenya Vision 2030, Medium Term Plan III 2018-2022 and the Big 4 Agenda among other blue prints. The current strategic focus of the Commission places emphasis on high impact investigations, asset recovery, corruption prevention and partnership approach.

Throughout the year under review, the Commission made concerted efforts to expedite investigations into allegations of corruption, economic crimes and unethical conduct, especially those that were of high impact and of great public interest. The Commission also undertook preventive initiatives, such as systems reviews, public education and promotion of best practices in ethics and integrity.

The Commission is committed to implementing national and international instruments of governance. To this end, the Commission collaborated with the Office of the Attorney General and Department of Justice, Parliament, and other key stakeholders in the formulation, development and reform of legislation related to corruption, economic crimes and unethical conduct. The development of legal instruments such as the Conflict of Interest Bill, 2020; the Lifestyle Audit Bill, 2019; Bribery Regulations; and Bribery Guidelines were some of the efforts aimed at strengthening the anti-corruption discourse.

Further, the Commission partnered with national, regional and international partners in building capacity and instituting mechanisms to fight corruption and unethical conduct. During the review period, the Commission actively engaged with the National Council on Administration of Justice, Multi-Agency Team (MAT) and Kenya Leadership Integrity Forum to develop policy and strategic interventions to strengthen anti-corruption policy framework and enhance cooperation among stakeholders.



On the international front, the Commission collaborated with various agencies including the Turkish Cooperation and Coordination Agency, the Embassy of Switzerland in Kenya, Bureau of International Narcotics and Law Enforcement Affairs at the US Embassy Nairobi, and United Nations Development Programme to strengthen capacity in the fight against corruption and recovery of illicitly acquired assets. The Commission hosted senior officials from the Agency for Preventing and Combating Corruption from the Democratic Republic of Congo to share experience, challenges and insights of establishing an anti-corruption authority.

I register my appreciation for your unrelenting support in the fight against corruption, and look forward to continue to engage with all partners, stakeholders, and Kenyans of goodwill in our efforts to realize a corruption free society.

God bless Kenya, God bless EACC.

**Archbishop (Rtd) Dr. Eliud Wabukala, EBS**

**CHAIRPERSON**





## MESSAGE FROM THE SECRETARY/CHIEF EXECUTIVE OFFICER



The Ethics and Anti-Corruption Commission presents this Annual Report for the Financial Year 2020-21, pursuant to Section 27 of the Ethics and Anti-Corruption Commission Act, 2011 and Section 45 of the Leadership and Integrity Act, 2012. The Annual Report includes a description of activities and Financial Statements of the Commission.

During the period under review, the Commission pursuant to its law enforcement mandate, finalized and forwarded 104 investigation files on corruption and economic crimes to the Director of Public Prosecutions for review. The Commission further undertook and finalized 83 investigations with various recommendations on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012. In the same period, illegally acquired and unexplained assets with an estimated value of KES 5 billion were traced, while assets with an approximated value of KES 6.2 billion were recovered. There were 19 applications filed in various Courts to preserve assets valued at approximately KES 500 million. The Commission also conducted proactive investigations which averted a possible loss of public funds estimated at KES 6 billion.

In the implementation of its preventive mandate, the Commission undertook systems reviews and finalized 11 examinations reports; 4 Reports on Corruption Risk Assessments; provided advisories on the Public Service Performance Contracting Framework, on Prevention of Corruption and Bribery under the Bribery Act, 2016. Further, the Commission developed 3 Corruption Prevention Guidelines; and monitored the implementation of system review recommendations and advisories in various institutions.

In its endeavour to raise public awareness, foster public support and build capacity of various sectors in the fight against corruption, the Commission implemented public outreach programmes reaching 3,220 participants; conducted 44 targeted Civil Society engagements with 501,907 participants; and undertook media education programmes in 71 radio stations, 26 television stations and featured 58 print media articles. In addition, the Commission trained 950 members of Corruption Prevention Committees from 60 institutions; conducted media education programmes for 15,652 learners in 231 institutions of learning. The Commission also conducted 91 general sensitization sessions reaching 4,320 participants and trained 500 Integrity Assurance Officers from 23 institutions.



The Commission pursuant to its mandate to promote ethical standards and practices as provided under Chapter Six of the Constitution and related laws, approved 7 Leadership and Integrity Codes for public entities with State Officers, coordinated the signing of the Leadership and Integrity Codes for 52 State Officers upon appointment and assuming office, and approved 322 applications to open and operate bank accounts outside Kenya.

During the period under review, the Commission faced a number of challenges that hampered effective implementation of its mandate key among them, the COVID-19 Pandemic which slowed down its activities. Other challenges included: delays in responses to international requests to support investigation, slow judicial processes, weak legal framework in implementation of Chapter Six of the Constitution and lack of a legal mechanism to ensure implementation of system review recommendations.

In spite of the challenges, the Commission remains steadfast in undertaking its mandate and in ensuring that timely action is taken on those found in violation of anti-graft laws or in breach of ethical codes.

I call upon every Kenyan to join the Commission in combating corruption and promotion of ethical standards and practices.

**Twalib Mbarak, CBS**

**SECRETARY/ CHIEF EXECUTIVE OFFICER**

# CHAPTER I

## BACKGROUND

### 1.1 Introduction

The Ethics and Anti-Corruption Commission (EACC) is a statutory body established under the Ethics and Anti-Corruption Commission Act, No. 22 of 2011 (EACCA, 2011) pursuant to Article 79 of the Constitution. This Annual Report is prepared pursuant to the provisions of Article 254 (1) of the Constitution, Section 27 of the EACCA, 2011 and Section 45(1) of the Leadership and Integrity Act, No. 19 of 2012 (LIA, 2012). The Financial Year 2020/21 Report provides details of activities undertaken and achievements realized; information relevant to the enforcement of and compliance with the provisions of LIA; requisite statistical information; challenges encountered and audited financial statements of the Commission.

### 1.2 Mandate and Functions of the Commission

The Commission is mandated to combat and prevent corruption, economic crimes and unethical conduct through law enforcement, prevention, public education and promotion of ethical standards and practices. The mandate is derived from Article 79 and 252 of the Constitution; the EACC Act, No. 22 of 2011; the LIA, No. 19 of 2012; the Public Officer Ethics Act, No 4 of 2003 (POEA, 2003); the Anti-Corruption and Economic Crimes Act, No. 3 of 2003 (ACECA, 2003); and the Bribery Act, No. 47 of 2016 among other relevant laws.

Functions of the Commission:

- a) Develop codes of ethics and promote standards and best practices in integrity and anti-corruption for State and Public offices;
- b) Investigate and recommend to the Director of Public Prosecutions the prosecution of any acts of corruption, bribery, economic crimes or violation of codes of ethics;
- c) Oversee the enforcement of codes of ethics and recommend appropriate action to be taken against State officers or Public Officers alleged to have engaged in unethical conduct;
- d) Advise, on its own initiative, any person on any matter within its functions;
- e) Raise public awareness on ethical issues and educate the public on the dangers of corruption and enlist and foster public support in combating corruption;



- f) Monitor the practices and procedures of public bodies to detect corrupt practices and to secure the revision of methods of work or procedures that may be conducive to corrupt practices; and
- g) Institute and conduct proceedings in court for purposes of the recovery or protection of public property, or for the freeze or confiscation of proceeds of corruption or related to corruption, or the payment of compensation, or other punitive and disciplinary measures.



*The Ethics and Anti-Corruption Commission Secretary/Chief Executive Officer, Mr. Twalib Mbarak, CBS, at the National Defence College during training on the Role of Ethics in Leadership.*

The subsequent chapters of the Report are organized as follows: Chapter Two focuses on Law Enforcement; Chapter Three deals with Prevention and Public Awareness; Chapter Four covers Partnerships while Chapter Five and Six present audited Financial Statements of the Commission.

## CHAPTER 2

### LAW ENFORCEMENT

#### 2.1 Introduction

This Chapter highlights achievements of the Commission under its enforcement mandate. The achievements are presented under various sections namely: reports received and processed, investigations, disruption of corruption and recovery of unlawfully acquired and unexplained assets.

#### 2.2 Reports Received and Processed

The Commission received and processed a total of 4,894 reports during Financial Year 2020/2021 out of which 2,029 reports were within the Commission's mandate to investigate.

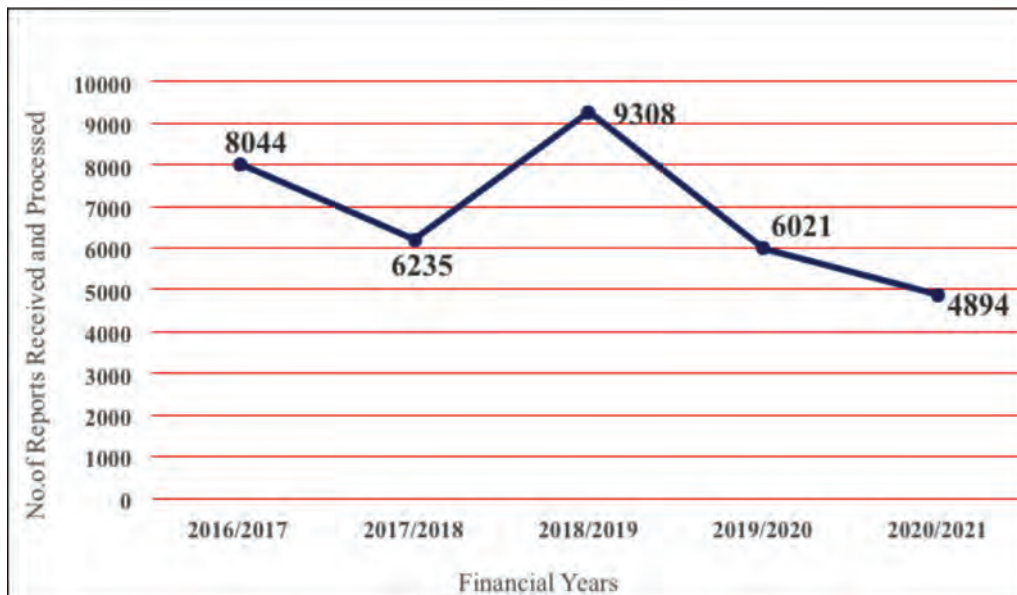


Figure 2. 1: Trend of reports received and processed

The 4,894 reports received were processed as illustrated in Table 2.1.

**Table 2. 1: Action taken on reports received**

Action Taken	No. of Reports
Reports relevant to Commission mandate	2,029
Complainants advised on where to report	1,620
Reports referred to other agencies	397
Complainants requested to provide additional information	79
Closed / No Further Action	769
<b>Total No. of Reports</b>	<b>4,894</b>



*Ethics and Anti-Corruption Commission Chairperson, Rtd. Archbishop Eliud Wabukala, EBS, during a function organized by the Council of Governors.*

### **2.2.1 Reports Relevant to Commission Mandate**

Out of 4,894 reports received, 2,029 were relevant to the Commission's mandate representing 41.5 percent. Figure 2.2 illustrates the trend of reports relevant to the Commission mandate



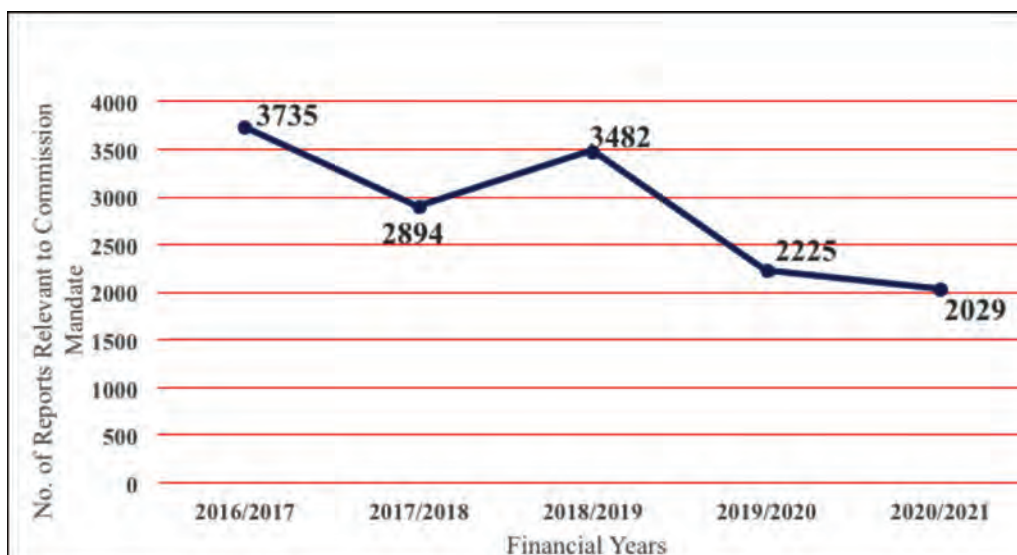


Figure 2. 2: Number of reports relevant to the Commission mandate

Out of 2,029 reports recommended for investigation; 31 percent related to bribery, 21 percent to embezzlement of public funds, 11 percent to public procurement irregularities, 10 percent unethical conduct and nine percent to fraudulent acquisition and disposal of public property as shown in Figure 2.3.

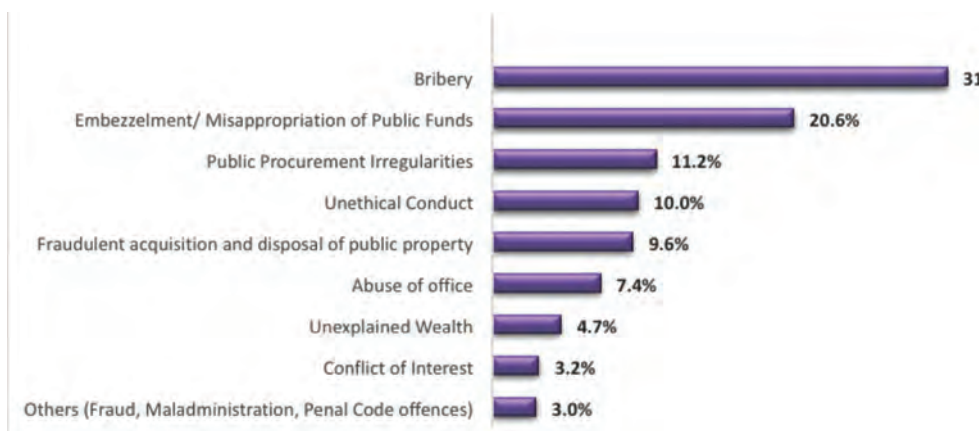


Figure 2. 3: Nature of reports received

## 2.3 Status of Investigations

This section highlights cases under investigation, investigatory applications in courts and completed investigations during the reporting period.

### 2.3.1 Cases under Investigation

During the reporting period, a total of 529 cases were under investigation out of which 190 were related to ethical breaches as shown in Table 2.2.

**Table 2. 2: Highlights of cases under investigation.**

	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount(KES)</b>
1.	EACC/PI/INQ/17/2020	Inquiry into allegations of procurement irregularities and bribery in the award of tender for the supply of agricultural equipment to Contractus, a company registered in Poland	Ministry of Agriculture, Livestock and Fisheries	10,000,000,000
2.	EACC/MLD/FI/INQ/4/2021	Inquiry into allegations of irregular payments in the acquisition of Kenya Utalii College, Coast Branch	Kenya Tourism Fund	8,500,000,000
3.	EACC/FI/INQ/ 54/2019	Inquiry into allegations of irregular variation of a contract for supply of medical equipment in a contract awarded to Philips Medical Systems Nederland BV in the year 2014	Ministry of Health	4,500,000,000
4.	EACC/NKR/FI/INQ/12/2018	Inquiry into allegations of fraudulent acquisition of public property Naivasha Municipality Block 5/285,287,288,289,290 and 291 measuring approx. 400 acres reserved for research purposes.	Kenya Agricultural and Livestock Research Organization	4,000,000,000
5.	EACC/ELD/FI/INQ/3/2020	Inquiry into allegations of embezzlement of public funds meant for the Sabor-Iten/Tambach Water Supply Project.	County Government of Elgeyo Marakwet	2,000,000,000
6.	EACC/ELD/FI/INQ/06/2021	Inquiry into allegations of embezzlement of public funds reflected in the financial statements for FY 2018/19 as own-generated revenue.	County Government of Elgeyo Marakwet	2,000,000,000
7.	EACC/FI/INQ/01/2020	Inquiry into allegations of corruption and procurement irregularities in a tender for provision of staff medical cover awarded to AAR Insurance Kenya Ltd during the FY 2017/2018.	Nairobi City County Government	1,725,488,939
8.	EACC/MSA/PI/INQ/05/2020	Inquiry into allegations of irregular acquisition of public land within Kaya Tiwi Forest.	County Government of Kwale	1,500,000,000





	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount(KES)</b>
9.	EACC/ ELD/FI/ INQ/19/2020	Inquiry into allegations of procurement irregularities and exaggerated cost in the tender for the extension of Trans Nzoia County Teaching & Referral Hospital.	County Government of Trans Nzoia	1,400,000,000
10.	EACC/MSA/ AT/06/2019	Inquiry into allegations of alienation of public property belonging to Nyali Primary School.	Private persons	1,400,000,000
11.	EACC/ ELD/FI/ INQ/03/2019	Inquiry into allegations of procurement irregularities and inflation of price in the acquisition of land and premises by Turkana University from Mt. Kenya University.	Turkana University	1,200,000,000
12.	EACC/NKR/ AT/03/2021	Inquiry into allegations of unexplained wealth and procurement irregularities against an employee of Kenya Rural Roads Authority (KeRRA).	KeRRA	1,167,000,000
13.	EACC/FI/ INQ/14/2021	Inquiry into allegations of embezzlement of public funds and conflict of interest against the former Governor of Wajir County and associates between August, 2016 and December, 2020.	County Government of Wajir	1,162,151,297
14.	EACC/FI/ INQ/52/2019	Inquiry into allegations of procurement irregularities in a tender for construction of Dandora Stadium awarded in the FY 2017/2018.	Nairobi City County Government	1,000,300,000
15.	EACC/ ELD/FI/ INQ/03/2021	Inquiry into allegations of procurement irregularities in a tender for construction of Kitale Business Complex awarded in the FY 2018/2019.	County Government of Trans-Nzoia	800,000,000
16.	EACC/FI/ INQ/10/2020	Inquiry into allegations of procurement irregularities in the tender for provision of On-Site Support for IFMIS application during the FY 2019/2020.	National Treasury and Planning	600,000,000
17.	EACC/ KSM/PI/ INQ/03/2021	Inquiry into allegations of procurement irregularities and embezzlement of public funds through Lake Front Development Authority, Africities Programme and Emergency Fund Programme.	County Government of Kisumu	600,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount(KES)</b>
18.	EACC/FI/INQ/45/2019	Inquiry into allegations of procurement irregularities in a tender for supply and delivery of maintenance spares for air conditioning units at Herufi and Treasury Data Centres during the FY 2015-2016.	National Treasury and Planning	504,710,200
19.	EACC/PI/INQ/283/2016	Inquiry into allegation of irregular award of tender for media agency services in the FY 2015/2016.	Kenya Power and Lighting Company (KPLC)	486,000,000
20.	EACC/PI/INQ/66/2018	Inquiry into allegations of irregular payments for goods not delivered to prisons within Nairobi.	State Department of Correctional Services	474,000,000
21.	EACC/FI/INQ/7/2020	Inquiry into allegations of irregular payment of legal fees to private law firms at exaggerated rates.	Nairobi City County Government	445,000,000
22.	EACC/FI/INQ/16/2020	Inquiry into allegations of procurement irregularities and conflict of interest in award of media publicity tenders in the FYs 2014/2015 & 2015/2016	County Government of Murang'a	400,000,000
23.	EACC/BGM/PI/INQ/3a/2019	Inquiry into allegations of irregular payments and embezzlement of public funds in the tender for procurement of Bungoma County Revenue Management System in the FY 2013/2014.	County Government of Bungoma	360,000,000
24.	EACC/MSA/FI/INQ/08/2020	Inquiry into allegations of irregular award of tender for excavation and concrete works in the FY 2015/2016.	Kenya Ports Authority	340,118,613
25.	EACC/NKR/PI/INQ/02/2021	Inquiry into allegations of procurement irregularities in the rehabilitation and extension of Kipkobob Water Project in the FY 2019/2020.	County Government of Kericho	320,000,000
26.	EACC/MSA/FI/INQ/09/2020	Inquiry into allegation of irregular award of tender for biennial maintenance of roads and hardstarting.	Kenya Ports Authority	275,740,445
27.	EACC/NKR/AT/INQ/3/2020	Inquiry into allegations of fraudulent transfer of Land Parcel No LR 7281/3 measuring 939 acres in Naivasha.	Agricultural Development Corporation	275,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount(KES)</b>
28.	EACC/PI/INQ/7/2021	Inquiry into allegations of irregular payments for food and non-food items not delivered to vulnerable families during the COVID-19 pandemic period.	Nairobi City County Government	267,569,031
29.	EACC/PI/INQ/33/2020	Inquiry into allegations of procurement irregularities in the award of tender for proposed construction of Naku'etum Peace Dam in Turkana County.	National Water Harvesting & Storage Authority	231,000,000
30.	EACC/NKR/AT/04/2021	Inquiry into allegation of fraudulent transfer of land Parcel No. 7265 measuring 642 acres in Naivasha.	Agricultural Development Corporation	183,000,000
31.	EACC/MLD/FI/INQ/2/2019	Inquiry into allegations of irregular award of tender to AAR Insurance during the FY 2018/2019.	County Government of Kilifi	180,000,000
32.	EACC/NKR/FI/INQ/1/2019	Inquiry into allegations of procurement irregularities in World Bank funded projects namely: Bomet Market Cabro Works and Market Stalls and other projects during the FY 2018/2019.	County Government of Bomet	168,000,000
33.	EACC/FI/INQ/18/2020	Inquiry into allegations of procurement irregularities and collusion to defraud in a tender for printing, packaging and distribution of books to schools in the FY 2017/2018.	Kenya Literature Bureau	166,128,132
34.	EACC/ISL/FI/INQ/13/2020	Inquiry into allegations of irregular pending bills paid between FY 2018/19 and FY 2020/21 for goods not delivered.	County Government of Isiolo	163,377,754
35.	EACC/NYR/FI/INQ/03/2020	Inquiry into allegations of conflict of interest against County Executive Officers in the award of various tenders.	County Government of Kirinyaga	157,000,000
36.	EACC/FI/INQ/07/2021	Inquiry into allegations of corruption and procurement irregularities in a tender for provision of staff medical cover without adequate budgetary provision in the FY 2020/2021.	Kenya Medical Research Institute	157,000,000



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount(KES)</b>
37.	EACC/ISL/FI/INQ/4/2020	Inquiry into allegations of procurement irregularities and embezzlement of public funds in a tender for construction of Kingirwa Irrigation Water Project.	Ministry of Water, Sanitation and Irrigation	152,000,000
38.	EACC/NKR/FI/INQ/2/2020	Inquiry into allegations of procurement irregularities and abuse of office at Nakuru County Referral Hospital in the award of various tenders between FY 2016/2017 and 2019/2020.	Nakuru County Referral Hospital	150,000,000
39.	EACC/MLD/FI/INQ/19/2019	Inquiry into allegations of embezzlement of public funds in the acquisition of land for construction of the Speaker's Residence.	County Assembly of Lamu	119,427,000
40.	EACC/ISL/FI/INQ/5/2021	Inquiry into allegations of irregular payments made to a company associated with an MCA between 2018 and 2021.	County Government of Marsabit	115,000,000
41.	EACC/ELD/AT/INQ/03/2020	Inquiry into allegations of fraudulent acquisition of public land belonging to a public school by private persons.	Kitale School	100,000,000
42.	EACC/PI/INQ/3/2019	Inquiry into allegations of irregular award of contract to host the 2017 Destination Expo during the FY 2016/2017.	Ministry of Tourism and Wildlife	100,000,000
43.	EACC/PI/INQ/39/2018	Inquiry into allegations of irregularities in procurement of a subcontractor in the construction of Awagdera Water Pan.	National Irrigation Board	99,000,000
44.	EACC/NKR/EL/INQ/02/2020	Inquiry into allegations of procurement irregularities and conflict of interest in the award of tenders to nine companies associated with County employees.	County Government of Baringo	98,960,378
45.	EACC/KSM/PI/INQ/04/2021	Inquiry into allegations of procurement irregularities in the award of a tender for the construction of a mortuary.	County Government of Vihiga	96,593,784
46.	EACC/KSI/FI/INQ/5/2020	Inquiry into allegations of irregular payment of salaries to ghost workers.	County Government of Homa Bay	89,043,449.70



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution</b>	<b>Amount(KES)</b>
47.	EACC/ NYR/FI/ INQ/04/2021	Inquiry into allegations of corruption against the County Assembly and County Executive Members in making irregular payments disguised as pending bills for survey of New-South Ngariama Settlement Scheme in 2006.	County Government of Kirinyaga	74,000,000
48.	EACC/PI/ INQ/10/2021	Inquiry into allegations of irregular excision and allocation of land in Embakasi by officers of Nairobi City County Government.	Kenya Defence Forces	61,000,000
49.	EACC/ MCKS/FI/ INQ/26/2019	Inquiry into allegations of procurement irregularities in the supply of 10 digital and mobile X-Ray machines.	County Government of Kitui	54,000,000
50.	EACC/ MSA/FI/ INQ/9/2017	Inquiry into allegations of irregular award of a contract for supply of spare parts in the FY 2015/2016.	Kenya Ferry Services Limited	49,949,221.06
51.	EACC/ MLD/FI/ INQ/29/2020	Inquiry into allegations of irregular award and misappropriation of public funds in the tender for installation of chain link, sentry block and a gate at National Youth Service (NYS)-Bura during the FY 2019/2020.	National Youth Service	44,546,550
52.	EACC/ KSM/EL/ INQ/06/2020	Inquiry into allegations of irregular employment of workers.	County Government of Vihiga	30,000,000
53.	EACC/PI/ INQ/8/2021	Inquiry into allegations of irregular excision and subsequent subdivision of land L.R. No. 209/8600 in Mathari, Nairobi measuring 32.65 Ha belonging to the National Police Service(NPS) into 41 parcels of land	National Police Service	Not valued

### 2.3.2 Investigatory Applications

The Commission filed applications and obtained 928 warrants to inspect or search bank accounts, premises, vessels and vehicles in respect of persons or associates suspected of engaging in corruption, economic crimes or related offences.

### 2.3.3 Completed Investigations on Corruption, Economic Crime and Ethical Breaches

The Commission completed 104 investigation files on corruption and economic crimes which were forwarded to the Director of Public Prosecutions (DPP) for review and recommendation. In addition, the Commission completed 83 investigations on violations of Chapter Six of the Constitution and Leadership and Integrity Act, 2012. Some of the completed cases are highlighted in Table 2.3.

**Table 2.3: Highlights of Completed Investigations**

	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution/ Individual</b>	<b>Amount(KES)</b>
1.	EACC/AT/ INQ/26/2020	Inquiry into allegations of irregular procurement and fraudulent payments in relation to the purchase and supply of COVID-19 emergency commodities.	Kenya Medical Supplies Authority (KEMSA)	7,800,000,000
2.	EACC/FI/ INQ/77/2015	Inquiry into allegations that the National Treasury committed the government to sign a recapitalization and restructuring agreement in regard to Telkom Kenya Limited without making sure that there was adequate budgetary provision.	The National Treasury and Planning	2,400,000,000
3.	EACC/NKR/FI/ INQ/15/2019	Inquiry into allegations of conflict of interest, embezzlement of funds, money laundering and acquisition of public property against a former KeRRA employee.	Kenya Rural Roads Authority	2,300,000,000
4.	EACC/FI/ INQ/10/2021	Inquiry into allegations of irregular procurement of an ultra-modern fish hub at Liwatoni Fisheries Complex in Mombasa County through Tender No. MOALF&C/ SDFA&BE/07/2020-2021.	Ministry of Agriculture, Livestock, Fisheries and Co-operatives	2,000,000,000
5.	EACC/FI/ INQ/74/2017	Inquiry into allegations of gross misappropriation of public funds by the Governor of Migori County through his designated proxies and employees of the county government.	County Government of Migori	1,293,003,349



	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution/ Individual</b>	<b>Amount(KES)</b>
6.	EACC/PI/ INQ/42/2020	Inquiry into allegations of procurement irregularities and price exaggeration in the award of tender for supply of motor vehicles and motor cycles.	County Government of Tana River	248,800,000
7.	EACC/AT/ INQ/2/2020	Inquiry into allegations of mismanagement of public funds allocated as a conditional grant for the Kenya Urban Support Programme.	County Government of Garissa	233,506,000
8.	EACC/KSM/ FI/INQ/18/2015	Inquiry into allegations of irregular purchase of 32 acres of land for the construction of governor's official residence.	County Government of Bungoma	163,200,000
9.	EACC/NKR/FI/ INQ/24/2018	Inquiry into allegations of procurement irregularities in the award of tender for rehabilitation and upgrading of Kerenga Airstrip.	County Government of Kericho	100,000,000
10.	EACC/GSA/ FI/20/2015	Inquiry into allegations of misappropriation of public funds by county officials in inflating the cost of training county enforcement officers from KES 20 million to KES 75 million.	County Government of Mandera	75,000,000
11.	EACC/FI/ INQ/64/2017	Inquiry into allegations of irregular procurement and bribery in the award of a security contract in the FY 2016/2017 and 2017/2018.	The Judiciary	60,000,000
12.	EACC/PI/ INQ/25/2020	Inquiry into allegations of procurement irregularities and embezzlement of funds in tender for acquisition of a fire engine.	County Government of Isiolo	58,560,000
13.	EACC/MSA/ FI/INQ/18/2017	Inquiry into allegations of conflict of interest involving a senior clerical officer alleged to have influenced the award of tender to a business entity associated with him.	Kenya Ports Authority	40,000,000
14.	EACC/KSI/FI/ INQ/9/2017	Inquiry into allegations of payroll fraud against county employees.	County Government of Homa Bay	38,198,530
15.	EACC/MSA/ FI/INQ/5/2019	Inquiry into allegations of irregular excision of a public access road- Kwale Diani/Beach Block/1072 by a private company.	National Land Commission	30,000,000





	<b>Inquiry Number</b>	<b>Nature of Allegation</b>	<b>Institution/ Individual</b>	<b>Amount(KES)</b>
16.	EACC/MLD/ FI/INQ/03/2016	Inquiry into allegations of fictitious payments in three instalments of KES 8,820,000 to Mediscope Agencies.	County Government of Kilifi	26,460,000
17.	EACC/FI/ INQ/40/2018	Inquiry into allegations of embezzlement of funds and conflict of interest between April 2013 and August 2017.	County Government of Nandi	24,124,688
18.	EACC/ELD/FI/ INQ/13/2019	Inquiry into the allegations of irregular award of tender for supply of a fire engine which was never delivered.	County Government of Turkana	20,000,000
19.	EACC/MLD/ FI/INQ/06/2016	Inquiry into allegations of irregular award of tender for construction of Nagele Auction Yard.	County Government of Lamu	15,000,000
20.	EACC/FI/ INQ/62/2017	Inquiry into allegations of irregular award of tender for partitioning of office space at Karen Office Park.	Council of Legal Education	14,000,000
21.	EACC/NYR/FI/ INQ/48/2018	Inquiry into allegations of irregular payment to suppliers for provision of services for an investors' conference that did not take place.	County Government of Nyandarua	13,000,000
22.	EACC/ELD/FI/ INQ/41/2017	Inquiry into allegations of illegal withdrawals of funds from Chebororwa Agricultural Training Centre bank account by staff of Department of Agriculture between February and July 2017.	County Government of Uasin Gishu	11,000,000
23.	EACC/ELD/FI/ INQ/08/2017	Inquiry into allegations of embezzlement of funds for construction and spot improvement of Kolong Bridge-Kipkisengin Road yet works were not done.	County Government of Nandi	4,200,000
24.	EACC/OPS/ INQ/46/2020	Inquiry into allegations that a manager at the AFC demanded for a financial advantage from a loan beneficiary so as to facilitate waiver of a loan.	Agricultural Finance Corporation	3,500,000





	Inquiry Number	Nature of Allegation	Institution/ Individual	Amount(KES)
25.	EACC/MLD/OPS/INQ/12/2018	Inquiry into allegations that a Directorate of Criminal Investigations Officer demanded for a financial advantage from the MCA Kakuyuni Ward in order to exonerate him from culpability in a murder case.	Directorate of Criminal Investigations	2,000,000
26.	EACC/OPS/INQ/116/2020	Inquiry into allegations that the former Director General of EPRA demanded for a financial advantage to facilitate the reopening of a petrol station.	Energy and Petroleum Regulatory Authority	500,000
27.	EACC/KSI/EL/INQ/8/2017	Inquiry into allegations of irregular recruitment of staff and misuse of county vehicle against the county clerk.	County Assembly of Nyamira	N/A
28.	EACC/ISL/EL/INQ/23/2017	Inquiry into allegations that the County Executive Committee Member for Youth and Sports forged a degree certificate from the University of Nairobi.	County Government of Meru	N/A
29.	EACC/MSA/EL/INQ/11/2019	Inquiry into allegations of conflict of interest against former Kwale County Executive Committee Member for Tourism in award of tenders to companies associated with him.	County Government of Kwale	N/A
30.	EACC/NYR/EL/INQ/45/2018	Inquiry into allegations of irregular promotion of officers against the Vice Chancellor.	Kirinyaga University	N/A

## 2.4 Proactive Investigations

The Commission undertakes proactive measures to forestall possible loss of public resources. The status of proactive investigations conducted during the reporting period is detailed in this section.

### 2.4.1 Disruption of Corruption

During the reporting period, the Commission carried out 17 proactive investigations which resulted in averting possible loss of public funds of approximately **KES 6,000,000,000** as indicated in Table 2.4.

**Table 2. 4: Highlights of Cases where Loss was averted through Disruption.**

	Description	Institution	Action Taken	Value of Loss Averted (KES)
1.	Inquiry into allegations of fraudulent compensation for land and other properties in the construction of the Nairobi-Mombasa Carriageway at the Athi River-Machakos turnoff.	National Land Commission and re-evaluation undertaken	Payments stopped	3,400,000,000
2.	Inquiry into allegations of irregular procurement of an ultra-modern fish hub at Liwatoni Fisheries Complex in Mombasa County through Tender No. MOALF&C/SDFA&BE/07/2020-2021.	Ministry of Agriculture, Livestock, Fisheries and Co-operatives	Contract cancelled	2,200,000,000
3.	Inquiry into allegations of irregular procurement in a non-responsive tender for supply, delivery, installation, testing and commissioning of street solar lighting.	County Government of Wajir	Tender cancelled	80,000,000
4.	Inquiry into alleged conflict of interest and embezzlement of public funds against Nyandarua County Executive to Catapult Branding Ltd for branding services.	Nyandarua County Executive	Payments stopped	55,000,000
5.	Inquiry into allegations of corruption against the County Assembly and County Executive Members in making irregular payments disguised as pending bills for survey of New-South Ngariama Settlement Scheme in 2006	County Government of Kirinyaga	Intended payment suspended	52,800,000
6.	Inquiry into allegations of irregular award of contracts for issuance of medical insurance covers awarded to Paladin Brokers in the FY 2020-2021	County Government of Turkana	Contract cancelled	50,000,000
7.	Inquiry into allegations of procurement irregularities for the provision of Comprehensive Medical Insurance Scheme for County Government of Bomet Staff Tender No. CGB/MS/002/2020/2021	County Government of Bomet	Tender cancelled	40,000,000



	Description	Institution	Action Taken	Value of Loss Averted (KES)
8.	Inquiry into allegations of conflict of interest and bid rigging in a medical insurance cover awarded to AAR Insurance in the FY 2019-2020.	County Assembly of West Pokot	Process stopped	26,000,000
9.	Inquiry into allegations of irregular award of tender and payment to Fastec Supplies Ltd for the construction of a bridge at Kimama.	County Government of Bungoma	Payment stopped	18,000,000
10.	Inquiry into allegations of abuse of office and embezzlement of public funds by county executives and officials for fictitious and non-official trips.	County Government of Kirinyaga	Intended payments were stopped	5,000,000
11.	Inquiry into allegations of tax evasion by timber merchants attempting to import timber whose tax had been under declared at the Malaba Border	Saligna Investments	Taxes paid and fines imposed	5,000,000
12.	Inquiry into allegations of embezzlement of funds by Members in form of unsurrendered imprest during East Africa Local Authorities Sport and Culture Associations games in 2019 in Kampala Uganda.	County Assembly of Laikipia	Recovery instituted	3,900,000

### 2.4.2 Integrity Testing

During the review period, the Commission carried out 105 random and targeted integrity tests within public institutions including National Police Service (NPS), Kenya Revenue Authority (KRA), Nairobi City County Government, Higher Education Loans Board (HELB) among others. Out of the 105 tests, 81 failed, 15 passed and 9 were inconclusive. For the officers who failed, the Commission recommended diverse administrative action to the respective institutions.

### 2.4.3 Investigation into Allegations of Bribery

The Commission carries out bribery investigation pursuant to the Bribery Act, 2016. In the period under review 39 cases were completed out of which 22 were taken to Court, 14 closed, three referred to other institutions. In addition, 96 cases are under investigation.



*Ethics and Anti-Corruption Commission Commissioner, Mr. Mwaniki Gachoka addressing County Assembly of Muranga officials during the launch of Corruption Risk Assessment exercise.*

## 2.5 Reports to the Director of Public Prosecution

Under Section 35 of the Anti-Corruption and Economic Crimes Act No. 3 of 2003, the Commission is required to report to the Director of Public Prosecutions (DPP) the results of its investigations. In the period under review, 104 case files on corruption, economic crimes and unethical conduct were submitted to the ODPP. Out of these, the Commission recommended 70 case files for prosecution, 15 for administrative action and 19 for closure. Table 2.5 outlines the recommendations on files submitted to the ODPP.

**Table 2. 5: Reports to the DPP**

Action	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Total
No. of files recommended for prosecution	25	9	16	20	70
No. of files recommended for administrative or other action	7	1	2	5	15
No. of files recommended for closure	8	0	3	8	19
<b>TOTAL</b>					<b>104</b>



## 2.6 Cases Pending Before Court

The Commission had 332 cases on corruption, economic crime, and unethical conduct pending before court.

**Table2. 6: Highlights of cases pending before court.**

	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
1.	ACC 2/2015 Nairobi, Milimani Law Court	Deepak Chamanlal Kamani & 2 Others	Unlawful acquisition of public property contrary to Section 45(1)(a) as read with Section 48(1) of ACECA, 2003	3,736,326,664
2.	ACC 3/2010 Nairobi, Milimani Law Court	Shem Ochuodho & Others	Conspiracy to defraud contrary to Section 317 of the Penal Code	2,000,000,000
3.	ACC 15/2010 Nairobi, Milimani Law Court	Francis Moturi Zuriels & Others	Fraudulent acquisition of public property contrary to Section 45(1)(a) as read with Section 48 of ACECA, 2003  Conspiracy to defraud contrary to Section 317 of the Penal Code	1,600,000,000
4.	ACC 2/2017 Nairobi, Milimani Law Court	James Humphrey Oswago & 2 Others	Wilful failure to comply with law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	1,397,724,925
5.	ACC 19/2013 Nairobi, Milimani Law Court	Adan Katello Adano & 7 Others	Conspiracy to commit an offence of corruption contrary to Section 47A (3) as read with Section 48 of ACECA, 2003	791,000,000
6.	ACC 05/2018 Kisumu Law Court	Victoria Rotich & 7 Others	Conspiracy to commit an economic crime contrary to Section 47A as read with Section 48 of ACECA, 2003	730,000,000
7.	ACC 1/2010 Nairobi, Milimani Law Court	Davy Koech & Others	Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003	536,986,493
8.	ACC 39/2018 Nairobi, Milimani Law Court	Richard Lesiampe & 15 Others	Conspiracy to commit an economic crime contrary to Section 47A (3) as read with Section 48 of ACECA, 2003	468,000,000
9.	ACC 32/2019 Nairobi, Milimani Law Court	Mike Sonko & Others	Conflict of interest contrary to Section 42 (3) as read with Section 48 of ACECA, 2003	357,000,000



	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
10.	ACC 33/2018 Nairobi, Milimani Law Court	Mohammed Swazuri & 16 Others	Conspiracy to commit an offence of corruption contrary to Section 47A (3) as read with Section 48 of ACECA, 2003  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003  Unlawful acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 of ACECA, 2003	221,375,000
11.	ACC 13/2016 Nairobi, Milimani Law Court	Mukuria Ngamao & Another	Conspiracy to commit an offence of corruption contrary to Section 47A (3) as read with Section 48 of ACECA, 2003  Wilful failure to comply with law relating to procurement contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003.	180,900,000
12.	ACC 2/2019 Meru Law Court	Miriam Nkatha Riungu & 7 Others	Abuse of office contrary to Section 46 as read with Section 48(1) (a) of ACECA, 2003	180,421,781
13.	ACC 12/2013 Nairobi, Milimani Law Court	Richard Kerich & Others	Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003  Wilful failure to comply with law relating to procurement contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003.	116,935,500
14.	ACC 10/2016 Nairobi, Milimani Law Court	William Nyabola Okedi	Wilful failure to comply with law relating to procurement contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003.	99,000,000
15.	ACC 3/2019 Nairobi, Milimani Law Court	Moses Kasaine & 9 Others	Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003  Conflict of interest contrary to Section 42 (3) as read with Section 48 of ACECA, 2003.	84,695,996



	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
16.	ACC 4/2015 Nairobi, Milimani Law Court	Dave Mwangi & 6 Others	Conspiracy to commit an offence of corruption contrary to Section 47A (3) as read with Section 48 of ACECA, 2003.	59,688,250
17.	ACC 4/2019 Malindi Law Court	Danson Mungatana & Others	Conspiracy to commit an economic crime contrary to Section 47A(3) as read with Section 48 of ACECA, 2003.	51,569,775
18.	ACC 1/2018 Nyahururu Law Court	Daniel Waithaka Mwangi & 7 Others	Wilful failure to comply with the law relating to procurement contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.  Fraudulent acquisition of public property contrary to Section 45(1)(a) as read with Section 48 of ACECA, 2003.	50,000,000
19.	ACC 16/2013 Nairobi, Milimani Law Court	James Humphrey Oswago & Wilson Kiprotich Shollei	Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.	50,000,000
20.	ACC 35/2018 Nairobi, Milimani Law Court	James Gakuya & Others	Conflict of interest contrary to Section 42 (3) as read with Section 48 of ACECA, 2003  Wilful failure to comply with law relating to procurement contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003.	39,858,049
21.	ACC 2/2019 Malindi Law Court	Serah Musyimi & Others	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA 2003.	36,000,000
22.	ACC 37/2021 Nairobi, Milimani Law Court	Muthomi Njuki & 17 Others	Abuse of office contrary to Section 46 as read with Section 48(1) (a) of ACECA, 2003.	34,998,500





	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
23.	ACC 7/2018 Nairobi, Milimani Law Court	Michael Mwaura Kamau	Wilful failure to comply with law relating to procurement contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003.	33,303,600
24.	ACC 691/2018 Homa Bay Law Court	Otieno Bob Kephias & 6 Others	Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003  Unlawful acquisition of public property contrary to Section 45(1)(a) as read with Section 48 (1) of ACECA, 2003.	27,872,278
25.	ACC 22/2019 Nairobi, Milimani Law Court	Ferdinand Ndung'u Waititu & 12 Others	Conflict of interest contrary to Section 42 (3) as read with Section 48 of ACECA, 2003  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003	25,624,500
26.	ACC 1/2018 Kisumu Law Court	Kepha Marube & 2 Others	Wilful failure to comply with law relating to procurement contrary to Section 45(2) (b) as read with Section 48 of ACECA, 2003  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.  Forgery contrary to Section 347(a) as read with Section 349 of the Penal Code.	22,500,000
27.	ACC 1/2020 Nairobi, Milimani Law Court	Mike Sonko & Others	Conflict of interest contrary to Section 42 (3) as read with Section 48 of ACECA, 2003	20,000,000
28.	ACC 3/2009 Nairobi, Milimani Law Court	Davy Koech	Wilful failure to comply with law relating to procurement contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003	19,300,000
29.	ACC 2/2019 Eldoret Law court	Mike Parklea & 4 Others	Wilful failure to comply with law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003  Uttering a false document contrary to Section 353 as read with Section 349 of the Penal Code.	18,000,000





	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
30.	ACC 31/2019 Nairobi, Milimani Law Court	Mike Sonko & 21 Others	Conflict of interest contrary to Section 42(3) as read with Section 48 of ACECA, 2003.	14,100,000
31.	ACC 1/2017 Bungoma Law Court	Godfrey Wafula Wanyonyi & 7 Others	Wilful failure to comply with the law relating to Procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.  Conspiracy to commit an offence of corruption contrary to Section 47A (3) as read with Section 48 of ACECA, 2003.	11,000,000
32.	ACC 23/2018 Nairobi, Milimani Law Court	Sospeter Ojamoong & 8 Others	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.  Conspiracy to commit an offence of corruption contrary to Section 47A (3) as read with Section 48 of ACECA, 2003.	8,000,000
33.	ACC 2/2020 Kitui Law Court	Alex Kimanzi & 3 Others	Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	7,000,000
34.	ACC 10/2010 Nairobi, Milimani Law Court	Concelia Ondiek & 4 Others	Conspiracy to commit an offence of corruption contrary to Section 47A(3) as read with Section 48 of ACECA, 2003.	5,500,300
35.	ACC 2/2019 Garissa Law Court	Julius Too	Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.	2,300,000

	Court File No.	Accused Person(s)	Particulars of the Offence	Amount (KES)
36.	ACC 14/2016 Nairobi, Milimani Law Court	Oscar Kipchumba Sudi	Forgery contrary to Section 349 of the Penal Code  Uttering a false document contrary to Section 353 as read with Section 349 of the Penal Code  False declaration contrary to Section 11 of the Oaths and Statutory Declarations Act.	N/A
37.	CF 742/2015 Naivasha Law Court	Alfred Keter & Sunjeev Kaur Birdi	Causing disturbance/ unbecoming behaviour contrary to Section 95 (1)(b) of the Penal Code	N/A
38.	ACC 1/2019 Migori Law Court	Jane Pamela Odhiambo	Abuse of office contrary to Section 46 as read with 48 of ACECA, 2003  Giving false information to a person employed in public service contrary to Section 129A of the Penal Code.	N/A
39.	ACC 3/2019 Garissa Law Court	Abbey Mohamed	Forgery contrary to Section 349 of the Penal Code.  Uttering a false document contrary to Section 353 of the Penal Code.	N/A

## 2.7 Cases Finalized in Court

During the period under review, 26 cases on corruption, economic crime and unethical conduct were finalized in court out of which 21 were convictions, two acquittals and three withdrawals. The progress of cases before court was affected by the ruling in the Civil Appeal No. 109 of 2016 in the case of the Director of Public Prosecutions vs Tom Ojienda t/a Prof Tom Ojienda and Associates & three Others, which required the Commission to issue a mandatory notice/production notice to persons being investigated for corruption, economic crimes and related offences.

**Table 2. 7: Cases finalized in court.**

	<b>Court File No.</b>	<b>Accused and Charges</b>	<b>Amount(KES)</b>	<b>Judgement Details</b>
1.	ACC 35/2011 Nairobi, Milimani Law Court	John Moguche Zacharia Thomas Moture Oyuga Binlow Construction Ltd  Making a false document contrary to Section 345 as read with Section 247(b) and Section 349 of the Penal Code,  Uttering a false document with intent to defraud contrary to Section 353 of the Penal Code.  Attempt to commit a corruption offence contrary to Section 47A (1) as read with Section 48 of ACECA, 2003.	283,000,000	John Moguche Zacharia and Binlow Construction Ltd were convicted and sentenced to pay a fine of KES 17 million in default to serve five years' imprisonment.
2.	ACC 11/2016  Nairobi, Milimani Law Court	Duncan Kivuitu Muisyo Elizabeth Oywer  Conspiracy to commit an offence of economic crime contrary to Section 47(A)(3) as read with Section 48(1) of ACECA, 2003.  Abuse of office contrary to Section 46 as read with Section 48(1) of the ACECA, 2003.	69,957,000	Duncan Kivuitu Muisyo, convicted and sentenced to pay a fine of KES 11,530,000 in default to serve three years' imprisonment. Elizabeth Oywer convicted and sentenced to pay a fine of KES 6,930,000 in default to serve three years imprisonment.
3.	ACC 47/2018  Nairobi, Milimani Law Court	i).Daud Abdullahi Omar ii).Ahmed Sahal Omar iii). Jeff Mworja Kithinji iv). Siyad Ibrahim Ahmed Conspiracy to commit an offence of corruption contrary to Section 47A (3) as read with Section 48 of ACECA, 2003.  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.  Wilful failure to comply with the law relating to management of public property contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003.  Fraudulent acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 (1) of ACECA, 2003.	26,000,000	Daud Abdullahi Omar  convicted and sentenced to pay a fine of KES 800,000 in default to serve four years' imprisonment.  Jeff Mworja Kithinji  convicted and sentenced to pay a fine of KES 800,000 in default to serve four years' imprisonment.  Ahmed Sahal Omar  convicted and sentenced to pay a fine of KES 800,000 in default to serve four years' imprisonment.



	Court File No.	Accused and Charges	Amount(KES)	Judgement Details
4.	ACC 13/2014  Nairobi, Milimani Law Court	i). Perminus Njoroge Kamau ii). Dorothy Katunge Kisavi iii). Kepha Oseko Mareri Stealing by a person employed in the public service contrary to Section 280 of the Penal Code Fraudulent acquisition of public property c/Section 45 (1) as read with Section 48 of ACECA Conspiracy to defraud the government contrary to Section 317 of the Penal Code	17,800,000	Perminus Njoroge Kamau sentenced to serve three years' imprisonment Dorothy Katunge Kisavi sentenced to pay a fine of KES. 500,000 Kepha Oseko Mareri sentenced to serve three years imprisonment
5.	ACC 3/2018  Kisumu Law Court	i). Kepha Marube ii). Tobias Oloo iii). Zakayo Ojuok iv). Amos Onyango v). Tom Mboya vi). Collins Owino Wilful failure to comply with the law relating to procurement contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003. Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003. Forgery contrary to Section 347(a) as read with Section 349 of the Penal Code.	15,000,000	Kepha Marube convicted and sentenced to pay a fine of KES 1,000,000 in default to serve 12 months' imprisonment. Tobias Oloo convicted and sentenced to pay a fine of KES 1,000,000 in default to serve 12 months' imprisonment. Zakayo Ojuok convicted and sentenced to pay a fine of KES 1,000,000 in default to serve three years' imprisonment. Amos Onyango, Tom Mboya and Collins Owino acquitted
6.	ACC 27/2016  Nairobi, Milimani Law Court	Dennis Paul Manoti Corruptly soliciting and receiving a benefit contrary to Section 39(3)(a) as Section 48 (1) of ACECA, 2003.	6,000,000	Convicted and sentenced to pay a fine of KES 1,500,000 in default to serve four years imprisonment



	Court File No.	Accused and Charges	Amount(KES)	Judgement Details
7.	ACC 11/2010  Nairobi, Milimani Law Court	Christine Chacha  Concelia Ondiek  Conspiracy to commit an offence of economic crime contrary to Section 47(A)(3) as read with Section 48(1) of ACECA, 2003.	3,334,600	Christine Chacha convicted and sentenced to pay a fine of KES 1,000,000 in default to serve 12 months' imprisonment.  Concelia Ondiek convicted and sentenced to serve 12 months imprisonment without option of fine.
8.	ACC 1/2015  Meru Law Court	i). Martin Mwenda ii). Albert Mbabu Kinyua iii). John Gikongo iv). Henry Katiso Kawinzi v). Smith Gikunda Gituru vi). Richard Nyaiyo Ondiek vii). Ann Wangechi Mugo viii). Lee Mugendi  Conspiracy to commit an offence of economic crime contrary to Section 47(A)(3) as read with Section 48(1) of ACECA, 2003.  Wilful failure to comply with the law relating to management of public property contrary to Section 45 (2) (b) as read with Section 48 of ACECA, 2003.	2,400,000	All the accused persons convicted and sentenced to each pay a fine of KES 1,194,000 in default to serve 12 months' imprisonment.
9.	ACC 11/2019  Nairobi, Milimani Law Court	i). Joyce Nyanamba ii). Peris K. Nkonge iii). Stanely K. Kibe iv). John Omo v). Leo Kibet Boruett vii). Muthusi Mutua viii). Vincent Ikovo Ngundi ix). Jane Jeptanui Rotich x). Philip Kipkemai Kiplagat  Wilful failure to comply with the law relating to management of public property contrary to Section 45(2)(b) as read with Section 48 of ACECA, 2003.	1,927,572	Accused one to seven convicted and sentenced to pay a fine of KES 500,000 in default to serve 12 months' imprisonment.  Jane Jeptanui Rotich and Philip Kipkemai Kiplagat acquitted.



	Court File No.	Accused and Charges	Amount(KES)	Judgement Details
10.	ACC 23/2011  Nairobi, Milimani Law Court	Petty Mumbi Kinyua  Fraudulent acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 (1) of ACECA, 2003.  False accounting by public officer contrary to Section 331(1) as read with Section 331(2) of the Penal Code.	1,893,019	Convicted and sentenced to pay a fine of KES 300,000 in default to serve one-year imprisonment.
11.	ACC 36/2011  Nairobi, Milimani Law Court	Jane Wanza Mumo  Christine Chacha  Deceiving principal contrary to Section 41(2) as read with Section 48(1) of ACECA, 2003.	1,675,000	Convicted and sentenced to pay a fine of KES 324,000 in default to serve two years imprisonment.
12.	ACC 7/2019  Nairobi, Milimani Law Court	David Mberia Jared Okoth Okode Abraham Mwangi Njihia  Requesting and receiving a bribe contrary to Section 6(1) (A) as read with Section 18 of the Bribery Act No 47 of 2016.  Conspiracy to commit an offence of corruption contrary to Section 47(a) (3) as read with sec 48(1) of ACECA, 2003.  Abuse of office contrary to Section 46 as read with Section 48 of ACECA, 2003.	1,000,000	David Mberia  Convicted and sentenced to pay a fine of KES 700,000 in default to serve three years' imprisonment.  Jared Okoth Okode and Abraham Mwangi Njihia were acquitted.
13.	ACC 1/2013  Embu Law Court	Eric Otieno Oyare  Fraudulent acquisition of public property contrary to Section 45 (1) (a) as read with Section 48 (1) of ACECA, 2003.  Abuse of office contrary to Section 46 as read with Section 48 (1) of ACECA, 2003.  False accounting by public officer contrary to Section 331(1) as read with Section 331(2) of the Penal Code.	608,000	Convicted and sentenced to pay a fine of KES. 3,309, 000 in default to serve 14½ years imprisonment.



	Court File No.	Accused and Charges	Amount(KES)	Judgement Details
14.	ACC 22/2018 Nairobi, Milimani Law Court	Nelson Nickson Odaya  Corruptly receiving a bribe contrary to Section 6(1) as read with Section 18(1) & (2) of the Bribery Act, 2016.	50,000	Convicted and sentenced to pay a fine of KES 350,000 in default to serve one- year imprisonment.
15.	ACC 15/2017 Nairobi, Milimani Law Court	Henry Ngugi Njeru alias Patrick Henry Ngugi  Corruptly soliciting and receiving a benefit contrary to Section 39(3)(a) as read with Section 48 (1) of ACECA, 2003.	50,000	Convicted and sentenced to pay a fine of KES 500,000 in default to serve one- year imprisonment.
16.	ACC 1/2015 Nairobi, Milimani Law Courts	Andrew Odira Muonya  Corruptly soliciting and receiving a benefit contrary to Section 39(3)(a) as read with Section 48 (1) of ACECA, 2003	25,000	Convicted and sentenced to pay a fine of KES 200,000 in default to serve one- year imprisonment.
17.	ACC 9/2020 Nairobi, Milimani Law Court	Francis Zakayo  Corruptly receiving a bribe contrary to Section 6(1) as read with Section 18(1)&(2) of the Bribery Act, 2016.	20,000	Convicted and sentenced to pay a fine of KES 300,000 in default to serve one- year imprisonment.
18.	ACC 4/2020 Nairobi, Milimani Law Court	Florence Wanjiku  Receiving a bribe contrary to Section 6(1) as read with Section 18(1)&(2) of the Bribery Act, 2016.	10,000	Convicted and sentenced to pay a fine of KES 600,000 in default to serve two years' imprisonment.
19.	ACC 1/2016 Kisumu Law Court	Hellen Atieno  Corruptly soliciting for a benefit contrary to Section 39(3) (a) as read with Section 48 (1) of ACECA, 2003.	10,000	Convicted and sentenced to pay a fine of KES 50,000 in default to serve six months' imprisonment.
20.	ACC 23/2019 Nairobi, Milimani Law Court	Charles Adams Otiso  Corruptly receiving a bribe contrary to Section 6(1) as read with Section 18(1) & (2) of the Bribery Act, 2016.	10,000	Convicted and sentenced to pay a fine of KES 50,000.
21.	ACC 3/2017 Kisumu Law Court	Solomon Masinde  Corruptly receiving a bribe contrary to Section 6(1) as read with Section 18(1)&(2) of the Bribery Act, 2016.	5,000	Convicted and sentenced to pay a fine of KES 20,000 in default to serve three months imprisonment.



	Court File No.	Accused and Charges	Amount(KES)	Judgement Details
22.	ACC 18/2020  Nairobi, Milimani Law Court	Sylvester Otieno Ogoye  Receiving a bribe contrary to Section 6(1) (A) as read with Section 18 of the Bribery Act No 47 of 2016.	10,000	Withdrawn under Section 87(a) of Criminal Procedure Code (CPC).
23.	ACC 24/2019  Nairobi, Milimani Law Court	i). George Ngugi ii). Muse Moses Maluki iii). Abdul Aziz Alim iv). Noah Akala Aduwo  Impersonating an investigator contrary to Section 34(1) as read with Section 34(2) of ACECA.  Attempt to extort by threats, contrary to Section 300(1) (a) of the Penal Code.  Conspiracy to commit a felony contrary to Section 393 of the Penal Code.	100,000,000	Withdrawn under Section 87(a) of CPC.
24.	ACC 8/2018  Meru Law Court	Godana Doyo Maurice Ogolla Ibrahim Wako  Abuse of office contrary to Section 46 as read with Section 48 (1) of ACECA, 2003.	N/A	Withdrawn under Section 87(a) of CPC.
25.	ACCC 2/2018  Nairobi, Milimani Law Court	Kennedy Gishore Makoli  Corruptly soliciting and receiving a benefit contrary to Section 39(3)(a) as read with Section 48 (1) of ACECA, 2003.	6,000	Acquitted under Section 210 of CPC.
26.	ACC 14/2019  Nairobi, Milimani Law Court	Moses Ngatia  Christopher Naibei  Dealing with suspect property contrary to Section 47(1)(a) as read with Section 47(2) and Section 48 (1) of ACECA, 2003.	5,000	Acquitted under Section 215 of CPC.





## 2.8 Illegally Acquired and Unexplained Assets Traced

The Commission completed 23 asset tracing inquiries in respect of illegally acquired and unexplained assets. The total estimated value of the assets traced was KES 5,069,000,000. Some of the assets traced are highlighted in Table 2.8.

**Table 2.8: Highlights of assets traced.**

	Nature of Allegation	Institution	Amount(KES)
1.	Inquiry into allegations of irregular acquisition of public land L.R. No. 24968/2 Karen, by Kaskazi Traders Ltd, belonging to NHIF.	National Hospital Insurance Fund	1,200,000,000
2.	Inquiry into allegations of unexplained assets against the Governor.	County Government of Samburu	576,557,910
3.	Inquiry into allegations of fraudulent acquisition and irregular payment to Top Image Limited and other entities associated with the Governor.	County Government of Murang'a	542,610,615
4.	Inquiry into allegations of fraudulent acquisition and irregular allocation of alienated Land in Kisumu Municipality Block 7/530.	Kenya Railways Corporation	410,000,000
5.	Inquiry into allegations of irregular acquisition of fish landing sites in prime areas along the Indian Ocean coastline by unscrupulous individuals	Ministry of Agriculture, Livestock & Fisheries	380,000,000
6.	Inquiry into allegations of irregular acquisition of public land L.R. No. 209/14059 measuring 3.08 hectares, belonging to Embakasi Girls Secondary School by Riakina Limited.	Embakasi Girls Secondary School	380,000,000
7.	Inquiry into allegations of fraudulent acquisition of part of 88 acres of Kenya Wildlife Service land in Samburu County by the Speaker of the Assembly.	Kenya Wildlife Service	380,000,000
8.	Inquiry into allegations of irregular acquisition of public land L.R. No. 209/3217 Kileleshwa by a private developer.	Ministry of Transport, Infrastructure, Housing and Urban Development	355,000,000
9.	Inquiry into allegations of procurement irregularities in the award of a tender to M/s Emad Construction Limited for the supply of motor vehicles at an exaggerated cost.	County Government of Tana River	248,800,000

	Nature of Allegation	Institution	Amount(KES)
10.	Inquiry into allegations of irregular payments made to various companies for goods not delivered and services not rendered.	Kenya School of Law	198,441,030
11.	Inquiry into allegations of procurement irregularities in relation to COVID-19 emergency supplies by M/s Angelica Medical Supplies Limited.	KEMSA	144,823,240
12.	Inquiry into allegations of fraudulent payment to Damila Enterprises, Nyangume Enterprise and Lilian Achieng Aloo for services not rendered.	County Assembly of Homa Bay	85,919,605
1.3	Inquiry into allegations of procurement irregularities in the purchase of a fire engine from Drescoll Limited.	County Government of Isiolo	58,560,000
14.	Inquiry into allegations of unexplained wealth owned by Charles Muia Mutiso, an employee of The National Treasury and Planning.	The National Treasury and Planning	46,445,701
15.	Inquiry into allegations that a private developer fraudulently acquired a government house registered as MARS/HOU/MG 14 in Marsabit Town.	County Government of Marsabit	10,000,000
16.	Inquiry into allegations that a private developer fraudulently acquired a government plot registered as MARA/MG/72 measuring 0.720 Ha.	County Government of Samburu	9, 500,000

## 2.9 Civil Proceedings

In the period under review, the Commission instituted suits for preservation and recovery of illegally acquired and unexplained assets. There were also Petitions and Judicial Review applications filed against the Commission.

### 2.9.1 Applications for Preservation of Assets

The Commission filed 19 applications for preservation of assets valued at approximately **KES 509,000,000**. Preservation and injunctive orders were granted for the applications.

**Table 2. 9: Applications for preservation of assets.**

	Asset	Recovered From	Institution Related	Value (KES)
1.	Kisumu Municipality/ Block/539	Gordon Ng'wono Olando & Judith Marilyn Okungu	Kenya Railways Corporation	50,000,000
2.	Kisumu Municipality/ Block/410	Sindo Distributors & Wilson Gachanja & Another	Kenya Railways Corporation	40,000,000
3.	Kisumu Municipality/ Block/467	David Some Barno, Esther Chebet Barno & Others	Kenya Railways Corporation	40,000,000
4.	Kisumu Municipality/ Block/511	George Philips Investment Ltd & Wilson Gachanja	Kenya Railways Corporation	40,000,000
5.	Kisumu Municipality/ Block/478	Tobias Hongo & Sammy Mwaita	Kenya Railways Corporation	35,000,000
6.	Kisumu Municipality/ Block/529	Nature Holdings Ltd, Brookway, Onyango Osure & Others	Kenya Railways Corporation	32,000,000
7.	Kisumu Municipality/ Block/514	Jerry Okungu & Sammy Mwaita	Kenya Railways Corporation	32,000,000
8.	Kisumu Municipality/ Block/512	Kaseki Enterprises Ltd, Joseph Auma Atonga & Wilson Gachanja	Kenya Railways Corporation	32,000,000
9.	Meru HC Misc. Civil Application No. E028/2020	Ali Hussein t/a Al Majid Shop	County Government of Isiolo	30,359,879
10.	Kisumu Municipality/ Block/469	Raymond Ndong, John Mudany Odhiambo & Wilson Gachanja	Kenya Railways Corporation	30,000,000
11.	Kisumu Municipality/ Block/465	Rachael Nyaboke & Others	Kenya Railways Corporation	30,000,000
12.	Kisumu Municipality/ Block/524	Leazy Holdings & Others	Kenya Railways Corporation	30,000,000
13.	Kisumu Municipality/ Block/498	Grace Odhiambo & Sammy Mwaita	Kenya Railways Corporation	25,000,000
14.	Meru HC Misc. Civil Application No. E027/2020	Dabasiti Contractors and Suppliers Ltd	County Government of Isiolo	17,276,525
15.	Machakos E.L.C No. 127 of 2019	Wilson Gachanja & 2 Others	National Police Service	15,000,000

	Asset	Recovered From	Institution Related	Value (KES)
16.	Meru HC Misc. Civil Application No. E031/2020	Choke Construction Suppliers Limited	County Government of Isiolo	10,528,408
17.	Meru HC Misc. Civil Application No. E029/2020	Hassan Adan t/a Rayan Provision Stores	County Government of Isiolo	8,360,710
18.	Meru HC Misc. Civil Application No. 73/2020	Bonaya Dida Bonya and Qabale Warion Halake	County Government of Isiolo	7,220,000
19.	Meru HC Misc. Civil Application No. E030/2020	Noyasu Construction Company Ltd	County Government of Isiolo	4,640,760

## 2.9.2 Recovery Suits Filed

The Commission filed 74 recovery suits with an estimated value of **KES 2,305,000,000** in the period under review, as shown in Table 2.10.

**Table 2. 10: Recovery suits filed.**

	Case No.	Parties	Case Summary	Amount (KES)
1.	ACEC 27/2017	EACC vs Mitema Holdings & 13 Others	Suit to recover property known as Nairobi block 90/229 Loresho-Ridge water reservoir.	200,000,000
2.	ACEC/ E020/2021	EACC vs Hudson Amwai Lwigado t/a Ademwa Enterprises and Paul Lovi Andenga t/a Ademwa Enterprises & 3 Others.	Suit to recover proceeds of corruption from employees of the Kenya School of Law.	198,441,030
3.	ACEC/ E021/2021	EACC vs Fridah Ngoya Wanda t/a Frogoya Investments Ltd & Others	Suit to recover proceeds of corruption from employees of the Kenya School of Law.	198,441,030
4.	Kisii ELC no 41/2020 (ELC No. E003 of 2020)	EACC vs Charles Gekonde Otara & 6 Others	Suit to recover public utility land No. Kisii Municipality Block 11/112 & 169	95,000,000
5.	ACEC/ E009/2021	EACC vs Charles Muia Mutiso	Suit for recovery of unexplained wealth	83,000,000



	Case No.	Parties	Case Summary	Amount (KES)
6.	ACEC/ E018/ 2021	EACC vs Dennis Sam Ochiro t/a Deskench & Others	Suit to recover proceeds of corruption from employees of the Kenya School of Law.	80,104,661
7.	ACEC E010 of 2021	EACC vs Zacharia Okoth Obado & 19 Others	Suit to recover proceeds of corruption from officials of the County Government of Migori.	73,000,000
8.	ELC 157/2020	EACC vs Manmohan Kaur Kalsi & 9 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/103,118 and 119	60,000,000
9.	ELC 146/2020	EACC vs David Ndirangu Mwangi & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/105,107 and 121	60,000,000
10.	ACEC Revision 23 of 2019	EACC vs Evans Kidero & 13 Others	Suit to recover proceeds of corruption from officials of Nairobi City County Government	58,000,000
11.	BGM ELC 12/2020	Judith Nekoye vs EACC	Suit to recover public utility land No. Bungoma Township 169	50,000,000
12.	ACEC/ E017/2021	EACC vs Gondi Achiro Nobert t/a Firmline Company and Morris Kiwinda Mbondenyei & 2 Others.	Suit to recover proceeds of corruption from employees of the Kenya School of Law	47,296,990
13.	ACEC/ E015/2021	EACC vs Bob Kephas Otieno & 5 Others	Suit to recover proceeds of corruption from officials of the County Assembly of Homa Bay	46,000,000
14.	ELC 19/2021	EACC & KALRO vs Dawid Sheikh	Suit to recover a public utility land parcel belonging to KALRO at Buchuma Ranch, Mackinnon	45,000,000
15.	ELC 176/2020	EACC vs Teresia Muthoni Ndirangu & 5 Others	Suit to recover public utility land No. L.R Kwale/ Kinondo Chale/120 and 126	40,000,000
16.	Kisii ELC no 40 / 2020 (ELC No. E004 of 2020)	EACC vs Sophia Moraa Bokoo & 7 Others	Suit to recover public utility land No. Kisii Municipality Block 11/168,170,173,174,175 and 176	30,000,000

	Case No.	Parties	Case Summary	Amount (KES)
17.	Kakamega MCL & E 177/2019	EACC vs Paul Olando, Edith Lumire & Zablon Mabea	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/230	30,000,000
18.	Kakamega MCL & E 178/2019	EACC vs Rose Mideva & Sammy Komen Mwaita	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/71	30,000,000
19.	ACEC Civil Suit No. 7 of 2018	EACC vs Stephen Sanga Barrawah t/a Mediscope Agencies & 20 Others	A suit for recovery of public funds fraudulently acquired in an irregular procurement process for acquisition of 6000 pieces of long lasting mosquito nets at the County Government of Kilifi	26,460,000
20.	ACEC/ E014/2021	EACC vs Bob Kephass Otieno & Others	Suit to recover proceeds of corruption from the officials of the County Assembly of Homa Bay	26,274,460
21.	ACEC/ E019/2021	EACC vs Alfred Murange & Others	Suit to recover proceeds of corruption from employees of the Kenya School of Law	23,061,175
22.	ACEC Civil Suit No. 29 of 2017	EACC vs Charity Mueni Musyimi & 15 Others	A suit for recovery of public funds fraudulently acquired in an irregular procurement process for upgrading a data centre and the security upgrade of a cyber-room	22,675,778
23.	ACEC Civil Suit No. 10 of 2017	EACC vs Geotech Contractors Ltd, Equity Bank Kenya & Others	A suit for recovery of public funds fraudulently acquired in an irregular procurement process for construction of Kadzandani - Kamale Water Project in Magarini Sub-County	22,305,324
24.	ELC 173/2020	EACC vs Mwanamkuu Salim & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/116	20,000,000
25.	ELC 175/2020	EACC vs Inamwisho Bongo & 6 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/104	20,000,000
26.	ELC 164/2020	EACC vs Yusuf Mahmoud Aboubakar & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/112	20,000,000



	Case No.	Parties	Case Summary	Amount (KES)
27.	ELC 150/2020	EACC vs Bernard O. Maira & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/108	20,000,000
28.	ELC 151/2020	EACC vs Hamad Zuberi Dzopheka & 6 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/137	20,000,000
29.	ELC 152/2020	EACC vs Stephen Njoroge Kung'u & 5 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/115	20,000,000
30.	ELC 155/2020	EACC vs Salimu Lali Mohamed & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/123	20,000,000
31.	ELC 156/2020	EACC vs Ali Mwatete Mwarandani & 6 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/111	20,000,000
32.	ELC 159/2020	EACC vs Zahra Athman Ali & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/132	20,000,000
33.	ELC 160/2020	EACC vs Fatuma Hamisi Nduni & 6 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/138	20,000,000
34.	ELC 161/2020	EACC vs Donacha Fahey & 6 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/122	20,000,000
35.	ELC 162/2020	EACC vs Hamisi Salimu Mwamasumbi & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/106	20,000,000
36.	ELC 167/2020	EACC vs Mwanakombo Said Ndaro & 5 Others	Suit to recover public utility land No. L.R. Kwale/Kinondo Chale/117	20,000,000
37.	ELC 172/2020	EACC vs Rajabu Seifu Kubambanya & 5 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/128	20,000,000
38.	ELC 174/2020	EACC vs Irmgard Helga Bickel & 8 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/131	20,000,000
39.	ELC 145/2020	EACC vs David Ndirangu Mwangi & 7 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/140	20,000,000
40.	ELC 147/2020	EACC vs Yusuf Mohamed Mwaranduni	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/125	20,000,000
41.	ELC 148/2020	EACC vs Hamisi Mohamed Godi & 7 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/141	20,000,000





	Case No.	Parties	Case Summary	Amount (KES)
42.	ELC 149/2020	EACC vs Mohamed Mwalimu Mwarandani & 6 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/144	20,000,000
43.	ELC 153/2020	EACC vs George Muriithi Kamongo & 5 Others	Suit to recover Kwale/Kinondo Chale/127	20,000,000
44.	ELC 154/2020	EACC vs Mohamed Ali Chigot & 7 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/134	20,000,000
45.	ELC 158/2020	EACC vs David Ndirangu Mwangi & 7 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/136	20,000,000
46.	ELC 163/2020	EACC vs Said M. Mwinyi & 6 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/124	20,000,000
47.	ELC 165/2020	EACC vs Ali Mohamed Chigot & 6 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/114	20,000,000
48.	ELC 166/2020	EACC vs Hamad Ali Mwapishi & 6 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/139	20,000,000
49.	ELC 168/2020	EACC vs Juma Salimu Mwachei & 6 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/142	20,000,000
50.	ELC 169/2020	EACC vs Suleiman Sain Mwakunepho & 8 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/145	20,000,000
51.	ELC 170/2020	EACC vs Mwalimu Alfani Mwaranduni & 9 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/133	20,000,000
52.	ELC 171/2020	EACC vs Yolanda Joseran Firth & 5 Others	Suit to recover public utility land No. L.R Kwale/Kinondo Chale/143	20,000,000
53.	Kakamega MCL & E 150/2019	EACC vs Tejveer Singh Rai Saraswati Patel, and 2 others	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/219	20,000,000
54.	Kakamega MCL & E 150/2019	EACC vs Tejveer Singh Rai Saraswati Patel, & 2 Others	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/219	20,000,000
55.	Kakamega MCL & E 151/2019	EACC vs Saraswati Patel, Rina Patel and Tejveer Singh Rai	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/214	15,000,000





	Case No.	Parties	Case Summary	Amount (KES)
56.	Kakamega MCL & E 153/2019	EACC vs Saraswati Patel, Tejveer Singh Rai and 2 others	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/213	15,000,000
57.	Nyeri ELC 29/2019	EACC vs Kaitui Enterprises and 2 others.	Suit to recover public utility land No. parcel Nyeri Municipality Block 1/1280	14,000,000
58.	Kakamega MCL & E 63/2020	EACC vs Tom Katumanga, Lucy Kendi & Sammy Mwaita	Suit to recover public utility land No. Kakamega Mun. Block 3/261	10,000,000
59.	Civil suit No. 47 of 2017	EACC vs Zohali services	A suit for recovery of fraudulent acquisition of public funds against Zohali Services Limited, Lucy Wanjugu & Jamii Bora Bank	9,230,645
60.	MLD CMCC No. 238 of 2018	EACC vs Winnie Nyathira t/a Nyathi Agencies & 4 Others	A suit for recovery of public funds fraudulently acquired by Nyathi Agencies during the implementation of Manda Maweni Project	9,230,000
61.	Milimani ACECA Suit No. E003/2021	EACC vs Fish Nets Enterprises and 13 Others	Suit for recovery of irregular amount paid to Fish Nets Enterprises Ltd by County Government of Isiolo.	7,220,000
62.	MCL & E 63/2020	EACC vs Tom Katumanga, Lucy Kendi & Sammy Mwaita	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/261	7,000,000
63.	CMCC No. 151/ 2017	EACC vs Jahazi Investment Ltd	A suit for recovery of public funds fraudulently acquired from County Government of Kilifi	6,102,950
64.	Kerugoya ELC No.186 of 2019	EACC vs. James Munene Ndubi & Others (Counterclaim-filed on 17.5.2021)	Suit to recover public utility land parcel No. Kerugoya/Township/216	6,000,000
65.	ELC 99/2021	EACC vs Chembe Holdings & Others	Suit to recover a public utility land parcel belonging to Kenya Railways Corporation	5,500,000

	Case No.	Parties	Case Summary	Amount (KES)
66.	ELC 100/2021	EACC vs Gangapani Limited & Others	Suit to recover a public utility land parcel belonging to Kenya Railways Corporation	5,500,000
67.	Marsabit PMC ELC No. 5/2020	Akbarali Mangia & Zubeda Mangia vs. County Government of Marsabit, Peter Ndungu	Suit where the plaintiff alleges ownership of land accommodating government premises	4,000,000
68.	Maralal PMC ELC No. 4/2020	Cecilia Kenduiywo vs. County Surveyor, County Director Housing & EACC (interested party)	Suit where the plaintiff alleges ownership of land accommodating government premises	4,000,000
69.	Maralal PMC ELC No. 3/2021	Cecilia Kenduiywo vs. County Surveyor, County Director Housing & EACC (interested party)	Suit where the plaintiff alleges ownership of land accommodating government premises	4,000,000
70.	Nairobi ACEC 13 of 2021	EACC vs. Evans Rambeka	Suit to recover a public utility land parcel belonging to Nairobi Water and Sewerage Company	3,162,452
71.	Nyeri ELC No. E007 of 2021	EACC vs. George Ndiritu Macharia & 2 Others	Suit to recover public utility land No. Nyeri Municipality/Block 1/1068	3,132,561
72.	Maralal PMC ELC No. 3/2019	Solomon Lempere vs. Kenya Wildlife Service & EACC (interested party)	Suit where the plaintiff (Speaker of Samburu County Assembly) alleges ownership of the land that is part of KWS land in Samburu	12,400,000
73.	Kakamega MCL & E 152/2019	EACC vs Redrubie Invest. Ltd, Anthony Mukembu & Another	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/301	Not Valued
74.	Kakamega MCL & E 17/2020	EACC vs Jacqueline Musalia & Zablon Mabea	Suit to recover public utility land parcel No. Kakamega Mun. Block 3/64	Not valued

### 2.9.3 Cases filed against the Commission

There were 73 Petitions and Judicial Review Applications filed against the Commission as highlighted in Table 2.11.

**Table 2. 11: Highlights of cases filed against the Commission.**

	Case No.	Parties	Subject Matter
1.	ELRC Petition 114 of 2020	Emmanuel Wanjala Wamalwa vs Robert Pavel Oimeke & 6 Others	Petition seeking Conservatory Orders restraining 2 <sup>nd</sup> , 3 <sup>rd</sup> , 4 <sup>th</sup> , 5 <sup>th</sup> and 6 <sup>th</sup> Respondents from deliberating, renewing and or extending the contract of employment of the 1 <sup>st</sup> respondent as the Director General of Energy and Petroleum Regulatory Authority pending hearing and determination of the application.
2.	Thika ELC No. 18 of 2020	John Ngugi Kabogo vs KENHA, EACC & Others	Plaint seeking determination of ownership of LR No 28177 along Kiambu Road and cancellation of the grant in favour of the plaintiff.
3.	Supreme Court Petition 14 of 2020	DPP vs Chrysanthus Okemo, James Gichuru & 3 Others	Appeal from the judgment of the Court of Appeal delivered at Nairobi dated March 2018 and C.A 5 of 2016.
4.	ELRC Petition E43 of 2020	Abdiaziz Hussein Abdi vs Governor Mandera County, EACC & Others	Petition seeking to stop vetting of 3 nominees of Executive Committee Board of Mandera County.
5.	Civil Appeal Application No. E213 of 2020 at Nairobi Court of Appeal	Tatu City Ltd & Another vs EACC & Another, Simon Gicharu & Others as Interested Parties	An application for stay of execution pending hearing and determination of the intended appeal from the ruling/order of the Anti-Corruption Division of the High Court in ACEC petition 37 of 2019 Tatu City Ltd & another vs EACC & Others.
6.	Petition No. E276 of 2020	Testimony Enterprises Ltd & Others vs Public Procurement Regulatory Authority & Others	Petition seeking among others an Order Certiorari quashing the entire proceedings against the petitioners before Anti-Corruption Court at Milimani Law Court in ACC No. 22 of 2019.
7.	ACEC Misc. 23 of 2020	Mike Sonko vs DPP, EACC & 16 Interested Parties	Application to review Anti-Corruption Case No. 31 & 32 of 2020 Republic vs Mike Sonko & Others.
8.	Supreme Court App. No. 27 of 2020	Kenya Hotel Properties Ltd vs A.G & Others	Application for stay of execution of C.A 149 of 2007 Kenya Hotel Properties Ltd vs Willesden & Others.
9.	ELRC Petition E055 of 2020	Ben Sihanya & Orange Democratic Movement vs EACC & Others	Application for conservatory orders of injunction staying the determinations contained in letters dated 18/8/2020 & prohibiting the interested party from interfering with applicant's position as Chairperson Disciplinary Committee of Orange Democratic Movement and a Professor at UoN School of Law.

	Case No.	Parties	Subject Matter
10.	C.A No. E008 of 2020	Evans Odhiambo Kidero vs EACC & 20 Others	Appeal from the ruling and order of the High Court at Nairobi in ACEC No 30 Of 2019.
11.	C.A Civil Application E304 of 2020	Sammy Michugu Njenga vs KACC & Others	Application for injunction and stay of proceedings pending hearing and determination of an appeal.
12.	JR MISC Application No. E051 of 2020	Dr. Salome Munubi vs EACC, NLC & 3 interested parties.	Application seeking to quash the decision of EACC dated 28/9/2020 seeking to recover KES 221,375,000.
13.	NRB ELC Petition No. E022 of 2020	Davis Some Barno vs Hon Attorney General & Others with Mohamed Swazuri & 11 Others as Interested Parties	Petition seeking among others prayers that properties LR No. 9084, 9085, 9086, 9087 and 9088 were not properties of the 6 <sup>th</sup> respondent (Kenya Railways Corporation) and that the Commissioner of Lands validly issued letters of allotment over the properties above under the provisions of the Governments Act Cap 280 Laws of Kenya, now repealed.
14.	Petition E419 of 2020	George Ng'ang'a Mbugua t/a Mbugua Ng'ang'a & Co. Advocates vs EACC & Others	Petition seeking conservatory orders restraining the EACC from conducting further searches against his offices, residence and Top Image Media Consultancy Ltd premises.
15.	Petition E438 of 2020	Ferdinand Waititu vs IEBC, AG & EACC	Petition seeking to compel the 1 <sup>st</sup> Respondent to allow the candidature of the petitioner in the Nairobi City County Gubernatorial Election.
16.	C.A No. 287 of 2020	Nairobi City County Assembly & 8 Others vs EACC	Appeal against the High Court Judgement in ACEC Misc. Application 41 of 2018
17.	Mombasa ELC Petition No. 106 of 2021	Beth Wanjiku Kiura vs AG & 2 Others	Petition against EACC & others alleging contravention of the petitioner's rights to hold property.
18.	Petition E078 of 2021	Okiya Omtata vs Granton Graham Samboja with EACC & Kenyatta University as Interested Parties.	Petition seeking to quash certificate, diploma and degree of the respondent.
19.	C.A No. E464 of 2020	EACC vs Nelson Kivali & 2 Others	An Appeal from the ruling and decree of the High Court of Kenya Constitutional Petition No. 384 of 2017.
20.	C. A No. E006 of 2020	Mary Ngechi vs EACC & DPP	An appeal against the ruling in ACEC Petition No. 30 of 2018.
21.	Petition No. E008 of 2021	Mike Ptoo & Others vs DPP & Others	Petition seeking declaration orders against respondents' Order of Certiorari quashing charges and order prohibiting investigation and charging of the petitioners.



	Case No.	Parties	Subject Matter
22.	Chuka CMCC No. 67/2020	Lawrence Nicholas Mutembei vs Charles Mugendi Gitonga, EACC, DPP	Suit seeking special and general damages for alleged malicious and unlawful prosecution.
23.	Misc. Application 85b of 2020	KALRO vs David Sheikh, NLC & EACC	Application seeking to transfer ELC 19/2020 from the Magistrate's Court in Kwale to Mombasa.
24.	Petition E021/2021	Chavangi Aziz Tom vs DPP, EACC	Petition challenging prosecution of Chavangi Aziz Tom in ACEC 6 of 2020.

## 2.10 Recovered Assets

Illegally acquired and unexplained assets valued at approximately **KES 6,253,000,000** were recovered through court proceedings and out-of-court settlements, as shown in Table 2.12.

**Table 2. 12: Recovered public assets.**

	Institution Recovered For	Recovered From	Asset	Estimated Value (KES)
1.	Kenya Meteorological Department	Wilson Gachanja & Others	LR 209/13559(I. R 75461) LR 209/13560(I. R 75459) LR 209/13561(I. R 75460) LR 209/13562(I.R 75469) LR 209/13563(I.R 75457)	5,000,000,000
2.	Kenya School of Law	Wilson Gachanja, Rock Ville Ltd & Others	LR No. 209/6238	700,000,000
3.	Kenya Railways Corporation	Gordon Ng'wono Olando & Judith Merilyn Okungu	Kisumu Municipality/ Block/539	50,000,000
4.	Kenya National Library Service	Wilson Gachanja & Others	Kitale Municipality Block 6/300	40,800,000
5.	State Department for Housing and Urban Development	John Futu Mwachai	Eldoret Municipality Block 7/272 which constitutes house number ELDO/HOU/ HG 5	40,000,000
6.	Kenya Railways Corporation	Wilson Gachanja, Sindo Distributors & Another	Kisumu Municipality/ Block/410	40,000,000



	<b>Institution Recovered For</b>	<b>Recovered From</b>	<b>Asset</b>	<b>Estimated Value (KES)</b>
7.	Kenya Railways Corporation	David Some Barno, Esther Chebet Barno & Others	Kisumu Municipality/Block/467	40,000,000
8.	Kenya Railways Corporation	Wilson Gachanja & George Philips Investment Ltd	Kisumu Municipality/Block/511	40,000,000
9.	Kenya Railways Corporation	Tobias Hongo & Sammy Mwaita	Kisumu Municipality/Block/478	35,000,000
10.	Kenya Railways Corporation	Nature Holdings Ltd, Brookway, Onyango Osure & Others	Kisumu Municipality/Block/529	32,000,000
11.	Kenya Railways Corporation	Sammy Mwaita & Jerry Okungu	Kisumu Municipality/Block/514	32,000,000
12.	Kenya Railways Corporation	Wilson Gachanja & Kaseki Enterprises Ltd, Joseph Auma Atonga	Kisumu Municipality/Block/512	32,000,000
13.	Kenya Railways Corporation	Wilson Gachanja & 2 Others	Kisumu Municipality/Block/469	30,000,000
14.	Kenya Railways Corporation	Rachael Nyaboke & Others	Kisumu Municipality/Block/465	30,000,000
15.	Kenya Railways Corporation	Leazy Holdings & Others	Kisumu Municipality/Block/524	30,000,000
16.	Kenya Railways Corporation	Sammy Mwaita & Grace Odhiambo	Kisumu Municipality/Block/498	25,000,000
17.	Kenya Urban Roads Authority	Ann Wanjiku	CR. 28223 Nyali (road reserve)	18,000,000
18.	State Department for Housing and Urban Development	Kapsoen Estates Limited	Kitale Municipality Block 4/87 and 88.	10,100,000
19.	Kenya National Library Services	Wilson Gachanja & 5 Others	Kitale Municipality Block 6/80 and 82, LR No 2116/1143, 1144, 1148 and 1149 (Subdivisions within KTL Mun. Block VI/300)	8,000,000
20.	County Government of Uasin Gishu (Chebororwa Agricultural Training Center)	Alison Mukangula	Cash	3,900,000



	<b>Institution Recovered For</b>	<b>Recovered From</b>	<b>Asset</b>	<b>Estimated Value (KES)</b>
21.	Uwezo Fund	Peter Munene & 2 Others	Cash	3,165,000
22.	Ministry of Livestock and Fisheries	Michael Kibuchi Gituto	Cash	2,994,215
23.	County Assembly of Nandi	Wesley Cheruiyot Kimetto & 3 Others	Cash	2,161,655
24.	Parliamentary Service Commission	Solomon Obange	Cash	2,023,105
25.	County Government of Samburu	Joseph Lekalkuli & 5 others	Cash	1,800,000
26.	Ministry of Environment and Natural Resources	Michael Kibuchi Gituto	Cash	1,500,000
27.	County Government of Kajiado	Vera Moraa Kambuni	Cash	667,526
28.	University of Nairobi	Sam Kamau	Cash	549,451
29.	The National Assembly	John Kihagi Alex Mwiru	Cash	457,320
30.	County Assembly of Nandi	Barnabas G.K Kosgei & Henry Tarus	Cash	320,000
31.	Ministry of Education	Joel Kaunda	Cash	290,000
32.	National Registration Bureau	Abdulahi Mohammed Nuri	Cash	184,031
33.	County Government of West Pokot	Ambrose Kipsang Nyasetia	Cash	105,200
34.	State Department for Transport and Infrastructure	Fredrick Kabunge	Cash	52,200
35.	County Government of Laikipia	Wanderi Gituku & Another	Laikipia/Daiga Umande Block 4 (Nyariginu/499)	Not Valued
36.	County Government of Laikipia	Leah Cherotich & Another	Laikipia/Daiga Umande Block 4 (Nyariginu/811)	Not Valued



## 2.11 Issuance of Advisories, Cautions and Notices

The Commission in enforcing Chapter Six of the Constitution issued 117 advisories, 192 cautions, and nine notices to public entities and persons for violation of Chapter Six and LIA, 2012 during the reporting period. Highlights of cautions, advisories and notices issued are summarized in Tables 2.13, 2.14 and 2.15 respectively.

**Table 2. 13: Highlights of Advisories issued.**

	Nature of Advisory	Recipients of Advisory
1.	Advisory issued against the appointment of James Omondi Ambuso contrary to Section 62(1) of ACECA, 2003. The advisory is to stop his appointment pending determination of a corruption and an economic crime case in court.	CEO Kenya Universities and Colleges Central Placement Service
2.	Advisory to take action against some Members of Parliament over the use of designated military titles that have not been officially awarded.	Chief of Defence Forces
3.	Advisory to take administrative action against Mr. Patrick Abachi found by the courts to have accumulated unexplained wealth.	Principal Secretary, The National Treasury
4.	Advisory against the appointment of the County Executive Committee Member (CECM) for Youth and Sports in Meru County who, for his appointment, used a forged degree certificate from the University of Nairobi. The advisory required a refund of salaries illegally earned by the said CECM between October 2017 and May 2019.	County Secretary and the CECM for Youth and Sports - County Government of Meru
5.	Advisory to take action on irregular recruitment of the Chief of Gurufa Location, Lagdera Sub-County.	Principal Secretary, Ministry of Interior and Coordination of National Government
6.	Advisory to put in place measures to secure critical survey records and equipment during the migration to the Integrated National Land Information Management System in the land title digitization and relocation from Ardhi House to the Geospatial Data Centre, Ruaraka.	Cabinet Secretary, Ministry of Lands and Physical Planning
7.	Advisory against fraudulent and irregular payment of Foreign Service Marriage Allowance to Ministry of Foreign Affairs officials against set procedure. The advisory recommended action to enforce compliance with laws on public finance management, leadership and integrity.	Principal Secretary, Ministry of Foreign Affairs
8.	Advisory against public officers engaging in political activities contrary to the law.	CEO Kenya Electricity Transmission Company Limited
9.	Advisory against of irregular recruitment undertaken between January-March, 2021.	Secretary, Nairobi County Public Service Board





	Nature of Advisory	Recipients of Advisory
10.	Advisory to review the summary dismissal of the Director, Technical Services for filing a corruption report with EACC and consider reinstatement.	Meru County Investment & Development Corporation
11.	Advisory issued to adhere to the laws and procedures relating to engagement of an investment partner in the management of Buffalo Springs and Shaba Game Reserve.	County Secretary, County Government of Isiolo

**Table2. 14: Highlights of Cautions issued.**

	Name	Position	Nature of the Caution
1.	Solomon Obange	Former employee of Parliamentary Service Commission	Double employment at Kenya Airways and Parliamentary Service Commission.
2.	1) Emily Wanjiku Waithaka 2) Francis Otieno Ngesa 3) Eunice Wanjiku Marimbi 4) Esther Waithira Chege 5) Emily Ondese Oduor 6) Elijah Mbuthia Irura 7) David Ruongo Okelo 8) Elizabeth Nyambura Kuria 9) David Wambua Mbithi 10) Ayoi David 11) Cecilia Achieng Ayot 12) Silvia Museiy 13) Stephen Kanyi Gikonyo 14) Susan Makungu 15) Stazo Elijah O. Angila 16) Silas Matara Ongwae 17) Samuel Muchene K. 18) Rosemary Masitsa Shitote 19) Paul Sheth Shilalo 20) Patrick Musili Mbangula 21) Daniel Ngengi Muturi 22) Benson Mwangi Macharia	122 Members of Nairobi City County Assembly	Engaging in a scuffle at the Nairobi City County Assembly Chambers during the motion for removal of the Majority Leader.



	Name	Position	Nature of the Caution
2.	23) Carolyn Andis Mayunzu 24) Antony Kimemia Gathumbi 25) Anne Catherine Akinyi 26) Ann Thumbi 27) Abraham Mwangi Njihia 28) Catherine Okoth 29) Wilfred Oluoch Odalo 30) Peter Ayule Imwato 31) Peter Wahinya Kimitu 32) Peter Wanyoike Gitau 33) Pius Mwaura Mbuno 34) David Njilitjia Mberia 35) Peter Wahinya Njau 36) Rose A. Ogonda 37) Charles Thuo 38) Beatrice Waithera Gakuru 39) Anthony Ngaroiyah Mburu 40) Gatune Anthony Ng'ang'a 41) Patrick Kanyangi Logedi 42) Clarence Munga 43) Jane Muasya 44) Maurice Gari Otieno 45) Peter M. Warutere 46) Millicent Wambui M. 47) Ogeto Moses Nyangaresi 48) Osman Adow Ibrahim 49) Mark Ndung'u Ng'ang'a 50) Fredrick Njogu Njoroge 51) Chege Mwaura 52) Anthony Kiragu Karanja 53) Husudi Alawi Husni 54) Abdi Ibrahim Hassan 55) Elias Otieno Okumu 56) Michael Ogada Okumu 57) Wilson O. Ochola 58) Alvin Olondo Palapala	122 Members of Nairobi City County Assembly	Engaging in a scuffle at the Nairobi City County Assembly Chambers during the motion for removal of the Majority Leader.



	Name	Position	Nature of the Caution
2.	59) Robert Mbatia 60) Herman Masabu Azanku 61) Kados Paul Kiguathi 62) Patriciah Mutheu Musyimi 63) Mary Njambi Nguguna 64) Solomon Odanga Magembe 65) Samuel Ng'ang'a Mwaangi 66) Esther K. Munayi Nyangweso 67) Fredrick Onyango Okeyo 68) Evans Otiso 69) Geoffrey Nganga Mbuthia 70) Hafsa Khalif Mohamud 71) Habiba Hussein 72) Hassan Abdikadir Mohamed 73) Jacinta Wanjiru 74) Jackline Achieng Apondi 75) James Kiriba Kariuki 76) Fredrick Omondi 77) Fuad Hassan Mohamed 78) Geophrey Odhiambo Majiwa 79) Jairus Amukhoye Omayo 80) Emapet Kemunto Onsongo 81) James Mwangi Wambui 82) Akama Jared Ondieki 83) Jared Okoth Okodi 84) Jeremiah Karani Themendu 85) John Kamau Muthiga 86) John Ng'ang'a Mukiri 87) Jayendra Virchand Malde 88) John Kamangu Nyumu 89) Joseph Ouma Ndonji 90) John Kyalo Mulyungi 91) Joseph Wambugu Kiragu 92) Julius Maina Njoka 93) Joyce Muthoni Kamau 94) Kennedy Odhiambo Oyugi	122 Members of Nairobi City County Assembly	Engaging in a scuffle at the Nairobi City County Assembly Chambers during the motion for removal of the Majority Leader.



	Name	Position	Nature of the Caution
2.	95) Joseph Mwangi Komu 96) Wanjiru Kariuki 97) June Juliet Ndegwa 98) Laurah Mwendu Mwololo 99) Kennedy O. Oboya 100) Leah Naikanae Supuko 101) Mugambi Mark Macharia Kevin 102) Mellab Atemah Lumalah 103) Maurice Ochieng Onango 104) Lawrence Otieno Odhiambo 105) Malenga Eve 106) Margaret Wanjiru Mbote 107) Mary Ariviza Mwami 108) Mbugua Kabiro 109) Millicent Anyango Jagero 110) Milicent Akinyi Okatch 111) Mwaura Samora 112) Naftaly Waguru Mathenge 113) Nicholas Okumu Ouma 114) Nance Grace Maole Muthami 115) Naftali Owuor Ogola 116) Doris Kanario 117) Nimu Omar Haji 118) Osman Khalif Abdi 119) Patrick Karani 120) Paul Ndung'u Irungu 121) Ruth Ndumi Maingi 122) Redson Otieno Onyango	122 Members of Nairobi City County Assembly	Engaging in a scuffle at the Nairobi City County Assembly Chambers during the motion for removal of the Majority Leader.



	Name	Position	Nature of the Caution
3.	1) Stanley Mburu Muhia 2) Samuel Mwangi Kihurunjo 3) Sammy Waweru Mwangi 4) Peter Mburu 5) Peter Githuka Muiruri 6) Joyce Wambui Njoka 7) John Ruoho Wangechi 8) Jacinta Wangari Mg'ang'a 9) Flasia Nduta Chege 10) David Irungu Macharia (Wagathoni) 11) Daniel Chege Mwangi 12) Charles Mwangi Ng'ang'a 13) Cathryn Wanjiku Mwangi 14) Beth Waithera Ndung'u 15) Amos Muriigi	15 Members of County Assembly of Murang'a	Engaging in a scuffle at the Murang'a County Assembly Chambers during the motion for removal of the Majority Leader.
	Name	Position	Nature of the Caution
4.	1) Yusuf Maalim Dakane 2) Sokorei Maalim Isaackow 3) Sahara Mohamed Ali 4) Saad Sheikh Ahmed 5) Robow Mohamed Hassan 6) Noor Mohamud Abdinoor 7) Nasra Noor Mohamed 8) Nasra Hussein Adawa 9) Mohamed Rashid Ali Haji 10) Mohamed Ibrahim Yussuf 11) Meymuna Sheikh Abdishakur 12) Jimale Abdi Hassan 13) Issack Dahir Abdi 14) Ibrahim Ali Wario 15) Hindia Hussein Ibrahim 16) Alinoor Hassan Ali 17) Ahmed Rashid Mohamed 18) Adan Maalim Mohamed 19) Adan Maalim Abdulahi 20) Abdulahi Yusuf Guliye 21) Abdirahman Aliow Issack 22) Abdinoor Dakane Rafat 23) Abdi Aden Ali 24) Abass Abdile Mohamed	24 Members of County Assembly of Mandera	Engaging in a scuffle during the tabling of a committee report on the appointment of County Executive Committee Members.



	Name	Position	Nature of the Caution
5.	1) Abdirizak Bare Mohamed 2) Hussein Abdirahman Dahir 3) Issa Ahmed Abdi 4) Mahat Rashid Hassan 5) Meimuna Said Nurkei 6) Mohamed Bule Mohamed 7) Shueb Bare Ahmed 8) Ibrahim Yakub	Eight Members of County Assembly of Wajir	Engaging in a scuffle following the swearing-in of the Majority Leader by the Speaker without the approval of the MCAs
6.	1) Jacklyne Okanya 2) Joab Mwamto Amukhale 3) Kennedy Kiliwake Sutanda 4) Dorice Atuo Matere 5) Rodgers Mwagala Nato 6) Farouk Andobe Machanje 7) Kevin Mahelo Inzofu	Seven Members of County Assembly of Kakamega	Engaging in a scuffle at a funeral service at Enjinja Secondary School in Kakamega County.
7.	Letura Raisy Paul Ekutan Wonyang Solomon Lempere	Three Members of Samburu County Assembly	Engaging in a scuffle in a <i>Kamukunji</i> (informal meeting) at the Samburu County Assembly
8.	1) Johnson P. Nchoe 2) Namada Simoni 3) Timothy Gakuu 4) Nelly Yatich	CEO and three Board Members at Geothermal Development Corporation (GDC)	Involvement in recruitment of personnel at GDC contrary to principles of good governance.
9.	Robert Kiplangat Serbai	Member of County Assembly, Embomos Ward, Bomet County Assembly.	Unbecoming behaviour during the election of Bomet County Assembly Speaker.
10.	Joash Mogambi Oindo	Deputy Director, Valuation and Taxation, National Land Commission.	Failure to tender resignation from Kenya Electricity Transmission Company upon being employed on permanent and pensionable terms at the NLC.
11.	Abdikadir Guyo Bukicha Ibrahim Wako Boru	Public officers in the County Government of Isiolo	Abuse of office by instructing a law firm on the County Panel to act for them in a private suit at the County's cost.



	Name	Position	Nature of the Caution
12.	1) Betty Kinya Kiambati 2) Martin Mworio Muthuri 3) Gerald Kimathi Ithibua 4) Esther Karimi Njeru 5) Moses Toribu Kinyua 6) Sarah Gakii Kaberia 7) Fridah Mwendwa Mbiti 8) George Muthuri Mutua 9) Robert Kinoti Kinyua 10) Elius Murega Julius	10 Members of Meru County Assembly	Engaging in a scuffle during the swearing-in of a Nominated MCA

**Table 2. 15: Notices issued.**

	Nature of Notice Issued	Recipient of the Notice
1.	Demand notice for recovery of funds for the National Communication Secretariat irregularly transferred to a third party.	Daniel O. Obam - Communication Secretary, National Communication Secretariat
2.	Demand notices for recovery of daily subsistence allowances for foreign trips not undertaken	Hon. Alex Muthengi Mburi Mwiru, Former MP Tharaka Hon. John Kihagi, Former Naivasha MP
3.	Reminders for Demand Notices for recovery of funds obtained through engaging in other gainful employment.	i) Samuel Charles Kamau – Former Lecturer at the University of Nairobi ii) Jackson Chau Kagiri – Lecturer, at JKUAT. iii) Verah Moraa Kambuni – Director for Compliance and Enforcement of Revenue, County Government of Kajiado. iv) Solomon Obange- Chief Security Officer at Parliamentary Service Commission
4.	Issued a demand notice over failure to honour financial obligations causing her guarantors in a SACCO to pay her outstanding loan facility.	Rael C. Chepkilim - Sergeant Kenya Prison Services
5.	Drawing daily subsistence allowance for an activity he never attended	Fredrick Kabunge, Deputy Director in the Department of Aircraft Accident Investigations, Ministry of Transport

## 2.12 Integrity Verification

The Commission received and processed 8,049 integrity verification requests from different institutions and individuals over the reporting period. Out of these, 4,501 were requests from National Government, 3,454 from County Governments and 94 from private institutions.

Out of the 8,049 individuals, 25 were found to be non-compliant with Chapter Six of the Constitution, of these 20 were from National Government while five from the County Government, the relevant agencies were advised. The information on the 25 individuals relates to persons who are either under investigation, charged in courts or convicted for corruption offences, ethical breaches or are subject to civil suits instituted by the Commission.

In addition, the Commission received 89,704 self-declaration forms in line with Section 12A of LIA, 2012.



*Commissioner Rose Mghoi pays a courtesy call during a school outreach in Taita Taveta County*

## 2.13 Review of Policy and Legal Framework

The Commission contributed to the development and strengthening of the policy and legal anti-corruption framework in the country by making recommendations for formulation and amendments of the following laws and regulations.

### ***2.13.1 Development of Conflict of Interest Bill, 2020***

The Commission in collaboration with the Office of the Attorney General & Department of Justice (OAG&DoJ) held a consultative meeting with other





stakeholders to incorporate comments made by the Attorney General on the Conflict of Interest Bill, 2020. The draft Bill was resubmitted to the OAG&DoJ for consideration.

### ***2.13.2 Development of Lifestyle Audit Bill, 2019***

The Commission in collaboration with the OAG&DoJ and other stakeholders reviewed the feedback from the Senate on the Memorandum on Lifestyle Audit Bill, 2019. The revised draft Bill was re-submitted to the Senate for consideration.

### ***2.13.3 Development of the Regulatory Framework under the Bribery Act, 2016***

The Commission engaged stakeholders in the development of Draft Bribery Act Guidelines to Assist Public and Private Entities to develop procedures for prevention of bribery and corruption, under Section 12(1) of the Bribery Act; and Draft Regulations under Section 22 of the Act. The Drafts were finalized in May, 2021 and are now awaiting Cabinet approval prior to tabling in Parliament.

### ***2.13.4 Amendment of the Ethics and Anti-Corruption Commission Act, 2011***

The Commission proposed through a Memorandum to Parliament the amendment of Section 11(1) (j) of Ethics and Anti-Corruption Commission Act, 2011 to grant the Commission power to institute proceedings for recovery of property or proceeds of corruption located outside Kenya. Previously, the Act was silent on this aspect. This proposal was realized through the Statute Law (Miscellaneous Amendments) Act, 2020 (Act No. 20 of 11th December, 2020).

## CHAPTER 3

# PREVENTION OF CORRUPTION AND UNETHICAL PRACTICES

### 3.1 Introduction

This Chapter presents programmes implemented by the Commission during the reporting period pursuant to its preventive mandate. The programmes include: system reviews; corruption prevention advisories; monitoring the implementation of prevention interventions; public education and awareness creation; implementation of Chapter Six of the Constitution and related laws; and mid-term review of the Strategic Plan (2018-2023).

### 3.2 System Reviews

The aim of System Reviews as a strategy for prevention of corruption is to bring about changes in organization systems in order to minimize opportunities for corruption. The Commission reviews systems of organizations through Examinations and Corruption Risk Assessments (CRAs).

#### 3.2.1 Examinations

The Commission finalized 11 examination reports covering systems, policies, procedures and practices at the State Department for Vocational and Technical Training; National Hygiene Programme, Ministry of Transport, Infrastructure, Housing and Urban Development; Kenyatta National Hospital; Affordable Housing Programme, State Department for Housing and Urban Development; National Youth Service Training College, Gilgil; Turbo NYS Field Station; Kisumu NYS Field Unit; NYS Kerio Valley Development Unit; NYS Naivasha Technical Training Institute; NYS Lambwe Development Unit; and Agricultural Settlement Fund Trustee. Table 3.1 presents some of the findings and recommendations as provided in the examination reports.



**Table 3. 1: Findings and recommendations of the Examinations.**

	Focus Area	Finding	Recommendation
1.	<b>State Department for Vocational and Technical Training</b>		
	<b>Policies and Procedure Manuals</b>	Policies and procedure manuals not developed by the State Department to guide some of the operations of the Directorate of Vocational and Technical Training.	Develop and implement policies, guidelines and procedure manuals on management of Directorate functions.
	<b>Assessment of bidders' ability to execute contracts</b>	Inadequate assessment of some bidders' capacity to execute contracts.	Ensure bidders' capacity to execute the contract is assessed before award of contract.
	<b>Disbursement of funds</b>	Delay in the disbursement of funds to pay contractors  Disbursement of insufficient funds to pay contractors for certified works done.	Ensure timely and sufficient disbursements of funds to mentoring institutions for payment to contractors.
	<b>Composition of nominees</b>	Failure in some instances to ensure that at least one third of the nominees are drawn from outside the community where the Technical and Vocational Education and Training (TVET) Institution is located as required by the Nomination Guidelines.	Ensure compliance with the nomination guidelines.
	<b>Internal audit function</b>	Lack of an internal audit function by some public TVET institutions.	Establish and operationalize internal audit function in all public TVET institutions in accordance with Public Finance Management Act (PFMA) 2012.

	Focus Area	Finding	Recommendation
2.	<b>National Hygiene Programme, Ministry of Transport, Infrastructure, Housing and Urban Development</b>		
	<b>Policy and legal environment</b>	Lack of risk management and mobilization of funds from third parties in the National Hygiene Program ( <i>Kazi Mtaani</i> ) Project Operations Manual of June 2020.	Ensure that the manual incorporates a risk management and funds mobilization components.
	<b>Program planning and budgeting</b>	The National Hygiene Program had not been factored into the implementing agencies work plans for the Financial Year 2020 / 2021.	Ensure that Work plans for the <i>Kazi Mtaani</i> program are jointly developed and incorporated in the Work Plan by the implementing agencies.
	<b>Recruitment notice</b>	County Implementation Committees are sometimes asked to recruit on short notice, resulting in haphazard recruitment and errors in capturing requisite data on the workers.	Ensure that ample time is given to the County Implementation Committees to recruit workers.
	<b>Payment accounts reconciliation</b>	Failure to undertake workers' payment accounts reconciliations by the State Department for Housing and Urban Development leading to fictitious payments to ghost workers in some instances.	Ensure that periodic workers' payment accounts reconciliation is undertaken and any detected anomalies corrected.
	<b>Third party engagements</b>	In some instances workers were represented by minors in undertaking daily project activities.	Put in place stern measures to curb exploitation of children's rights and other violations.
	<b>Monitoring &amp; Evaluation</b>	Failure to undertake monitoring and evaluation of projects undertaken under the <i>Kazi Mtaani</i> Program.	Undertake continuous monitoring and evaluation of the programme.



	Focus Area	Finding	Recommendation
3.	<b>Kenyatta National Hospital (KNH)</b>		
	<b>Public Participation Framework</b>	KNH had not developed and implemented a public participation framework.	A public participation policy defining the framework for engagement should be developed and implemented.
	National Hospital Insurance Fund (NHIF) losses	KNH and NHIF delayed in reviewing the rebates provided in the medical service contract which resulted in losses for the Hospital. Further, the rebates are not sufficient to cover medical bills	Review and renegotiate the rebate rates with NHIF to mitigate against the losses. Further, the Hospital should adequately inform patients being discharged on the existing KNH-NHIF arrangements on the settlement of bills.
	Un-surrendered imprests	KNH had an outstanding un-surrendered imprests balance amounting to KES. 7,786,563.19 which had been carried forward over the years.	Ensure that imprests are accounted for and surrendered by staff within seven working days after returning to their duty stations, and that outstanding imprests are recovered from salary of the defaulting officer.
	Staff deployments	There were instances where the hospital deployed staff to take charge of various positions without the requisite qualifications and experience.	Deployment of staff should take into consideration experience and qualifications as provided in the Human Resource Policy and Procedures Manual for the Hospital.
	Disaster Recovery and Business Continuity Plan	Lack of an Information Communication Technology (ICT) disaster recovery and business continuity plan.	Ensure that a comprehensive ICT disaster recovery and business continuity plan is in place.
	Procurement requisitions	Lack of a standard form for procurement requisition. User Departments used memos to requisition for procurement of various goods, services or works.	KNH should design and use a standard form for procurement requisitions.

	Focus Area	Finding	Recommendation
4.	<b>Affordable Housing Programme, State Department for Housing and Urban Development</b>		
	<b>Legal and Policy Instruments</b>	Legal and policy instruments governing the registration of government houses were outdated (Building Directive Circular number 10/60 of 2 <sup>nd</sup> May 1960 and Public Statistics Act Cap. 112 of 1973), and do not capture the current emerging issues.	Review the statutes in order to formulate comprehensive policy and regulations in the management of government residential properties.
	<b>House Allocation Committees</b>	Some counties had not established House Allocation Committees while those established in some counties were inactive.	Enforce the requirement for establishment and operationalization of House Allocation Committees with clear terms of reference.
	<b>Repairs and renovations</b>	Some estates were dilapidated while others lacked adequate basic sewerage and garbage collection facilities. This was attributed to lack of maintenance registers that would ensure coordinated maintenance of facilities and lack of accurate bills of quantities.	Ensure that house maintenance registers are maintained and updated both at the County Housing Offices and at the county headquarters. Periodic maintenance should be carried out and accurate bills of quantities utilized.
	<b>Proprietorship rights</b>	Some beneficiaries of houses under Slum Upgrading Programme sold their proprietary rights to other persons, before lapse of eight years as indicated in the individual Tenant Purchase Agreements.	Proprietary rights acquired by beneficiaries under the Slum Upgrading Programme should not be transferred to ineligible persons before the expiry of the period stipulated in purchase agreements.
	<b>Contractor and project registration with National Construction Authority (NCA)</b>	Failure by the State Department for Housing and Urban Development to register some projects with NCA.  Failure to display the National Construction Project Registration Numbers.	Ensure that all projects are registered with NCA, in compliance with part III of the NCA Act, 2011.
	<b>Land for affordable housing projects</b>	Various parcels of land under consideration for the Affordable Housing Projects (AHP) did not have title deeds.	Ensure that all earmarked parcels of land for consideration under the AHP are duly registered, as the first step before other processes are commenced.



	Focus Area	Finding	Recommendation
5.	<b>National Youth Service (NYS)</b>		
	<b>Policies and procedures manuals</b>	Lack of financial policies and procedure manuals.	Develop and disseminate financial policies and procedure manuals to staff involved in financial management.
	<b>Manual accounting system</b>	The accounting system at the NYS Field Stations and Sub-County Treasuries was manual. A manual system can easily be manipulated to perpetrate irregularities in financial management process.	Automate the accounting system at the field stations.
	<b>Handing and taking over of responsibilities</b>	There was no mechanism in place to ensure formal handing and taking over of responsibilities when staff are transferred, terminated or retired from the Service. This resulted in buck passing and lack of accountability in the directorates, departments, sections and field stations.	Ensure that retiring and transferred staff hand over properly, within a reasonable time before they are cleared.
	<b>Inspection and acceptance</b>	In some instances, procured items were supposedly inspected and accepted, before the actual date of delivery.	Adhere to Section 48 (3) of the Public Procurement and Asset Disposal Act (PPADA), No. 33 of 2015.
	<b>Stores records</b>	Records were not maintained for some items in NYS stores. This made it difficult to ensure accountability for the use of the items.	Ensure that stores records are maintained and promptly updated.
	<b>Stock taking</b>	Stock taking was not being undertaken periodically in most stores at the headquarters and in the field stations.	Adhere to Section 162(2) of the PPADA, 2015 which requires quarterly and annual inventory stock taking.
	<b>Payment voucher support</b>	Some payment vouchers were not adequately supported with all the relevant documents before payments were made to suppliers. This could create opportunities for fictitious payments.	Adhere to Regulation 104(1) of the Public Finance Management (National Government) Regulations, 2015 which requires all payment vouchers to be properly supported by appropriate authority and documentation.
	<b>Internal Audit</b>	Weak internal audit function at the NYS headquarters and in the field Stations, which made it difficult to ensure that irregularities are promptly detected for appropriate action.	Adhere to section 73(1)(a) of the PFMA, 2012 which requires public institutions to put in place appropriate arrangements for conducting internal audits.



### 3.2.2 Corruption Risk Assessments

The Commission finalized four Reports on Corruption Risk Assessments (CRAs) conducted in two counties. The CRAs were conducted in Nyamira County Executive, Nyamira County Assembly, Nandi County Executive and Nandi County Assembly. Highlights of the findings and recommendations of the CRA Reports are presented in Table 3.2.

**Table 3. 2: Highlights of the Assessment Reports for County Executives.**

Focus Area	Finding	Recommendation
<b>Nyamira County Executive</b>		
<b>Public Finance Management Standing Committee</b>	The County Executive had not established and operationalized a public finance management standing committee.	Establish a public finance management standing committee to provide strategic guidance on public finance management matters.
<b>Unauthorized revenue collectors</b>	The County Executive used unauthorized staff to collect revenue at the various revenue collection points without having been formally designated and deployed as required.	Collectors of revenue should be authorized in line with Public Finance Management Act, 2012.
<b>Group imprest</b>	The County Executive issued group imprest to officers contrary to Public Finance Management (County Government) Regulations, 2015.	Ensure that officers apply and account for imprest advances individually and surrender appropriately within the stipulated period, in accordance to the provisions of Regulation 93 (4) of the Public Finance Management (County Government) Regulations, 2015.
<b>Delegation by the County Public Service Board(CPSB)</b>	The County Public Service Board delegated some of its functions to the various departments of the County Executive without a delegation instrument.	Ensure that an instrument of delegation is made in writing in line with Section 86 of the County Governments Act, 2012.
<b>Background checks in recruitment</b>	There were instances where staff who did not meet the requisite qualifications, competence and skills were recruited to implement the functions of the County Executive.	Ensure that background and reference checks are carried out on or before recruitment and officers implicated be dismissed.  Where forgeries are discovered during background checks, the officers found culpable should be dismissed and prosecuted.



Focus Area	Finding	Recommendation
<b>Unplanned recruitments</b>	The County Executive in some instances undertook unplanned recruitment of staff.	Adhere to the laid down recruitment processes as spelt out in the County Human Resource Manual, 2013.
<b>Nandi County Executive</b>		
<b>Disaster management</b>	The County Executive did not have a coordinated framework for handling disasters.	Put in place a coordinated framework for handling disasters .
<b>Alteration of accountable documents</b>	Some accounting documents such as Imprest Warrants (F.O.24) were altered and processed without countersigning against the amendments.	Ensure that payments in connection with any document bearing an alteration, obliteration or erasure are rejected unless countersigned.
<b>Valuation roll</b>	The County Executive relied on various valuation rolls of the defunct local authorities to guide in rates chargeable to property.	Develop the valuation roll for the County Executive and periodically update it to enhance revenue collection.
<b>Independence of the internal audit function</b>	The internal audit unit reported both functionally and administratively to the Accounting Officer – the Chief Officer Finance and Economic Planning.	Streamline the reporting structure of the internal audit function by providing for the head of internal audit to report administratively to the Accounting Officer and functionally to the Internal Audit Committee.
<b>Initiation of procurement</b>	Some county executive departments requested for procurement without indicating the funds available for the items being procured.	<p>The Governor and the County Executive Committee Member for Finance and the Accounting Officer(s) should ensure that:</p> <ol style="list-style-type: none"> <li>Standard requisition forms are designed with progressive stages of approval.</li> <li>Available funds in the budget are indicated in the requisition before approval.</li> </ol>

**Table 3. 3: Highlights of the Assessment Reports for County Assemblies.**

Focus Area	Finding	Recommendation
<b>Nyamira County Assembly</b>		
<b>Gifts and Conflict of Interest Registers</b>	The County Assembly did not maintain gifts and conflict of interest registers as required by the Leadership and Integrity Act, 2012.	Open and maintain registers for Gifts Received, Gifts Given and Conflict of Interest in line with section 14(6) and section 16 (11) of the LIA, 2012 .
<b>Hansard Reports</b>	The County Assembly had a backlog of hansard reports of two weeks contrary to Nyamira County Assembly Standing Orders.	Hansard reports are to be published within forty-eight hours as stipulated in the Nyamira County Assembly Standing Orders.
<b>Over expenditure</b>	The County Assembly at times incurred expenditure above the allocations in the approved budgets for the various items, without the approval of supplementary estimates.	Ensure that the County Assembly expenditure is restricted to approved limits in the annual budgets. Where there is need for over expenditure, the same should be approved in the supplementary estimates.
<b>Qualifications of the Head of the Internal Audit Unit</b>	The Head of Internal Audit Unit did not have the requisite qualifications for the position.	The Head of Internal Audit Unit should be a qualified internal auditor in accordance with Regulation 154 of the Public Finance Management (County Government) Regulations, 2015.
<b>Membership to Kenya Institute of Supplies Management (KISM)</b>	Some officers in the Supply Chain Management Department were not members of KISM or any other relevant professional association.	Ensure that procurement practitioners are qualified and registered with KISM.
<b>Scheme of Service</b>	The County Assembly had not developed a scheme of service for its employees to guide on recruitment, career development, competence and retention of staff.	A scheme of service should be developed and operationalized to guide career progression and succession management of staff.



Focus Area	Finding	Recommendation
<b>Nandi County Assembly</b>		
<b>Corruption Prevention Framework</b>	The County Assembly did not have a structured framework for entrenching corruption prevention in its operations.	A structured framework for entrenching corruption prevention should be established to facilitate a harmonized and strong foundation for corruption prevention in the County Assembly.
<b>Accounting system</b>	The accounting system at the County Assembly is largely manual despite the National Treasury's directive on the use of Integrated Financial Management System (IFMIS).	Liaise with the National Treasury to ensure full activation of IFMIS accounting modules.
<b>Assets management</b>	The Assets Register maintained by the County Assembly was not comprehensive and did not contain information on cost, date of acquisition, depreciation rate, insurance, and disposal values of the assets.	Develop and operationalize asset management guidelines.
<b>Official e-mail policy</b>	Some of the officers allocated the official emails, use both personal and official e-mails to transact official business.	Develop and operationalize an email policy to provide guidance and controls on appropriate usage.



*Governor Stephen Sang and EACC Commissioner Rose Mghoi sign an Action Plan during a Corruption Risk Assessment exercise for the County Government of Nandi.*



### 3.3 Corruption Prevention Advisories

The Commission provides advisories to institutions and individuals on prevention of corruption and bribery pursuant to Section 11(1) (g) of the EACC Act, 2011 and Section 9 of the Bribery Act, 2016. During the period under review, the Commission provided advisories on the Public Service Performance Contracting Framework, on Prevention of Corruption and Bribery under the Bribery Act, 2016 and in the formulation of Corruption Prevention Guidelines.

#### 3.3.1 *Advisories under the Public Service Performance Contracting Framework*

The Commission partnered with the Public Service Performance Management and Monitoring Unit (PSPMMU) in the Ministry of Public Service and Gender to oversee the implementation of corruption prevention indicators in the Performance Contracts that Ministries, Departments and Agencies (MDAs) signed with the National Government.

During the reporting period, the Commission analyzed 877 quarterly reports submitted by MDAs under the Corruption Prevention Criteria in the Performance Contract. The reports were reviewed based on the guidelines provided and each MDA was provided with feedback on progress made.

The Commission also evaluated performance of each of the MDAs that signed Performance Contracts during the financial year 2020-2021, and submitted scores to the PSPMMU. In addition, the Commission provided advisories during training of the Corruption Prevention Committees.

#### 3.3.2 *Advisories on Prevention of Corruption and Bribery*

Section 9 (1) of the Bribery Act, 2016 makes it mandatory for public and private entities to put in place procedures appropriate to their size and scale for the prevention of bribery and corruption. The Act also requires the Commission to assist private entities, public entities, and any interested person, to develop and put in place procedures for prevention of bribery and corruption. In view of this, the Commission advised 45 MDAs on the Bribery Act. Some of the MDAs which were advised include: Development Bank of Kenya, Kenya Film Commission, Kenya Broadcasting Corporation, Jomo Kenyatta University of Agriculture and Technology and Ministry of Agriculture, Livestock, Fisheries and Cooperatives.

#### 3.3.3 *Corruption Prevention Guidelines*

The Commission developed three Corruption Prevention Guidelines. Two guidelines were developed in the functional areas of Project Management and Supply Chain



Management, and are ready for discussion and dissemination. The guidelines provided advice to all public organizations on the areas prone to corruption in the specific functions and recommend measures to seal the corruption loopholes. The other guideline on the implementation of the Corruption Prevention Indicator in the Performance Contract during the 18<sup>th</sup> Cycle (FY 2021-2022) was developed and disseminated.

### **3.4 Monitoring Implementation of Prevention Interventions**

During the period under review, the Commission monitored the implementation of system review recommendations and advisories issued to various institutions.

#### **3.4.1 Systems Review Recommendations**

The Commission monitored the implementation of systems review recommendations and completed seven monitoring reports for Kericho County Executive, Kericho County Assembly, Embu County Executive, Embu County Assembly, Kiambu County Executive, Kiambu County Assembly and the National Youth Service. The institutions are at different levels of implementing the recommendations.

#### **3.4.2 Advisories**

The Commission monitored the implementation of the Corruption Prevention Indicator under the Performance Contracting (PC) framework in 53 MDAs. The monitoring revealed that the implementation of the indicator is affected by:

- lack of budgetary provision for corruption prevention activities;
- lack of trained Integrity Assurance Officers (IAOs);
- poorly constituted Corruption Prevention Committees (CPC);
- delays in signing of PCs which leaves inadequate time for implementation of the corruption prevention activities; and
- delegation of the entire responsibility for implementing the Indicator to an individual officer within an institution.

### **3.5 Sectoral Corruption Prevention Fora**

During the period under review, the Commission held two corruption prevention fora on the implementation of the Corruption Prevention Indicator during the 17<sup>th</sup> Cycle (FY 2020-2021) Performance Contracting period. The Commission also held two fora for stakeholders in formulation of regulations and guidelines for implementation of the Bribery Act, 2016.



### 3.6 Implementation of Chapter Six of the Constitution and Related Laws

To promote leadership and integrity, the Commission undertook a number of initiatives. These include: Development of Leadership and Integrity Codes for State Officers; commitment to the Leadership and Integrity Codes; development of Codes of Conduct and Ethics for Public Officers; regulation of bank accounts outside Kenya; Declaration of Income, Assets and Liabilities (DIALs); development of guidelines on Chapter Six of the Constitution and LIA, 2012; automation of processes for compliance with Chapter Six of the Constitution, LIA and POEA; and capacity building on implementation of Chapter Six of the Constitution.



*EACC Ethics and Leadership Director Lucy Kinuthia during a stakeholder function organized by the Commission.*

#### 3.6.1 Development of Leadership and Integrity Codes for State Officers

Section 37 of the Leadership and Integrity Act, 2012 requires each public entity with State Officers to develop a Specific Leadership and Integrity Code for the State Officers serving in that entity. The specific codes developed are to be submitted to the Commission for approval, in accordance with Section 39 of LIA.

During the reporting period, seven public entities submitted their codes for review. These include: The Ministry of Information, Communication and Technology (ICT), Innovation and Youth Affairs; County Executive Committees of Kisumu, Meru, Lamu, Vihiga, Wajir and Garissa. The only two public entities which are



yet to comply with the legal requirement to develop Leadership and Integrity Codes are Isiolo County Assembly and Bungoma County Executive Committee.

### 3.6.2 Commitment to the Leadership and Integrity Codes

All State Officers appointed or elected to a state office are required under Section 40 of LIA to sign and commit to the codes at the time of taking oath of office or within seven days of assuming office.

The Commission coordinated the signing of the Leadership and Integrity Codes within the reporting period. Fifty-two State Officers signed and committed to the codes upon appointment to office as shown in Table 3.4.

**Table 3. 4: Signing of Leadership and Integrity Codes by State Officers**

Institution	Designation of State Officer	No. of Officers
National Land Commission	Members	2
County Government of Nyamira	Governor	1
County Government of Wajir	Governor	1
Nairobi City County Government	Deputy Governor	1
County Government of Kiambu	County Executive Committee Members	10
Office of the Data Protection Commissioner	Data Commissioner	1
The Judiciary	Chief Justice	1
	Supreme Courts Judge	1
	High Courts Judges	34
<b>Total</b>		<b>52</b>



*Governor Amos Nyaribo, Nyamira County committing to the Leadership and Integrity Code.*

### ***3.6.3 Development of Codes of Conduct and Ethics for Public Officers***

The Commission provided technical support to various public entities in developing and implementing Codes of Conduct and Ethics for their respective Public Officers. This was aimed at aligning the Codes to Section 52 of the Leadership and Integrity Act, 2012. During the period under review, the Commission supported 22 public entities to develop Codes. These include ten Constitutional Commissions, nine County Public Service Boards and three County Assembly Service Boards.

### ***3.6.4 Regulation of Bank Accounts outside Kenya***

The Commission is mandated to oversee and enforce implementation of Section 19 of LIA, 2012 as read with Rule 14 of the Leadership and Integrity Regulations, 2015. These provisions seek to ensure that a State or Public Officer seeks approval from the Commission to open or continue to operate bank accounts held outside the country, and also notify the Commission on closure. During the period under review, the Commission approved 322 applications to open and operate bank accounts outside Kenya. In addition, 36 applications were rejected for failure to meet the requirements as set out in Rule 14 of the Leadership and Integrity Regulations, 2015.

### ***3.6.5 Declaration of Income, Assets and Liabilities (DIALs)***

The Commission has the oversight mandate in the implementation of Part IV of POEA on DIALs. During the reporting period, the Commission compiled a compliance report on the 2019 declaration year based on the DIALs reports received from Responsible Commissions. The report highlighted the status of compliance on submission of the reports to EACC and the level of compliance by public officers in submission of DIALs to their Responsible Commissions.

A total of 116 out of 118 Responsible Commissions representing 98.3 percent submitted their reports to EACC. The Defence Council and Kirinyaga County Public Service Board did not submit their reports on DIALs. An analysis of the submission of biennial declarations by Public Officers to their Responsible Commissions during the 2019 declaration year indicated that the Public Officers in the National Government and County Assembly Service Boards recorded the highest submission of DIALs at 99 percent whereas the County Public Service Boards recorded 95 percent rate of submission.

### ***3.6.6 Guidelines on Chapter Six of the Constitution and LIA, 2012***

The Commission developed various guidelines to build the capacity of public entities to comply with requirements under Chapter Six of the Constitution, LIA and



POEA. The guidelines include: Guidelines on Registrable Interests; Operational Guide for Public Entities in compliance with Chapter Six of the Constitution and Integrity Laws; Guidelines on DIALs; and Frequently Asked Questions (FAQs) on DIALs.

### ***3.6.7 Automation of Processes for Compliance with Chapter Six of the Constitution, LIA and POEA***

During the reporting period, the Commission rolled out the bank account application module for receipt of applications to operate bank accounts outside Kenya. The other modules in the automated system include self-declaration forms, gifts and conflict of interest declaration forms, DIALs and portals on submission of reports on various aspects of Chapter Six of the Constitution.

### ***3.6.8 Capacity Building on implementation of Chapter Six of the Constitution***

The Commission embarked on an integrity compliance capacity building program on Chapter Six of the Constitution and related integrity laws targeting State and Public Officers. A total of 2,373 Public Officers from 11 County Assembly Powers and Privilege Committees, three County Public Service Boards and 25 other public entities were trained.

## **3.7 Public Education and Awareness Programmes**

The Commission is required to conduct education, training and create public awareness on anti-corruption and ethical issues to enlist support and build capacity of various sectors in the fight against corruption. This is achieved through various programmes namely; capacity building, targeted outreach and public awareness through community and professional networks, media engagement and mainstreaming of integrity in institutions of learning.

### ***3.7.1 Public Outreach Programmes***

The Commission implemented public outreach programmes as part of anti-corruption awareness raising and enlisting public support in the fight against corruption. During the reporting period, the Commission reached a total of 3,220 participants. The outreach programmes targeted the business community, National and County Governments, Civil Society Organizations (CSOs) in various counties during various fora preceding the Commemoration of International Anti-Corruption Day (IACD) 2020.

### ***3.7.2 Civil society engagements***

Under the targeted networks and community professionals, the Commission reached out to 44 networks with 501,907 participants drawn from Human Rights

Networks, Community Based Anti-Corruption Monitors(CBAM) among others. In addition, 60 members from various CSOs were sensitized. These include: Kwale Civil Society Organizations, members of CBAMs drawn from Kisii and First Action Summit organization in Mombasa.

### ***3.7.3 Media education programs***

Media education awareness programmes in the reporting period were implemented through 71 radio stations and 26 television stations. A total of 58 print media articles featured in various print media outlets and the Commission's Website. Guest appearances in radio and television stations to educate members of the public and enlist their support in the fight against corruption were conducted. Approximately 40 million people were reached.

### ***3.7.4 Development and dissemination of Information, Education and Communication Materials***

During the year, the Commission developed and disseminated assorted Information, Education and Communication (IEC) materials as a strategy for deepening understanding on anti-corruption issues among the public. Six types of IEC materials were developed. These include; wall calendars, short online videos, electronic banners, flyers, brochures and portable Adili program for schools. The Commission disseminated 42,000 assorted IEC materials.



*EACC officer disseminates Commission IEC materials during the commemoration of International Anti-Corruption Day 2020 held in Kiambu County.*



### 3.7.5 Training of Integrity and Corruption Prevention Committees

The Commission implemented Corruption Prevention Committee (CPC) training programmes under the framework of Public Sector Integrity Programme and Performance Contracting (PC) on eradication of Corruption. A total of 950 members of CPCs from 60 institutions were trained.

### 3.7.6 General sensitization

The Commission conducted general sensitization workshops in Ministries, Departments, Agencies (MDAs) and County Governments. Members of the public and community-based groups were also reached through integrity sensitizations. The Commission conducted a total of 91 general sensitization sessions where 4,320 participants were trained.



*EACC Officer sensitizing the public during the dissemination of anti-corruption resource materials aimed at mainstreaming an integrity and anti-corruption culture among religious communities.*

### 3.7.7 School media integrity education programme

The Commission carried out media education programmes targeting learners. The school media integrity education focused on integrity messages that were aired on various radio stations reaching approximately one million learners and teachers.

### 3.7.8 Mainstreaming integrity in institutions of learning

The Commission undertook School Outreach Programs, aimed at inculcating values amongst learners. These programs involved delivery of integrity talks to

learners, management and staff of various institutions, training of student leaders, establishment and follow-up of Integrity Clubs. A total of 15,652 learners in 231 institutions of learning were trained.

### 3.8 National Integrity Academy

The National Integrity Academy (NIAca) organized two virtual international conferences. The themes of the conferences were “*Promoting Integrity, Accountability and Transparency during COVID-19 Period and Beyond*” and “*The Centrality of leadership in Promoting an Ethical Culture in Public Service*”. The Academy collaborated with Association of Chartered Certified Accountants (ACCA)-Global to carry out three virtual Continuous Development Programmes for professional accountants.

In addition, NIAca trained over 500 Integrity Assurance Officers (IAOs) drawn from 23 institutions comprising MDAs, Constitutional Commissions and Independent Offices, law enforcement agencies, county governments, private sector and religious bodies, among others.



*Commission CEO Mr. Twalib Mbarak, CBS, during a National Integrity Academy training.*

### 3.9 Mid Term Review of Strategic Plan, 2018-2023

The Commission finalized Report on Mid-Term Review of Strategic Plan (2018-2023). The review covered programme performance in the period July 2018 to December 2020 and revised activities, targets and aligned with the reoriented Commission structure and management strategy in the midst of prevailing operating environment.

## CHAPTER 4

### PARTNERSHIPS AND NETWORKS

#### 4.1 Introduction

The Ethics and Anti-Corruption Commission Act, 2011 provides for involvement of partners in the implementation of the Commission's mandate. Section 11(3), states that; The Commission may cooperate and collaborate with other state organs and agencies in the prevention, investigation and prosecution of corruption. Further, Section 11(6)(c) states that; the Commission should establish and maintain strategic linkages and partnerships with other stakeholders in the rule of law and other governance sectors.

The Commission established and maintained strategic linkages and partnerships with national, regional and international organizations in order to enhance the fight against corruption and optimize on their respective capabilities and strengths. This chapter presents national, regional and international engagements that were pursued by the Commission in the year under review.

#### 4.2 National Engagements

Under the national engagements, the Commission supported the Kenya Leadership Integrity Forum (KLIF) and partnered with faith based organizations and other sectors.

##### 4.2.1 Kenya Leadership Integrity Forum

Kenya Leadership Integrity Forum is a multi-sector forum that brings together stakeholders in the fight against corruption. KLIF comprises of state and non-state actors categorized in 20 sectors whose Secretariat is provided by the Commission. The actors include: Executive, Legislature, Judiciary, County Governments, Labour, Anti-Corruption Agencies, Enforcement, Watchdog Agencies, the Media, Private, Professional Bodies, Education, Civil Society, Religious Organizations, Constitutional Commissions, Development Partners, Transport, Regional and Sub-Regional Bodies, Regulatory Boards and Financial Services.

The Commission supported KLIF in the following areas: -

1. Commemoration of the African Anti-Corruption Day (AACD) on 11<sup>th</sup> July 2020 under the theme ***“Fighting Corruption Through Effective and***



**Efficient Judicial Systems.”** AACD is a day set aside by the African Union in recognition of the vast progress that has been made in the fight against corruption and cognizant of the need to continually reflect on approaches to end corruption.

2. Commemoration of International Anti-Corruption Day (IACD), 2020, under the theme “Recover with Integrity”. The 2020 IACD national commemoration was held in Kiambu County while regional commemorations were held in Nandi and Nyamira Counties.
3. Launch and implementation of the Kenya Integrity Plan (KIP) 2019-2023 by KLIF stakeholders. The Plan provides a strategy for promoting integrity and ethical conduct through partnerships and collaborative networks.



*EACC Vice Chairperson Sophia Lepuchirit, EBS and Deputy Governor of Nandi Dr. Yulita Cheruiyot flag off the outreach caravan during International Anti-Corruption Day Commemoration in December 2020.*

#### **4.2.2 Partnership with faith based organizations and other sectors**

The Commission signed a Memorandum of Understanding (MoU) with the Faith Based Organizations under the auspices of the Inter-Religious Council of Kenya. The MoU is aimed at mainstreaming anti-corruption, ethics, integrity and good governance by enlisting the support of religious leaders and their followers. During the reporting period, the Commission implemented anti-corruption awareness



programmes targeting the Faith Based Organizations and reached a total of 342 religious leaders drawn from Homabay, Kisii, Nyamira and Migori Counties.

The Commission continued to implement the MoU with the State Department for Cooperatives. During the period under review, 84 members and officials of financial cooperatives drawn from Uasin Gishu and Nyeri Counties were sensitized on anti - corruption best practices. In addition, as part of the Commission's strategy to enlist the support of professionals, the Commission partnered with the Institute of Human Resource Management to train 293 human resource professionals.



*EACC Chief Executive Officer Twalib Mbarak, CBS, engaging journalists during a workshop organised by the Commission to Strengthen Stakeholder Collaboration in the Justice Sector.*

### 4.3 Regional Engagements

The Commission hosted a delegation from Malawi Energy Regulatory Authority. The objective of the visit was to learn, and share experiences on how public institutions in Kenya mainstream corruption prevention in their work processes. In addition, the Legal Unit of the Inspectorate of Government of Uganda visited the Commission to benchmark on asset tracing and recovery. Other delegations that visited the Commission include: The African Parliamentarian Network Against Corruption (APNAC) Kenya Chapter, the Eastern African Association of Anti-Corruption Authorities (EAAACA) and African Development Bank (AfDB), Abidjan.

The Commission hosted a delegation of Agence de Prévention et de Lutte Contre la Corruption (Agency for Preventing and Combating Corruption) of the Democratic Republic of Congo. The objective of the visit was to identify areas of mutual interest for co-operation and to formulate an MoU to guide future engagements.

#### 4.4 International Engagements

The Commission hosted the Ambassador of Swiss Confederation to Kenya H.E. Valentin Zellweger and the Ambassador of the Republic of Turkey to Kenya H.E. Ahmet Cemil Miroğlu, H.E. Manuela Leimgruber Deputy Head of Mission of the Swiss Confederation, Mr. Kevan Higgins, Director, Bureau of International Narcotics and Law Enforcement Affairs (INL) at the US Embassy Nairobi, Mr. Mark Holton and Mr. Julius Nutter of the US Department of Justice and the UNDP Resident Representative, Mr. Walid Badawi. The purpose of the visits was to discuss areas of collaboration and support in strengthening the Commission's capacity to fight corruption and recover illicitly acquired assets.

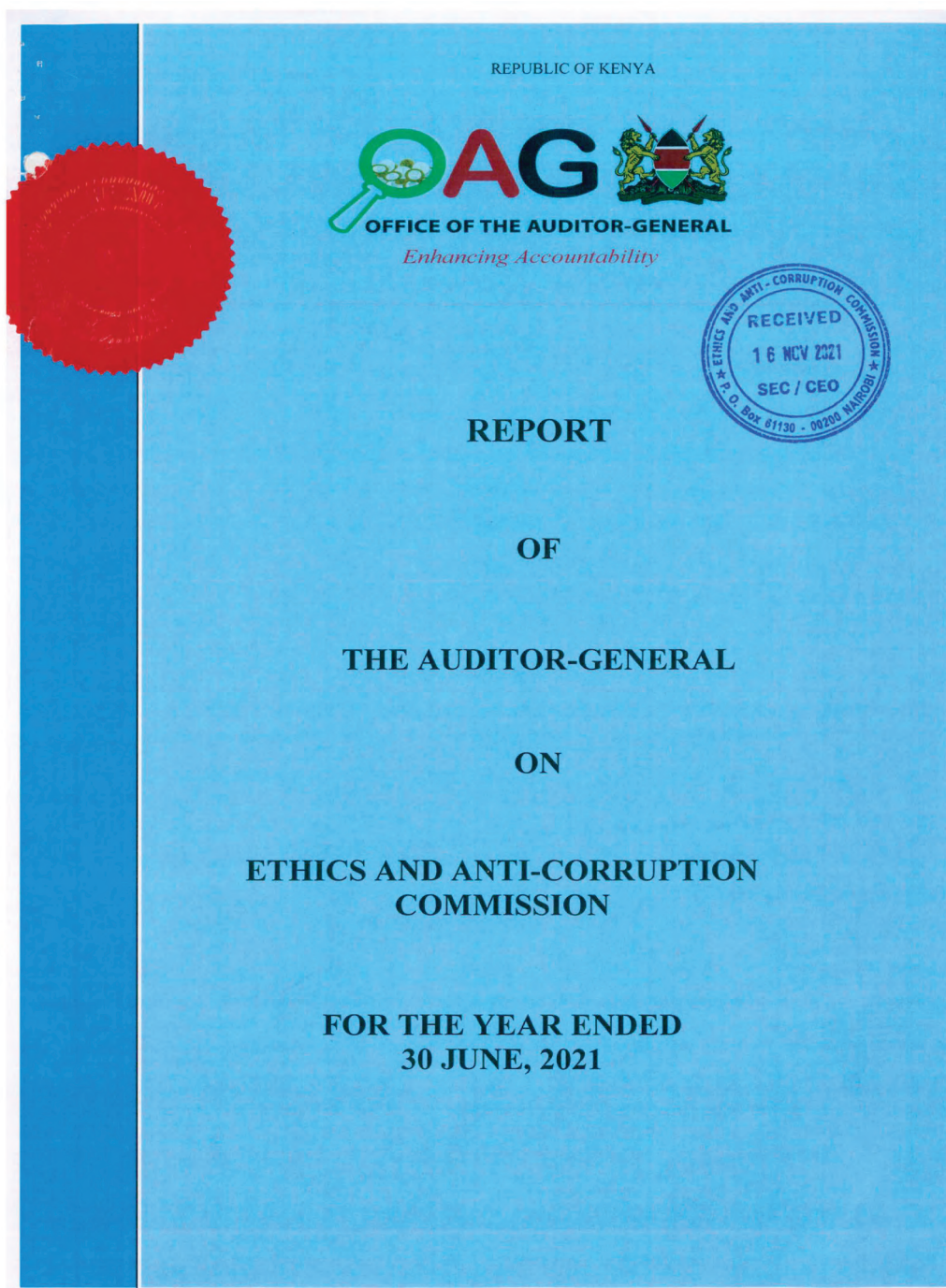


*EACC Chairman Archbishop (Emeritus) Eliud Wabukala, EBS, Vice Chair Sophia Lepuchirit, EBS and Commissioner Rose Mghoi, receives a donation of media production equipment from the Ambassador of the Republic of Turkey to Kenya, His Excellency Ahmet Cemil Miroğlu, and a representative from the Turkish Cooperation and Coordination Agency (TİKA).*

## CHAPTER 5

# ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR







# **ETHICS AND ANTI - CORRUPTION COMMISSION**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

### **FOR THE FINANCIAL YEAR ENDING**

**30<sup>TH</sup> JUNE 2021**

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



## I. KEY ENTITY INFORMATION AND MANAGEMENT

### (a) Background information

The Ethics and Anti-Corruption Commission (EACC) is a statutory body established under the Ethics and Anti-Corruption Commission Act, 2011. EACC is domiciled in Kenya and has its head office in Nairobi. The Commission has eleven (11) regional offices situated in various parts of the Country. Its mandate is to combat and prevent corruption, economic crime and unethical conduct in Kenya through law enforcement prevention, public education, promotion of standards and practices of integrity, ethics and anti-corruption. The Commission is comprised of the Chairperson, Commissioners and the Secretary/Chief Executive Officer.

### (b) Principal Activities

The principal activities of the Commission include: Investigation of corruption and economic crimes, tracing and recovery of corruptly acquired public property, forfeiture of unexplained wealth, corruption prevention, public education and promotion of ethics and integrity.

### (c) Key Management

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

1. The Secretary/ Chief Executive Officer
2. The Deputy Chief Executive Officer
3. Directorate of Investigation
4. Directorate of Preventive Services
5. Directorate of Legal Services & Asset Recovery
6. Directorate of Ethics and Leadership
7. Directorate of Field Services & Coordination
8. Directorate of Finance and Planning
9. Directorate of Corporate Support Services
10. Department of Supply Chain Management



## (d) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021.

Designation	Name
Secretary / Chief Executive Officer	Mr. Twalib Mbarak, CBS
Deputy Chief Executive Officer	Mr. Abdi A. Mohamud, MBS
Directorate of Preventive Services	Mr. Vincent Okong'o
Directorate of Legal Services	Mr. David Too, OGW
Directorate of Ethics and Leadership	Ms. Lucy Kinuthia, MBS
Directorate of Field Services	Mr. Jackson Mue
Directorate of Finance and Planning	Mr. Joel Mukumu
Department of Human Resource	Ms. Ellyjoy Bundi
Department of Supply Chain Management	Mr. Robert Kanyi

## (e) Fiduciary Oversight Arrangements

Commission Committees	Members
Enforcement	Commissioner Paul Mwaniki Gachoka, EBS - Chairperson Commissioner Sophia Lepuchirit, EBS
Corruption Prevention, Education and Public Engagement	Commissioner Dr. Dabar Maalim - Chairperson Commissioner Rose Mghoi Macharia
Support Services	Commissioner Rose Mghoi Macharia - Chairperson Commissioner Dr. Dabar Maalim
Risk & Audit	Lawrence Nyalle (Independent Chairperson) Jane Micheni (Representative – National Treasury) Commissioner Dr. Dabar Maalim Commissioner Rose Mghoi Macharia Commissioner Paul Mwaniki Gachoka, EBS
Finance, Planning and Supply Chain Management	Commissioner Sophia Lepuchirit, EBS - Chairperson Commissioner Paul Mwaniki Gachoka, EBS





**(f) Entity Headquarters**

Integrity Centre  
Jakaya Kikwete/Valley Road Junction  
P.O. Box 61130-00200, Nairobi, Kenya

**(g) Entity Contacts**

Headquarters, Nairobi  
Integrity Centre  
Jakaya Kikwete /Valley Road Junction  
P. O. Box 61130-00200, Nairobi  
Tel: (254) (020) 4997000  
Mobile: 0709 781000; 0730 997000  
Fax: (020) 2240954  
Email address: eacc@integrity.go.ke

**(h) Entity Bankers**

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

Kenya Commercial Bank  
Milimani Branch  
P.O. Box 69695-00400  
Nairobi, Kenya

**(i) Independent Auditors**


The Auditor General  
Anniversary Towers, University Way  
P. O. Box 30084, GPO 00100  
Nairobi, Kenya

**(j) Principal Legal Adviser**

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




## II. THE COMMISSION




COMMISSION MEMBERS	
 <p><b>Archbishop (Emeritus) Dr. Eliud Wabukala, EBS - Chairperson</b></p>	<p>Archbishop (Emeritus) Dr. Eliud Wabukala, EBS was appointed the Chairperson of the Ethics and Anti-Corruption Commission (EACC), in January 2017. He is a retired Archbishop of the Anglican Church of Kenya.</p> <p>Archbishop (Emeritus) Dr. Wabukala, EBS was awarded Doctor of Divinity (Hon) and holds a Master Degree in Religion from Wycliffe College, University of Toronto – Canada. He also holds a Bachelor Degree in Divinity from St. Paul's University – Limuru. He was born in the year 1951.</p> <p>Previously, he served as the Chairperson of the National Anti-Corruption Campaign Steering Committee (NACCSC), The Global Future Anglican Conference and the National Council of Churches of Kenya. Archbishop (Emeritus) Dr. Wabukala, EBS is a professional teacher with many years of teaching experience and previously served; as the Academic Dean at St. Paul's University, as a lecturer and as Chairperson of the University Council.</p> <p>He has been involved in many peace mitigations and reconciliation including the 2007 post-election violence in Kenya. Archbishop (Emeritus) Dr. Wabukala, EBS was also involved in the reform process in South Sudan.</p>
 <p><b>Commissioner Sophia Lepuchirit, EBS - Vice-Chairperson</b></p>	<p>Commissioner Sophia Lepuchirit, EBS was appointed a Commissioner in January 2016. She is the Vice Chairperson of the Ethics and Anti-Corruption Commission.</p> <p>She holds a Bachelor of Arts Degree in Public Administration and International Relations from the University of Nairobi and currently pursuing a Master Degree in Business Administration (MBA) at the African Nazarene University. She was born in the year 1959.</p> <p>Prior to her appointment, she held prominent administrative positions in several State Organizations including Jomo Kenyatta Foundation (JKF) where she served as a Director, and Kerio Valley Development Authority where she served as Chairperson. She also served as a member at the National Anti-Corruption Campaign Steering Committee.</p> <p>Commissioner Sophia Lepuchirit, EBS is an anti-corruption crusader, community mobilizer, gender activist, a promoter of affirmative action for the marginalized categories and communities. She is a member of the Minority Rights Groups, London (MRG), International Working Group on Indigenous Issues (IGWIA) – Denmark, and Kenya Pastoralist Forum.</p>

COMMISSION MEMBERS	
 <p data-bbox="212 610 564 671"><b>Commissioner Dr. Dabar Abdi Maalim</b></p>	<p data-bbox="591 231 1212 288">Commissioner Dr. Dabar Abdi Maalim was appointed a Commissioner in January 2016.</p> <p data-bbox="591 312 1212 397">He holds a PhD in Community Health from University of Reading (UK) and Master Degree from Wales College of Medicine, Cardiff (UK). He was born in the year 1957.</p> <p data-bbox="591 421 1212 506">He has over 12 years of experience as a university academician having attained the rank of Assistant Professor at Aga Khan University, East Africa.</p> <p data-bbox="591 530 1212 772">Commissioner Dr. Maalim has also consulted for various national and international institutions including the Government of Kenya, DANIDA, UNICEF-Ethiopia, and World Health Organisation (WHO) both in Kenya and Eritrea, Islamic Development Bank among others. He was the Team Leader/ Coordinator of the Millennium Villages Project (Kenya) and Associate Research Scientist – Earth Institute, Columbia University USA between November 2010 and January 2012.</p>
 <p data-bbox="219 1155 554 1215"><b>Commissioner Paul Mwaniki Gachoka, EBS</b></p>	<p data-bbox="591 792 1212 848">Commissioner Paul Mwaniki Gachoka was appointed a Commissioner in January 2016.</p> <p data-bbox="591 872 1212 1034">He is an Advocate of the High Court of Kenya. He is a holder of a Bachelor of Laws Degree from the University of Nairobi and holds a Master of Arts in Philosophy and Ethics from Strathmore University. He was born in the year 1965. He is a fellow of Chartered Institute of Arbitrators and Accredited Mediator</p> <p data-bbox="591 1058 1212 1195">Commissioner Gachoka has in-depth legal experience in Kenya and is the Principal Partner at Mwaniki Gachoka and Co. Advocates, representing clients in multi-disciplinary commercial, conveyancing services and civil cases.</p> <p data-bbox="591 1219 1212 1296">He has served as a Director of several private Companies; Further, he has served as a Council Member of the Law Society of Kenya (2003 to 2006).</p>
 <p data-bbox="231 1737 541 1798"><b>Commissioner Rose Mghoi Macharia</b></p>	<p data-bbox="591 1314 1212 1370">Commissioner Rose Mghoi Macharia was appointed a Commissioner in January 2016.</p> <p data-bbox="591 1395 1212 1524">She holds a Master Degree in Human Resource Development from the Institute for Development Policy and Management (IDPM) of the University of Manchester and a Bachelor Degree in Education from University of Nairobi. She was born in the year 1958.</p> <p data-bbox="591 1548 1212 1677">She is a seasoned Human Resource professional and has a wealth of experience in public sector management, education, people development and strategy. She has worked in the Education Sector as a Graduate Teacher, Lecturer and Senior Education Officer.</p> <p data-bbox="591 1701 1212 1830">She also has valuable experience in developing human capital in various State Corporations such as Higher Education Loans Board, Nyayo Tea Zones Development Corporation and Information Communication and Technology Authority.</p>






COMMISSION MEMBERS	
 <p data-bbox="273 721 576 810"><b>Mr. Twalib Mbarak, CBS</b> Secretary/Chief Executive Officer</p>	<p data-bbox="628 278 1249 374">Mr. Twalib Mbarak, CBS was appointed Secretary/Chief Executive Officer of the Ethics and Anti-Corruption Commission in January 2019.</p> <p data-bbox="628 403 1249 528">He is a holder of Master of Arts Degree in Armed Conflict and Peace Studies and Bachelor of Arts degree from the University of Nairobi. He was born in 1965.</p> <p data-bbox="628 556 1249 753">Mr. Twalib Mbarak, CBS joined the Kenya Armed Forces in 1984 where he rose through the ranks and retired as a Major in 1999. He has also served with the National Intelligence Service (NIS), Kenya Anti-Corruption Commission (KACC) and Kenya Electricity Generating Company (KenGen).</p> <p data-bbox="628 782 1249 1032">Mr. Twalib Mbarak, CBS has extensive experience in Security, Intelligence and Investigation Management. He is a Certified Security Management Professional from the International Security Management Institute, UK. In Kenya, he founded the Association of Corporate and Industrial Security Professionals (ACISMP) an association directing the corporate security in Kenya.</p>




### III. MANAGEMENT TEAM

MANAGEMENT TEAM		
 <p><b>Mr. Twalib Mbarak, CBS Secretary/Chief Executive Officer</b></p>	<p>Master of Arts in Armed Conflict &amp; Peace Studies</p> <p>Bachelor of Arts (Political Science and Sociology)</p> <p>Diploma in Armed conflict and Peace Studies</p> <p>Diploma Advanced Intelligence Course</p> <p>Diploma, Private Investigations</p> <p>Advanced Intelligence Course</p> <p>FBI undercover Certification Course</p> <p>Strategic Intelligence Course</p>	<p>Chief Executive Officer and Accounting Officer responsible for the day-to-day management of the Commission</p>
 <p><b>Mr. Abdi A. Mohamud, MBS – Ag. Deputy Chief Executive Officer</b></p>	<p>Master of Science (Security and Risk Management)</p> <p>Bachelor of Laws (LLB)</p> <p>Strategic Leadership Development Programme</p> <p>Senior Leadership and Management Course</p> <p>Corporate Governance Course</p> <p>Local and International Fraud Investigation courses</p>	<p>He is Ag. Deputy Chief Executive Officer and Head of the Investigation Directorate</p>
 <p><b>Mr. David K. Too, OGW Director, Legal Services &amp; Asset Recovery</b></p>	<p>Master of Business Administration</p> <p>Bachelor of Laws (LLB)</p> <p>Diploma in Law</p> <p>Strategic Leadership Development Programme Course</p> <p>Senior Management Course;</p> <p>Corporate Governance Training Course;</p>	<p>Head of Legal Services &amp; Asset Recovery Directorate</p>



MANAGEMENT TEAM		
 <p><b>Ms. Lucy W. Kinuthia,</b> MBS - Director, Ethics &amp; Leadership</p>	<p>Master of Social Science (Development Administration)</p> <p>Bachelor of Arts (Political Science)</p> <p>Strategic Leadership Development Programme Course</p> <p>Certification in Governance Ethics and Anti -Corruption Reforms</p>	Head of Ethics and Leadership Directorate
 <p><b>Mr. Vincent O. Okong'o</b> Director, Preventive Services</p>	<p>Master of Arts (Economics &amp; Social Studies)</p> <p>Master of Arts in Economic Policy Management</p> <p>Bachelor of Arts (Economics)</p> <p>Strategic Leadership Development Programme Course</p> <p>Corporate Governance Course</p>	Head of Preventive Services Directorate
 <p><b>Mr. Joel I. Mukumu</b> Director, Finance and Planning</p>	<p>Master of Business Administration (Finance)</p> <p>Bachelor of Commerce -Accounting Option.</p> <p>Certified Public Accountant-K</p> <p>Strategic Leadership Development Programme Course</p> <p>Corporate Governance Course</p> <p>Senior Management Course</p>	Head of Finance and Planning Directorate



MANAGEMENT TEAM		
 <p><b>Mr. Jackson K. Mue</b> Director, Field Services &amp; Coordination</p>	<p>Master of Science in ICT Policy and Regulation</p> <p>Bachelor of Science (Mathematics &amp; Computer Science)</p> <p>Post Graduate Diploma in Computer Science,</p> <p>Strategic Leadership Development Programme Course</p> <p>Certificate Course in Governance, Ethics and Economic Crimes</p> <p>Economic Crime Intelligence Course</p> <p>Corporate Governance Course</p>	<p>Head of Field Services &amp; Coordination Directorate</p>
 <p><b>Mr. Robert K. Wachira</b> Deputy Director, Supply Chain Management</p>	<p>Master of Science (Procurement &amp; Logistics)</p> <p>Bachelor of Science (Mathematics &amp; Physics)</p> <p>Diploma in Purchasing &amp; Supplies Management</p> <p>Strategic Leadership Development Programme Course</p> <p>Senior Management Course</p> <p>Corporate Governance Course</p>	<p>Head of Supply Chain Management</p>
 <p><b>Ms. Ellyjoy G. Bundi</b> Assistant Director, Human Resource Management</p>	<p>Master of Business Administration (HRM)</p> <p>Bachelor of Education</p> <p>Diploma in Human Resources Management</p> <p>Strategic Leadership Development Programme Course</p> <p>Corporate Governance Course</p> <p>Senior Management Course</p>	<p>Head of Human Resource Management</p>



## J. STATEMENT OF THE CHAIRPERSON



The Ethics and Anti-Corruption Commission (EACC) has continued to discharge mandate to support the national aspirations under the Vision 2030 through priority interventions to safeguard public resources to enable the government realize its development agenda.

In order for the above aspirations to be realised, corruption and unethical conduct must be effectively dealt with. Notably, the Commission, under its Strategic Plan for the period 2018-2023, has identified and amplified four (4) key pragmatic strategies focusing on high impact investigations, asset recovery, corruption prevention and partnerships.

The EACC strategies are aimed at creating deterrence, extinguishing benefits accrued from corrupt conduct, creating public awareness towards corruption prevention, enlisting and fostering support from all stakeholders in the fight against corruption and unethical conduct. The strategies are geared towards entrenching probity and accountability in the management of public resources.

The Commission continues to receive support from the government through budgetary allocation to facilitate effective implementation of its mandate. As a result, the Commission has been able to strengthen its institutional capacity and enhanced its structures to deliver timely and effective services to the citizens.

The Commission as required under the EACC Act No.22 of 2011 and the Public Finance Management Act, 2012, has put in place adequate accountability models on the management of its resources. The focus of the Commission remains; consolidating the gains made in the management of its financial resources, mobilization of adequate resources to effectively discharge its mandate.

During the COVID-19 pandemic period, the Commission acknowledges the support received from its key stakeholders to ensure business continuity. Through collaboration with development partners such as the European Union in Kenya, US Embassy, United Nations Development Programme (UNDP), National Crime Agency, Turkish Cooperation and Coordination Agency (TIKA) among others, the Commission has been able to discharge its mandate.





The Commission will continue to ensure prudent utilization of the resources appropriated for the discharge of its mandate.

God bless Kenya.

ARCHBISHOP (EMERITUS) DR. ELIUD WABUKALA, EBS

CHAIRPERSON



## K. REPORT OF THE SECRETARY/CHIEF EXECUTIVE OFFICER



Ethics and Anti-Corruption Commission (EACC) prepares its financial statements on an annual basis, as required under the Public Finance Management Act, 2012 and the attendant Regulations. In this regard, the Commission in compliance with the law has prepared and hereby presents its financial statements for the Financial Year 2020/2021.

The Financial Statements of the Commission presents the Financial Performance, Statement of the Financial Position, Statement of Changes in Net Assets and Statement of Cash Flows. The Statements have been prepared in compliance with the Public Finance Management Act, 2012 and the attendant Regulations, as well as, in consonance to the obtaining International Public Sector Accounting Standards (IPSAS) on prudent financial management and reporting.

During the period under review, the total budgetary allocation to the Commission by the Government was Kes. 3,313,000,000.00. The allocation comprised of recurrent budget of Kes. 3,272,200,000.00, which is inclusive of Kes. 200,000,000.00 allocated during Supplementary I, and development budget amounting to Kes. 40,800,000.00. The budgetary allocation was applied to finance programmes and activities of the Commission aimed at reducing the prevalence of corruption, economic crimes and unethical conduct in Kenya.

The financial resources allocated to the Commission has enabled it to continue to discharge its mandate. During the period under review, the Commission, enhanced its anti-corruption interventions by increasing the number of high impact investigations concluded, corruptly acquired assets recovered, disruption of corruption networks, advisories provided, codes of ethics reviewed and approved among others.

In addition, the Commission has continued to enhance its institutional capacity through recruitment of additional technical staff, and providing continuous training to enhance skills and competencies. Further, the Commission expanded its investigation infrastructure through acquisition of additional specialised equipment and tools.



Despite scaling-down the operations of the Commission as a result of the challenges arising from COVID-19 pandemic, the Commission realigned its financial resources by embracing innovative strategies to implement its programmes and activities. The resources were realigned towards; acquisition of ICT equipment, video conferencing facilities, procuring media platforms among others to facilitate discharge of the Commission's mandate.

The Commission will continue to ensure compliance with the applicable laws in the management of public funds entrusted for the discharge of its programmes and activities.

TWALIB MBARAK, CBS

SECRETARY/CHIEF EXECUTIVE OFFICER



## L. STATEMENT OF ETHICS AND ANTI-CORRUPTION PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2020/2021

The Commission has four strategic themes/issues and objectives within the current Strategic Plan for the FY2018- FY 2023. These strategic pillars/ themes/ issues are as follows:

Pillar /Theme/Issue 1: Policy, Legal and Regulatory Framework

Pillar/Theme/Issue 2: Enforcement

Pillar/Theme/Issue 3: Prevention and Public Awareness

Pillar/Theme/Issue 4: Institutional Capacity

The Commission develops its annual work plans based on the above four pillars/ Themes/Issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Commission achieved its performance targets set for the FY 2020/2021 period for its four strategic pillars, as indicated in the diagram below:

Strategic Pillar/ Theme/ Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 1:	Strengthening policy, legal and regulatory framework	<ol style="list-style-type: none"> <li>1. No. of Laws reviewed and amendment proposed</li> <li>2. Effective policy, legal and regulatory framework</li> <li>3. No. of regulations reviewed and amendment proposed</li> <li>4. No. of new laws proposed</li> <li>5. No. of new Laws and amendments</li> <li>6. Country review report on review of Chapter 2 and (UNCAC and AUPCC</li> <li>7. National ethics and anti-corruption policy gazetted</li> </ol>	<ul style="list-style-type: none"> <li>• Propose new amendments on the law</li> <li>• Finalize National Ethics and Anti-Corruption Policy</li> <li>• Undertakes UNCAC and AUPCC review</li> </ul>	<ol style="list-style-type: none"> <li>1. Lifestyle Audit Bill, 2021.</li> <li>2. Conflict of interest bill, 2020</li> <li>3. Development of the Regulatory Framework under the Bribery Act, 2016</li> <li>4. Amendment of the Ethics and Anti-Corruption Commission Act, 2011</li> <li>5. Seized Assets Management Policy and Guidelines</li> </ol>



Strategic Pillar/ Theme/ Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 2:	Enhancing law enforcement in the fight against corruption and unethical conduct	<ol style="list-style-type: none"> <li>No. of reports analyzed</li> <li>No. of referrals</li> <li>No. of files completed</li> <li>No. of petitions initiated for removal under Chapter</li> <li>No. of sting Operations</li> <li>No. of legal opinions</li> <li>No. of suits, petitions and judicial review applications defended</li> <li>No. of surveillance operation executed</li> <li>No. of disruptions executed</li> <li>No. of files reviewed and forwarded to ODPP</li> <li>Value of assets in KES traced and suits filed</li> <li>No. of preservation applications filed</li> <li>Value of assets recovered</li> </ol>	<ol style="list-style-type: none"> <li>Reports received and analysed</li> <li>Investigation completed on corruption and economic crimes</li> <li>Ethical breaches investigations completed</li> <li>Preservation suits filed in the Court</li> <li>Files forwarded to ODPP for determination</li> <li>Tracing of assets investigations</li> <li>Sting operations undertaken</li> <li>Value of assets recovered</li> </ol>	<ol style="list-style-type: none"> <li>4,894 reports on corruption, economic crime and unethical conduct were received and analyzed out of which 2,025 reports received were relevant to the Commission's mandate.</li> <li>104 cases files on corruption and economic crime were finalized and submitted to the Office of the Director of Public Prosecution (ODPP) for action. Out of these files, the Commission recommended 70 for prosecution, 15 for administrative action and 19 for closure.</li> <li>83 case files on ethical breaches to the Office of the Director of Public Prosecution for action.  Completed 25 Asset tracing inquiries in respect of public assets illegally acquired. These assets included land/immovable properties, and cash. The total estimated value of the assets is Kes. 14 billion.</li> <li>Value of assets in KES 16.5 billion recovered</li> <li>75 Petitions and Judicial Review Applications filed against the Commission</li> <li>8 Proactive investigations which resulted in averting possible loss of public funds of approximate KES. 1.223 billion.</li> </ol>



Strategic Pillar/ Theme/ Issues	Objective	Key Performance Indicators	Activities	Achievements
Pillar/ theme/ issue 3: Prevention and Public Awareness	Enhancing public education, communication and awareness on corruption and unethical practices	<ul style="list-style-type: none"> <li>No. of print media, programmes conducted</li> <li>No. of IEC materials developed and disseminated</li> <li>No. of targeted spots reached</li> <li>No. of networks Reached</li> <li>Portable Adili (Integrity) content developed</li> <li>No. of monitoring reports developed</li> </ul>	<ul style="list-style-type: none"> <li>Civil society engagement</li> <li>Media programmes undertaken</li> <li>Information of education Communication materials developed</li> </ul>	<ul style="list-style-type: none"> <li>Civil society engagements: 44 networks and 501,907 participants drawn from Human Rights network, Community Based Anti-Corruption Monitors among others</li> <li>Media programmes: 71 Radio stations and 26 Television stations. A total of 58 print media articles featured in various print media outlets and the Commission's Website</li> <li>Six (6) types of IEC were developed and 42,000 disseminated</li> <li>7 portable Adili lessons to KICD for approval.</li> </ul>
	Enhancing the prevention of corruption and unethical practices	<ul style="list-style-type: none"> <li>No of advisories to MDAs</li> <li>No. of System review reports</li> <li>No of Corruption risks assessments</li> <li>No. of Corruption Prevention Committees</li> <li>Number of Integrity Assurance Officers Trained</li> <li>No of system reviews monitored</li> <li>Number of targeted research</li> <li>Programme evaluation</li> </ul>	<ul style="list-style-type: none"> <li>No of advisories to MDAs</li> <li>System review reports undertaken</li> <li>Corruption risks assessments undertaken</li> <li>Corruption Prevention Committees instituted</li> <li>Integrity Assurance Officers trained</li> <li>System reviews reports monitored</li> <li>Targeted research undertaken</li> <li>Programme evaluation</li> </ul>	<ol style="list-style-type: none"> <li>Issued 1,517 advisories to MDAs under the Corruption Eradication Indicator in Performance Contracting.</li> <li>Finalized eleven (11) examination reports covering systems, policies, procedures and practices at the State Departments</li> <li>402 Integrity Assurance Officers and Corruption Prevention Committees trained.</li> <li>1,212 Corruption Prevention Committees (CPC) members from various institutions were trained.</li> <li>Four Reports on Corruption Risk Assessments (CRAs) conducted in two counties</li> <li>Seven public entities submitted their codes for review</li> <li>134 specific leadership and integrity codes out of the 136 public entities with state officers in Kenya</li> </ol>



Pillar/ theme/ issue 4: Institutional Capacity	Enhancing institutional capacity of the Commission	<ul style="list-style-type: none"><li>• Revised organizational structure</li><li>• Number of staff recruited and placed</li><li>• Budget Estimates</li><li>• Workplace audit</li><li>• ICT Network audit report</li></ul>	<ul style="list-style-type: none"><li>• Revise organiza- tional structure</li><li>• Recruit staff</li><li>• Approved budget estimates</li><li>• Workplace audit report</li><li>• Conduct Network audit report</li></ul>	<ul style="list-style-type: none"><li>• Revised Organizational structure approved by Public Service Com- mission</li><li>• FY 2020/21 budget estimates</li><li>• Network audit report</li></ul>
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## M. CORPORATE GOVERNANCE STATEMENT

The Ethics and Anti-Corruption Commission (EACC) is a Constitutional Commission created pursuant to Article 79 of the Constitution of Kenya 2010 and established under Section 3 of the Ethics and Anti-Corruption Commission Act No. 22 of 2011. The EACC Act details the functions and powers of the Commission, to provide for the qualifications and procedures for the appointment of the Chairperson and Members of the Commission, and for connected purposes.

Section 4 of the Act provides for the composition and appointment of the Commission which consist of a Chairperson and four other Members appointed in accordance with the provisions of the Constitution and the Act. The Chairperson and Members of the Commission are appointed for a single term of six (6) years and serve on a part-time basis. The functions of the Commissioners include; policy formulation, strategic direction, establishing and maintaining strategic linkages and partnerships with other stakeholders in the rule of law and other governance sector, among others.

The Secretary to the Commission is also the Chief Executive Officer and Accounting Officer. The Secretary is responsible for; carrying out of the decisions of the Commission; day-to-day administration and management of the affairs of the Secretariat and the performance of such other duties as may be assigned by the Commission.

The mandate of the Commission is to; educate and create awareness; undertake preventive measures against unethical and corrupt practices; conduct investigations on its own initiative or on a complaint made by any person; recovery corruptly acquired an unexplained asset. In performing its function, the commission may engage such experts as may be necessary for the performance of its functions. To ensure access to its services in all parts of the Republic in accordance with Article 6 (3) of the Constitution, the Commission has established 11 Regional Offices and has presence in 50 Huduma Centres across the Country.

In order to effectively undertake its functions, the Commission has established five (5) Committees. The Committees include; Risk and Audit Committee, Finance and Supply Chain Management, Law Enforcement, Support Services, and Corruption Prevention, Education and Public Engagements. The Committees are comprised of Commissioners and relevant heads of Directorates and Departments. The conduct of meetings is guided by the Second Schedule of the EACC Act.



The Commission is implementing its Strategic Plan, 2018-2023 which has provided strategic direction for the period under review. The Plan is implemented through annual budgets, procurement plan and work plans. The Commission reports on its programmes and activities to the National Assembly through quarterly and annual plans. The Commission also prepares annual financial statements in accordance with the law and is audited by the Office of the Auditor General.



## N. MANAGEMENT DISCUSSION AND ANALYSIS

### 8.1 Reports on Corruption Received by the Commission

The Commission received, analyzed and processed 4,894 reports on corruption and unethical conduct in Financial Year 2020/21, out of which 2,025 reports were within the Commissions mandate and therefore recommended for investigations. Figure 1 illustrates the trend of reports within Commission mandate from Financial Years 2013/2014 to 2020/21.

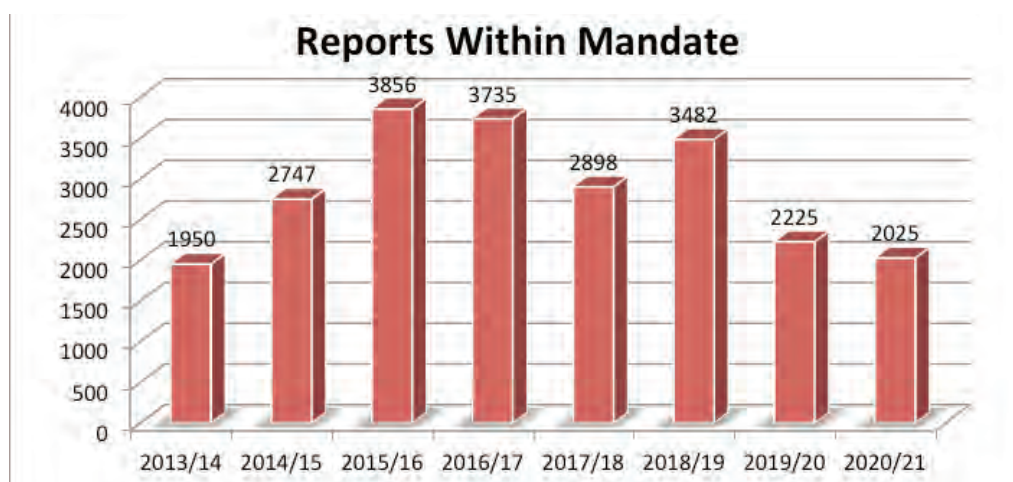


Figure 1: Summary of Reports within Commission Mandate

### 8.2 Cases Forwarded to the Office of the Director of Public Prosecutions

Upon satisfying threshold for investigation and relevant evidence obtained, the completed files are submitted to the prosecutor for determination. The independent review by prosecutor results in either concurrence with EACC recommendation, returned for further investigations, administration action and closure. Table 1 indicate cases forwarded to the Director of Public Prosecutions (DPP) with recommendation to prosecute

Table 1: Reports to ODPP with Recommendation to Prosecute

Year	No. of Reports	Accepted	Not Accepted	Concurrence rate (%)
2013/14	44	43	1	99
2014/15	75	74	1	99
2015/16	136	131	5	96
2016/17	97	89	8	92
2017/18	143	94	49	65
2018/19	78	77	1	99
2019/20	43	40	3	93
2020/21	70	68	2	98
Total	686	616	70	90

The above Table shows the average concurrence rate to prosecute between EACC and DPP is 90 percent.

Table 2 presents the results of reports to DPP with recommendation for administrative action. On average, 86 percent concurrence rate is observed.

**Table: 2 Reports to DPP with Recommendation for Administrative Action**

Year	No. of Reports	Accepted	Not Accepted	Concurrence rate(%)
2013/14	9	7	2	78
2014/15	8	8	0	77
2015/16	4	3	1	99
2016/17	7	7	0	100
2017/18	10	7	3	70
2018/19	13	13	0	100
2019/20	10	9	1	90
2020/21	15	12	3	80
Total	76	66	10	86

Table 3. shows reports to DPP with recommendation for closure for the seven-year period. The Commission has achieved a concurrence rate of 89 percent

**Table 3: Reports to DPP with Recommendation for Closure**

Year	No. of Reports	Accepted	Not Accepted	Concurrence rate (%)
2013/14	17	14	3	82
2014/15	22	19	3	86
2015/16	27	25	2	92
2016/17	26	25	1	99
2017/18	27	21	6	78
2018/19	33	31	2	94
2019/20	19	17	2	89
2020/21	19	18	1	95
Total	190	170	20	89%

### 8.3 Outcome of Cases Finalized in Court

The cases that are scrutinized by ODPP and seen fit for prosecution are taken to court and table 4 provides the results of 65 percent conviction rate.

**Table 4: Outcome of cases finalized in Court**

Year	No of cases finalized	Conviction	Acquittal	Discharge	Conviction rate (%)
2013/14	2	1	-	1	50
2014/15	1	1	-	-	100
2015/16	14	11	-	3	79
2016/17	25	18	7	-	72
2017/18	44	35	9	-	79
2018/19	78	51	23	4	65
2019/20	55	23	28	4	41
2020/21	31	23	5	3	74
Total	250	163	72	15	65

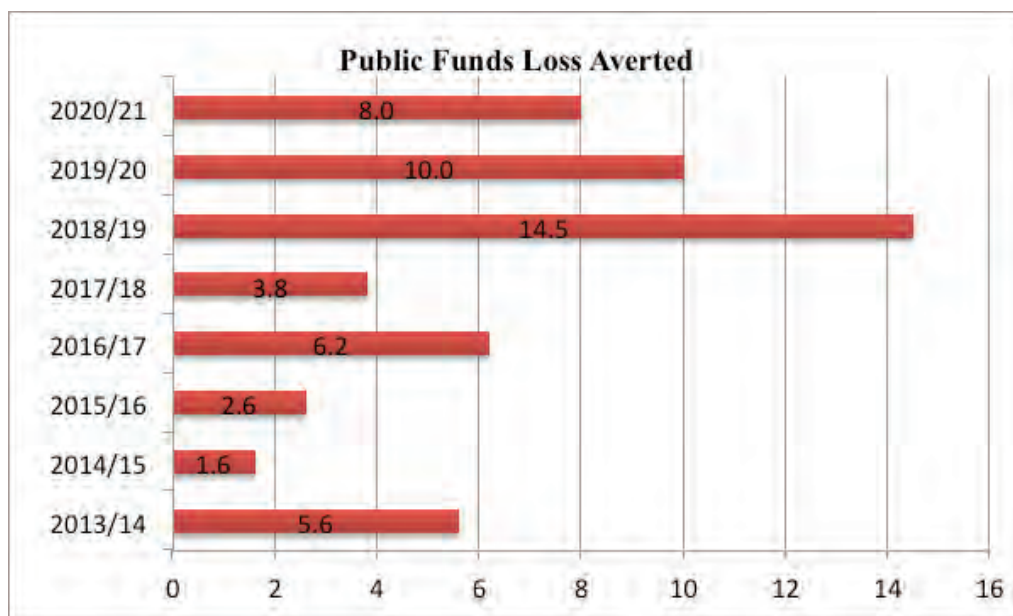
The Commission recovers assets acquired out of corruption and economic crime as deterrent measure. Table 5 presents the estimated value of assets recovered in the last eight years period.

**Table 5: Assets Recovered**

Assets Recovered from 2013-2021								
Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Value in (KES millions) of public assets recovered	2,000	140.3	700	256	352.2	4,500	12,120	16,500

## 8.4 Loss averted through Disruption of Corruption Networks

The Commission averted possible loss of the public funds in intelligence gathering strategy. The results are shown in Figure 2.

**Figure 2: Loss averted through Disruption of Corruption Networks in Kes Billions**

*Figure 2: Loss averted through Disruption of Corruption Networks*

## 8.5 Institutional Systems Reviews Reports

The Commission has conducted examinations into the systems, policies, procedures and practices of operation in the various state entities, among them:



- 2013/14 Kenya Institute of Curriculum Development (KICD) and National Cereals and Produce Board
- 2014/15 Parliamentary Service Commission and Ports of entry in Kenya
- 2015/16 Ministry of Education (Free Primary Education programme)
- 2016/17 Ministry of Lands and Physical Planning and Pricing of pharmaceuticals and non-pharmaceuticals Supplies in the Kenya Health Sector (pending official release)
- 2017/18 Examination into the systems, policies, procedures and practices of the Ministry of Lands, and Physical Planning.
- 2018/19 Examination into the systems, policies, procedures and practices of the Ministry of Environment and Forestry and Examination into the policies, procedures and practices in the centralized procurement of ICT equipment and services at the Ministry of Information, Communications and Technology
- 2019/20 Examination into the systems, policies, procedures and practices of the Ministry of Environment, Sheikh Khalifa Bin Zayed Al-Nahyan Secondary and Technical School Mombasa, and in the centralized procurement of ICT items and services by the ministry of ICT
- 2020/21 During the year, the Commission reviewed the systems, policies, procedures and practices of operation in the various state entities, and Counties and completed reports. These are:
1. Corruption risks in County in the Nandi County Executive.
  2. Corruption Risk Assessment in the Nandi County Assembly.
  3. Corruption risks in County in the Nyamira County Executive.
  4. Corruption Risk Assessment in the Nyamira County Assembly.
  5. Systems review in the Department of Housing targeting affordable Housing, Estates Management and Slum Upgrading.
  6. Systems review in the National Hygiene Program-Kazi Mtaani.
  7. Systems review into the, policies, procedures and practices of work on the establishment of technical and vocational education and training institutions.





- 8 Systems review into the Agricultural Settlement Fund Trustee
9. Systems audit into the national Youth service targeting various functional areas (eight reports completed).

## 8.6 Enforcement of Chapter Six and Leadership and Integrity Act

The Commission undertook integrity verification for compliance with the provisions of Chapter Six of the Constitution for 8,049 applicants seeking appointment to state and public offices. The Commission facilitated development of Specific Leadership and Integrity Codes for state officers in 9 public entities and monitored declarations of income, assets and liabilities by public officers.

**Table 6: Integrity verification statistics**

S/No.	Institution	No. of officers cleared	No. of officers not cleared	Total Received
	National Government	4,481	20	4,501
	County Governments	3,449	5	3454
	Private Institutions	94	0	94
Sub-Total		8,024	25	8,049
	<b>Self-declaration forms received</b>	<b>89,704</b>		<b>89,704</b>

## 8.6 Financial Performance

The Commission is committed in carrying out financial management in line with Public Finance Management Act, 2012. The Commission is funded by the Government through The National Treasury. The Commission recorded budget absorption of 98 percent with approved budget of Kes 3,313,000,000 for FY 2020/2021.



## O. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

EACC exists to combat and prevent corruption and Economic crimes and unethical conduct in Kenya. It's what guides us to deliver our strategy, which is founded on four pillars:

Below is a brief highlight of our achievements in each pillar

### 1. Ethics and Anti-Corruption Commission Sustainability

Articles 79 and 252 that anchor the Commission in the Constitution of Kenya 2010, have been the greatest boon to the sustainability of the Commission and the war against corruption in Kenya. Correspondingly, the National Assembly has enacted and or amended several Statutes that enable the Commission to carry out its mandate, among which are, the Ethics and Anti-Corruption Act, 2011, the Leadership and Integrity Act, 2012 and the Anti-Corruption and Economic Crimes Act, 2003.

Moreover, there have been continuous and incremental disbursements from the exchequer to the Commission each year. The Commission's budget has increased from Kes. 2,957,220,000 to Kes. 3,313,000,000 between 2015 and 2021. This indicates government commitments in fight against corruption. Further, recent developments in the war against graft have sparked greater interest and commitment from partners and donors. Donors have been participating by offering both operational and technical support.

The establishment of the Anti-Corruption Division of the High Court that is premised on the fact that corruption matters are heard on a continuous basis has contributed to the sustainability of the war against graft.

### 2. Environmental Performance

In order to embrace sustainable waste disposal, the Commission has installed waste bins in strategic locations and put in place Service Level Agreements for collection and disposal of the various categories of waste generated in its premises.

During the period under review, the management has issued various directives and made initiatives aimed at leveraging technology and embracing electronic communication as opposed to over-reliance on printed communication. This has effectively reduced consumption of paper by the Commission. The Commission



has a Corporate Social Responsibility Programme whose objectives include conservation of the environment through improvement of forest cover by planting

### 3. Employee Welfare

The Commission has a policy on recruitment, appointment and promotion which guides the recruitment process. The policy provides a requirement to ensure that the one (1/3) gender constitutional requirement is observed in employment. Further, the Commission's Shortlisting and Interview Guidelines are designed to promote regional and gender balance. The percentage gender distribution is 38.9% female and 61.1% male as at August 2021. A total of 31 ethnic communities are represented out the 46 existing communities as per 2019 census report. Commission policies are reviewed from time to time but within a period of three (3) years, the review takes into consideration views of stakeholder to ensure participation. For example, the Commission's Corporate Services and Procures Manual and the Organizational Structure were reviewed in 2020.

To manage and develop employee's knowledge, skills and attitudes, the Commission develops an Annual Training Plan which acts as a guideline for training staff each financial year. The training needs are delivered from gaps identified during performance appraisal, and skills gaps based on the Commission's strategic objectives and mandates. Further to ensure officers are in good professional standing with the various professional bodies, the Commission pays for Annual Subscription and Continuous Professional Development (CPD) courses for officers who are registered as professional within the various professions. The Career progression Guidelines specifies the growth of job holders and specifies the requirements of each position thus making officers aware of the requisite skills required to grow in their careers.

The Performance Management System in the Commission entails setting targets that are drawn from the Strategic Plan cascaded into departmental work plans. Performance appraisal is conducted at the end of the financial year based on the target sets at the beginning of the year between the appraisers and appraisee to ensure that the appraisal process is objective. In order to reward officers, Commission recommends officers for National honours and issues commendation letters in recognition of exemplary performance. The Commission has a Health and Safety Policy that is in compliance with the Occupational Safety and Health Act of 2007.



## 4. Market Place Practices

Ethics and Anti-Corruption Commission operates in an environment with a wide range of risk profiles, making anti-bribery a central focus of our concern for compliance. Public Procurement Code of Ethics for Procuring Entities provides comprehensive coverage on anti-bribery and anti-corruption guidelines, addressing such issues as fraud, bribery, conflicts of interest, among others. Further, the Commission has established guidelines on management of conflict of interest geared towards promoting ethics and integrity in the workplace. Together, these policies emphasize the fact that Ethics and Anti-Corruption Commission strictly prohibits bribery in any form, including but not limited to kickbacks, indirect bribery, unlawful political contributions, and improper charitable contributions.

The Commission has consistently applied the most competitive procurement methodology based on the prevailing procurement circumstances with emphasis on maximizing value for money. The Commission also conducts due diligence on third parties to ensure that it engages the right supplier in its procurement.

The Commission has established a responsible supplier relationship by strict compliance to the public procurement and asset disposal processes and principles as laid down in the public procurement and asset disposal legislative framework. Further, the Commission has enhanced its communication as a tool in bettering the management of the existing suppliers. The use of online procurement modules has further enhanced efficiency hence increased trust in our procurement process. This has made suppliers to have a better understanding of the Commission's business goals.

### a) Responsible supply chain and supplier relations

The Commission highly regards adherence to all statutory and best practices within its supply chain management as a fundamental factor in value creation and an important lever for minimizing risks. For this reason, The Commission considers economic, social, ethical, and environmental standards in all of its procurements and disposal processes. The aforementioned standards are also applied when selecting new suppliers and while relating with existing suppliers.

The Commission provides all the sufficient information to enhance supplier confidence and competition in all its bidding processes. Additionally, the use of online procurement modules and online contract publications has enhanced efficiency and increases trust in our procurement process. The Commission is committed to honour all suppliers demanded as stipulated in each contract.



## **b) Corporate Social Responsibility / Community Engagements**

The EACC's corporate social responsibility is based on the fact that, as part of the Kenyan society, we have responsibilities that go beyond our legal obligations for the benefit of the society at large. Our corporate social responsibility entails community engagement, supporting community activities, responding to emerging challenges, donating to charities, helping the needy and application of ethical conduct and participating in matters of topical national interest in Kenya. Our Corporate Social Responsibility, CSR, strategy involves building relationships and partnerships and working together with organizations that we believe advance the wellbeing of Kenyans. The EACC's CSR decisions are made in the best interest of the society.

During the year under review, the Commission organized a staff-led initiative where employees made donations to The Tree House Children's Home in Lucky Summer. Staff from the Headquarters and all the Regional Offices donated non-perishable food, toiletries, diapers, clothes, toys and books that were delivered to the Home on 27th March 2021. The Tree House Children's Home has been caring for and protecting orphaned, vulnerable and desperate children through provision of a secure, healthy and loving environment for more than 10 years. At the time of the visit, the Home was caring for 64 children ranging from 15 months to 20 years. This act of kindness by the EACC family will go a long way in making a positive difference in the lives of these little ones.



## P. REPORT OF THE COMMISSION

The Commission submits its report together with the audited financial statements for the year ended June 30, 2021 which show the state of the Commission's affairs.

### Principal activities

The principal activities of the Commission are to investigate corruption and economic crimes, recover lost public property and obtain compensation for damaged public property, prevent corruption, conduct public education on the dangers of corruption and promote ethics and integrity.

### Results

The results of the entity for the year ended June 30, 2021 are set out on page 1 to 22.

### Commissioners

The Commission members who served during the year under review, are shown on pages V to VII.

### Surplus remission

The entity did not make any surplus during the year 2020/2021 and hence no remittance to the consolidated fund.

### Auditors

The Auditor General is responsible for the statutory audit of Ethics and Anti-Corruption Commission for the year ended June 30, 2021 in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act, 2015 and the Ethics and Anti-Corruption Commission Act, 2011.



## Q. STATEMENT OF COMMISSION'S RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 26 of the Ethics and Anti-Corruption Act, require the Management to prepare Financial Statements in respect of EACC, which give a true and fair view of the state of affairs of the EACC at the end of the financial year and the operating results of the EACC for the period 2020/2021. The EACC is also required to ensure that the EACC keeps proper accounting records which disclose with reasonable accuracy the financial position of the EACC. The Commission is also responsible for safeguarding the assets of the EACC.

The Commission is responsible for the preparation and presentation of the EACC's Financial Statements, which give a true and fair view of the state of affairs of the EACC for and as at the end of the financial year ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the EACC; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Commission accepts responsibility for the EACC's Financial Statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Reporting Standards (IPSAS), and in the manner required by the Public Finance Management Act and the Ethics and Anti-Corruption Act, 2011. The Commission is of the opinion that the EACC's financial statements give a true and fair view of the state of EACC's transactions during the financial year ended June 30, 2021 and of the EACC's financial position as at that date. The Commission further confirms the completeness of the accounting records maintained for EACC, which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial control.

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





## Approval of the financial statements

The EACC's Financial Statements were approved by the Commission on 7<sup>th</sup> September, 2021 and signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'Eliud Wabukala'.

**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**

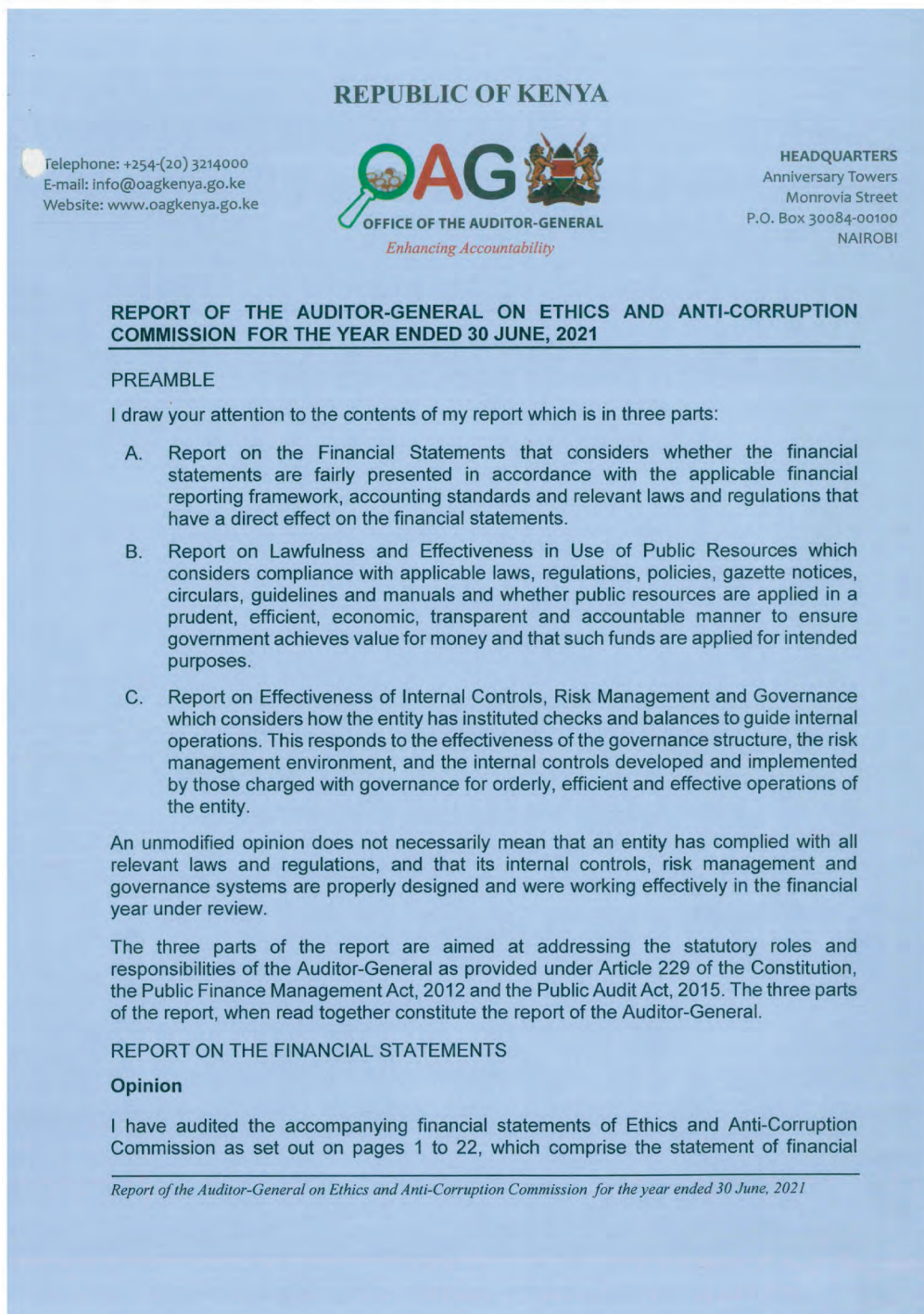
CHAIRPERSON

A handwritten signature in blue ink, appearing to read 'Twalib Mbarak'.

**Twalib Mbarak, CBS**

SECRETARY/CHIEF EXECUTIVE OFFICER

## R. REPORT OF THE INDEPENDENT AUDITORS FOR THE FINANCIAL STATEMENTS OF ETHICS AND ANTI-CORRUPTION COMMISSION FOR THE YEAR ENDED 30 JUNE 2021





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

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

### **Basis for Opinion**

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

### **Emphasis of Matter**

#### **Financial Performance**

During the year under review, the Commission reported a deficit of Kshs.64,475,692 (2019/2020 - a deficit of Kshs.116,545,541). The Management has disclosed in Note 27 to the financial statements that the deficit arose mainly due to depreciation and accrued expenses resulting from unfunded exchequer. Although the Commission is dependent on exchequer releases from the national government, persistent under-funding is likely to lead to financial difficulties in future.

My opinion is not modified in respect of this matter

### **Key Audit Matters**

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

### **Other Information**

The Commissioners are responsible for the other information, which comprises the Chairman's report, Secretary/Chief Executive Officer's report, the statement of corporate governance, management discussions and responsibilities, statement of corporate social responsibility and the statement of commissioners' responsibilities. The other information does not include the financial statements and my auditor's report thereon.

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*Report of the Auditor-General on Ethics and Anti-Corruption Commission for the year ended 30 June, 2021*





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

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

### Conclusion

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

### Basis for Conclusion

#### 1. Staff on Acting Capacity

Examination of payroll and personnel records revealed that an officer was appointed as Acting Deputy Chief Executive Officer on 05 December, 2019 and was still acting in that capacity as at 30 June, 2021. In addition, another officer was appointed as Acting Assistant Director Supply Chain Management on 01 June, 2020 and was still acting in that capacity as at 30 June, 2021.

Information available indicates that the Commission had placed an internal advertisement for these vacancies among others, which closed on 07 July, 2020. According to the Management, a petition No. E040 of 2020 was filed at the Employment and Labour Relations Court, Nairobi in August, 2020 which is stalling the recruitment process.

#### 2. Valuation of Property, Plant and Equipment

As reported in the previous year, the Commission remitted Kshs.1,518,000,000 to the National Land Commission (NLC) for compulsory acquisition of the Integrity Centre Building which houses the Commission's offices. However, according to a letter reference B35/NB/9720B/VOL.2/67 dated 04 March, 2020 from the State Department for Public Works, copies of the development plans (architectural, structural, electrical, mechanical and civil works drawings) submitted to the EACC by the NLC in respect of the property were not acceptable on the basis that:

- (i) The drawings were copies of structural details and without calculations;
- (ii) Architectural drawings were not provided;
- (iii) Services drawings were not provided; and
- (iv) The structural drawings provided were not the approved ones as required by the Nairobi City County Government.

According to the Management, this has hampered effective planning for the maintenance of essential electro-mechanical services and possible refurbishment and redevelopment of the Integrity Centre building.

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*Report of the Auditor-General on Ethics and Anti-Corruption Commission for the year ended 30 June, 2021*





Consequently, it has not been possible to ascertain whether the Commission obtained value for money in the acquisition process of its Headquarters, the Integrity Centre building.

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

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

### Conclusion

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

### Basis for Conclusion

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

### Responsibilities of Management and Commissioners

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

In preparing the financial statements, Management is responsible for assessing the Commission's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the Commission or cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are

*Report of the Auditor-General on Ethics and Anti-Corruption Commission for the year ended 30 June, 2021*



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

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

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

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

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

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

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

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*Report of the Auditor-General on Ethics and Anti-Corruption Commission for the year ended 30 June, 2021*





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

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

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

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

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

Nairobi

09 November, 2021

*Report of the Auditor-General on Ethics and Anti-Corruption Commission for the year ended 30 June, 2021*





## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

		2020-2021	2019-2020
	Notes	KES	KES
<b>Revenue from non-exchange transactions</b>			
Transfers From Other Government Entity	3	3,216,723,284	2,993,167,811
<b>Total Revenue</b>		<b>3,216,723,284</b>	<b>2,993,167,811</b>
<b>Expenses</b>			
Employee costs	4	2,284,843,826	2,194,867,605
Commissioners Expenses	5	24,045,700	26,442,573
Depreciation and amortization expense	6	98,808,760	103,794,589
Repairs and maintenance	7	29,074,644	24,226,775
Use of goods and services	8	718,951,849	672,247,902
Transfer to KCB Loan Scheme	25	125,000,000	90,000,000
<b>Total Expenses</b>		<b>3,280,724,779</b>	<b>3,111,579,444</b>
Loss on sale of assets	9	(474,194)	1,866,093
<b>Surplus(deficit) before tax</b>		<b>(64,475,690)</b>	<b>(116,545,540)</b>
<b>Taxation</b>		-	-
<b>Surplus/(Deficit) for the period</b>		<b>(64,475,690)</b>	<b>(116,545,540)</b>
<b>Net Surplus/(Deficit) for the period</b>		<b>(64,475,690)</b>	<b>(116,545,540)</b>

The notes set out on pages 7 to 18 form part of these financial statements

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Commission



A handwritten signature in blue ink, appearing to read 'Eliud Wabukala'.

**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**

Chairperson

A handwritten signature in blue ink, appearing to read 'Twalib Mbarak'.

**Twalib Mbarak, CBS**

Secretary/Chief Executive Officer

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Joel I. Mukumu, ICPAK No: 5917

Director, Finance & Planning

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021**

		<b>2020-2021</b>	<b>2019-2020</b>
	<b>Notes</b>	<b>KES</b>	<b>KES</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	10	72,364,868	45,841,778
Receivables from non-exchange transactions	11	29,235,957	28,942,145
Inventories	12	1,595,827	15,563,728
		<b>103,196,652</b>	<b>90,347,651</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	13	1,798,532,206	1,829,221,955
Asset recovery Bank Account	19	224,459,639	164,745,743
Intangible Assets	14	15,960,541	13,992,958
Long term receivables from exchange (Gratuity bank/ investment)	15	40,600,805	34,466,834
		-	-
		<b>2,079,553,191</b>	<b>2,042,427,489</b>
<b>Total Assets</b>		<b>2,182,749,843</b>	<b>2,132,775,140</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	17	14,879,457	26,741,805
Current portion of borrowings (Accrued liabilities and charges)	18	27,470,916	26,774,916
		<b>42,350,373</b>	<b>53,516,721</b>
<b>Non-Current Liabilities</b>			
Non-Current provisions (Asset recovery account)	19	224,459,639	164,745,743
Non-current employee benefit obligation (Gratuity fund)	16	42,649,780	36,701,539
		<b>267,109,419</b>	<b>201,447,282</b>
<b>Total Liabilities</b>		<b>309,459,792</b>	<b>254,964,003</b>
<b>Net Assets</b>			
Acquisition Development fund	21(b)	1,518,000,000	1,518,000,000
Revenue Reserves	21(a)	176,736,290	167,480,765
Capital Reserve	20	178,553,761	192,330,372
		<b>1,873,290,051</b>	<b>1,877,811,137</b>
<b>Total Net Assets and Liabilities</b>		<b>2,182,749,843</b>	<b>2,132,775,140</b>



The Financial Statements set out on pages 1 to 5 were signed on behalf of the Commission.

A handwritten signature in blue ink, appearing to read 'Eliud Wabukala'.

**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**

Chairperson

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**Twalib Mbarak, CBS**

Secretary/Chief Executive Officer

**Joel I. Mukumu, ICPAK No: 5917**

Director, Finance & Planning

**STATEMENT OF CHANGES IN NET ASSETS**

	<b>Capital Reserve</b>	<b>Acquisition Development Fund</b>	<b>Revenue reserve</b>	<b>Total</b>
	<b>KES</b>	<b>KES</b>	<b>KES</b>	<b>KES</b>
<b>Balance as at 30 June 2019</b>	<b>192,330,372</b>	<b>1,268,000,000</b>	<b>712,225,241</b>	<b>2,172,555,613</b>
Acquisition Development Fund		250,000,000	(250,000,000)	-
Transfer of unspent exchequer to			(57,782,438)	(57,782,438)
National Treasury Surplus for the period	-	-	(116,545,540)	(116,545,540)
Land transfer to Parliamentary Service Commission	-	-	(120,416,497)	(120,416,497)
<b>Balance as at 30 June 2020</b>	<b>192,330,372</b>	<b>1,518,000,000</b>	<b>167,480,766</b>	<b>1,877,811,138</b>
Surplus for the period	-	-	(64,475,690)	(64,475,691)
Transfer of unspent exchequer to N. Treasury	-	-	(50,094)	(50,094)
Transfer of depreciation/ Amortization on capital fund to retained earnings	(98,808,760)	-	98,808,760	-



Transfers of Library books to PPE	11,610,156		(11,610,156)	-
Donated Asset	2,725,000	-	-	2,725,000
Development grant	56,347,077	-	-	56,347,077
Creditors write back	-	-	932,620	932,621
Capital Asset Acquisition prior year Adjustment for 2019/2020	14,349,916		(14,349,916)	
<b>Balance as at 30 June 2021</b>	<b>178,553,761</b>	<b>1,518,000,000</b>	<b>176,736,290</b>	<b>1,873,290,051</b>



**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
<b>Cash flows From Operating Activities</b>		
Loss from operations	(64,475,690)	(116,545,540)
Add back non-cash payment (Depreciation)	90,829,686	96,799,160
Add back non-cash payment (Amortization)	7,979,074	6,995,429
Loss on disposal of Assets	474,194	(1,866,093)
	<b>34,807,264</b>	<b>(14,617,044)</b>
<b>Income from Operations</b>		
(Increase)/Decrease in inventories	13,967,901	1,421,791
(Increase)/Decrease in receivables & Prepayments	(293,812)	(5,978,995)
Increase/(Decrease) in payables	(11,166,348)	5,417,897
<b>Net cash flows from operating activities</b>	<b>37,315,005</b>	<b>(13,756,351)</b>
<b>Cash flows From Investing Activities</b>		
Purchase of property, plant and equipment	(49,125,420)	(14,349,916)
Purchase of Land and Buildings	-	-
Transfer of unspent exchequer to Treasury	(50,094)	(57,782,438)
Purchase of Intangible Assets	(9,946,657)	
Asset recovery	59,713,896	53,663,416
Proceeds from disposal of plant, property and equipment	121,446	3,583,477
Gratuity Fund	5,948,241	(25,834,886)
<b>Net cash utilized in investing activities</b>	<b>6,661,412</b>	<b>(40,720,347)</b>
<b>Cash flows From Financing Activities</b>		
Transfer from receivables-Library books	(11,610,156)	-
Fixed Assets Capital funds	59,072,077	-
Creditors written back	932,622	-



Asset recovery	(59,713,896)	(53,663,416)
Gratuity Fund	(6,133,972)	24,603,577
<b>Net cash used in Financing activities</b>	<b>(17,453,325)</b>	<b>(29,059,839)</b>
<b>Net increase in cash and cash equivalents</b>	<b>26,523,092</b>	<b>(83,536,537)</b>
Cash and Cash equivalents at beginning of year	45,841,778	129,378,315
<b>Cash and cash equivalent at end of year</b>	<b>72,364,868</b>	<b>45,841,778</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Commission.

**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**

Chairperson

**Twalib Mbarak, CBS**

Secretary/Chief Executive Officer

**Joel I. Mukumu, ICPAK No: 5917**

Director, Finance & Planning

# STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of Utilization
	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	
<b>Revenue</b>	<b>KES</b>	<b>KES</b>	<b>KES</b>	<b>KES</b>	<b>KES</b>	<b>KES</b>
Government grants and subsidies	3,072,200,000	200,000,000	3,272,200,000	3,216,723,284	55,476,716	98%
Gain/Loss on Disposal	-	-	-	(474,194)	474,194	0%
Development Expenditure	40,800,000	-	40,800,000	14,167,795	26,632,205	35%
<b>Total income</b>	<b>3,113,000,000</b>	<b>200,000,000</b>	<b>3,313,000,000</b>	<b>3,230,416,885</b>	<b>82,583,115</b>	
<b>Expenses</b>						
Use of Goods and services	765,979,836	-	765,979,836	718,951,849	47,027,988	94%
Employee Cost	2,122,957,592	200,000,000	2,322,957,592	2,284,843,826	38,113,766	98%
Commissioners' expenses	28,442,573	-	28,442,573	24,045,700	4,396,873	85%
Depreciation and Amortization cost	-			98,808,760	(98,808,760)	
Repairs and maintenance cost	29,820,000	-	29,820,000	29,074,644	745,355	98%
Staff Loan	125,000,000	-	125,000,000	125,000,000	-	100%
Development Expenditure	40,800,000	-	40,800,000	14,167,795	26,632,205	35%



<b>Total expenditure</b>	<b>3,113,000,000</b>	<b>200,000,000</b>	<b>3,313,000,000</b>	<b>3,294,892,575</b>	<b>18,107,424</b>	
<b>Surplus for the period</b>	-	-	-	(64,475,690)	64,475,690	
<b>Notes:</b>						
<b>1. Development Expenditure</b>						
The development expenditure variance was mainly caused by Covid-19 disruptions and some ICT items were not delivered						
<b>2. Commission Expenses</b>						
The under absorption was due to travel and meeting restrictions due to Covid-19						



## NOTES TO THE FINANCIAL STATEMENTS

### 1. Statement of compliance and basis of preparation – IPSAS 1

The Commission's Financial Statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Commission. The accounting policies have been consistently applied to all the years presented.

The Financial Statements have been prepared on the basis of historical cost, unless stated otherwise. The Cash Flow statement is prepared using the indirect method. The Financial Statements are prepared on accrual basis of accounting.

### 2. Summary of significant accounting policies

#### a) Revenue recognition

##### Revenue from non-exchange transactions – IPSAS 23

Income is recognized in the period in which it is received. Government and donor funding is only recognized on receipt. Income is not accrued if its recoverability is considered doubtful.

Interest income is recognized on a time proportion basis using the effective interest rate method.

##### Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Commission and can be measured reliably.

##### *Sale of goods*

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



## ***Interest income***

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

### **b) Budget information – IPSAS 24**

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

### **c) Investment property – IPSAS 16**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if their cognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

### **d) Property, plant and equipment – IPSAS 17**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Commission recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. The Commissions policy is to depreciate assets on reducing balance





at the following rates, Buildings 2.5%, Motor vehicles 12.5%, Furniture and fittings 12.5%, Computer equipment 33.33%, Security equipment 12.5%, Plant and equipment 12.5%.

**e) Intangible assets–IPSAS 31**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful life of the intangible assets is assessed as either finite or indefinite. The Commissions policy is to depreciate Software at the rate of 33.33%.

**f) Research and development costs**

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

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

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

**g) Inventories – IPSAS 12**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.



Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

#### **h) Provisions – IPSAS 19**

Provisions are recognized when the Commission has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service

Potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Commission expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is

Virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

#### ***Contingent liabilities***

The Commission 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.

#### **i) Changes in accounting policies and estimates – IPSAS 3**

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

#### **j) 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.



## k) Comparative figures

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

## l) Significant judgments and sources of estimation uncertainty – IPSAS 1

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

### *Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

### *Useful lives and residual values*

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

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset



### 3. Transfers from Other Government Entities

	2020-2021	2019-2020
	KES	KES
<b>Unconditional grants</b>		
Operational Grant		
Quarter 1	836,699,059	896,093,752
Quarter 2	662,456,399	678,345,330
Quarter 3	874,988,718	632,696,554
Quarter 4	884,758,390	786,032,175
Development Exchequer	14,167,795	-
<b>Total</b>	<b>3,273,070,361</b>	<b>2,993,167,811</b>
<b>Less</b>		
Exchequer used for other Assets Acquisition	46,400,420	-
Exchequer used for Intangibles Acquisition	9,946,657	-
<b>Total</b>	<b>56,347,077</b>	<b>-</b>
<b>Net Exchequer for operations</b>	<b>3,216,723,284</b>	<b>2,993,167,811</b>

### 4. Employee costs

	2020-2021	2019-2020
	KES	KES
Salaries and wages	1,302,935,329	1,209,483,406
Employee related costs	279,110,982	256,775,514
Travel, Motor car, Accommodation and Subsistence	180,303,362	226,927,836
Housing Benefits and allowances	522,494,153	501,680,849
<b>Total Employee Costs</b>	<b>2,284,843,826</b>	<b>2,194,867,605</b>

### 5. Commissioners Expenses

	2020-2021	2019-2020
	KES	KES
Commissioners travelling facilitation	3,000,700.00	7,052,573
Commissioners sitting Allowances	20,385,000.00	18,730,000
Commissioners Airtime Allowances	660,000.00	660,000
<b>Total Commissioners Expenses</b>	<b>24,045,700</b>	<b>26,442,573</b>



## 6. Depreciation and Amortization costs

	2020-2021	2019-2020
	KES	KES
Property, Plant and Equipment	90,829,686	96,799,160
Intangible Assets	7,979,074	6,995,429
<b>Total depreciation Costs</b>	<b>98,808,760</b>	<b>103,794,590</b>

## 7. Repairs and maintenance

	2020-2021	2019-2020
	KES	KES
Property	1,005,140	767,239
Equipment	1,243,711	2,026,820
Vehicles	21,147,255	20,010,968
Other	5,678,538	1,421,748
<b>Total Repairs &amp; Maintenance</b>	<b>29,074,644</b>	<b>24,226,775</b>

## 8. Use of goods and services

	2020-2021	2019-2020
	KES	KES
Advertising, Publishing and Printing	30,202,682	25,349,444
Audit fees	696,000	696,000
Conferences and delegations	38,150,427	54,114,007
Consulting fees	8,321,288	6,084,505
Consumables	21,997,396	22,829,031
Electricity	11,887,799	13,970,828
Fuel and Oil	24,160,809	25,487,599
Insurance	200,306,881	185,367,120
Legal Expenses	4,420,236	2,837,183
Licences and permits	38,107,935	24,501,781
Specialised materials	360,499	342,000
Postage	6,450,283	4,211,473
Rental	67,547,881	75,539,277
Confidential Expenses	128,257,796	112,211,229
Sewerage and water costs	694,593	582,520
Research and Development	1,744,638	9,121,490
Telecommunication	23,413,108	15,035,393
Training	69,659,437	60,670,994
Refurbishment of Non-Residential buildings	10,184,097	7,047,173



Bank charges	387,234	270,162
Other Expenses	32,000,829	25,978,692
	<b>718,951,849</b>	<b>672,247,902</b>

**9. Other Income**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
Sale of boarded Items	-	-
Loss on sale of Assets	(474,194)	1,866,093
<b>Total gain/Loss on sale of assets</b>	<b>(474,194)</b>	<b>1,866,093</b>

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
<b>10. Cash and Cash Equivalent</b>		
Current bank Accounts	72,359,695	45,556,149
Cash on hand and in transit	5,173	285,629
<b>Total cash and cash equivalents</b>	<b>72,364,868</b>	<b>45,841,778</b>

(See detailed analysis of Cash and cash equivalents No. 28)

**11. Receivables from non-exchange contracts**

<b>Current receivables</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
Staff Imprest	2,476,387	4,168,755
Staff Advances	185,352	182,567
Rent Deposit and Prepayments	26,574,218	24,590,823
<b>Total current receivables</b>	<b>29,235,957</b>	<b>28,942,145</b>

**12. Inventories**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
Consumable stores	4,519,747	6,877,491
Provision for loss of inventory	(2,923,920)	(2,923,920)
Library books	-	11,610,157
<b>Total inventories at the lower of cost and net realizable value</b>	<b>1,595,827</b>	<b>15,563,728</b>



### 13. Property Plant and Equipment - Refer to the PPE schedule

Page 17

#### 14. Intangible assets-software

Cost	KES	KES
As At July 2019	186,120,930	183,595,652
Additions during the year	9,946,657	2,525,279
As At July 2019	196,067,587	186,120,930
Additions during the year	-	-
As at June 2021	196,067,587	186,120,930
<b>Amortization and Impairment</b>		
As at July 2020	172,127,972	165,132,543
Charge for the year	7,979,074	6,995,429
As at June 2020	180,107,046	172,127,972
Net Book Value 2021	15,960,541	13,992,958
Net Book Value 2020	23,939,615	20,988,387

#### 15. Gratuity Fund Bank Account

	2020-2021	2019-2020
	KES	KES
Balance brought forward	9,466,833.61	59,070,412
Additions	146,438,228.45	36,171,156
Payments	(145,304,256.85)	(85,774,734)
Short Deposit Investment	30,000,000.00	25,000,000
<b>Total</b>	<b>40,600,805</b>	<b>34,466,834</b>

#### 16. Gratuity Fund Account

	2020-2021	2019-2020
Balance brought forward	36,701,539	62,536,427
Additions	61,492,369.25	37,461,156
Payments	(55,544,128.45)	(63,296,044)
<b>Total</b>	<b>42,649,780</b>	<b>36,701,539</b>





### 17. Trade and other payables from exchange transactions

	2020-2021	2019-2020
	KES	KES
Creditors	5,636,209	9,566,644
Refundable Deposits	1,450,065	11,780,919
Treasury advances	4,598,919	4,598,919
Payroll payables	3,094,004	720,853
Unpaid Over Expenditure	100,260	74,470
<b>Total trade and other payables</b>	<b>14,879,457</b>	<b>26,741,805</b>

### 18. Accrued liabilities and charges

	2020-2021	2019-2020
	KES	KES
Accrued audit fees	2,088,000	1,392,000
National Lands Commission	25,382,916	25,382,916
<b>Total trade and other payables</b>	<b>27,470,916</b>	<b>26,774,916</b>

### 19. Asset Recovery Fund Account

	2020-2021	2019-2020
	KES	KES
Balance brought forward	164,745,742	111,082,327
Funds recovered in the year	59,713,897	208,193,383
Payments	-	(154,529,967)
<b>Total</b>	<b>224,459,639</b>	<b>164,745,743</b>

### 20. Capital Reserve

	2020-2021	2019-2020
	KES	KES
Balance brought forward	192,330,372	192,330,372
Transfer of depreciation/ Amortisation on capital fund to retained earnings	(98,808,760)	-
Transfers of Library books to PPE	11,610,156	-
Donated Asset	2,725,000	-
Development grant	56,347,077	-
Capital Assets Acquisition for 2019/2020	14,349,916	-
<b>Total</b>	<b>178,553,761</b>	<b>192,330,372</b>

**21(a). Revenue Reserve**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
Balance brought forward	167,480,765	712,225,241
Recovery of unspent exchequer to N. Treasury	(50,094)	(57,782,438.00)
Transfer to acquisition fund	-	(250,000,000.00)
Land transfer to Parliamentary Service Commission	-	(120,416,497.00)
Transfer of depreciation/ Amortisation on capital fund to retained earnings	98,808,760	-
Capital Assets Acquisition for 2019/2020	(14,349,916)	
Transfers of Library books to PPE	(11,610,156)	
Creditors write written back	932,620	
Surplus for the year	(64,475,690)	(116,545,541.00)
<b>Total</b>	<b>176,736,291</b>	<b>167,480,765</b>

**21(b). Acquisition fund**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
Balance brought forward	1,518,000,000	1,268,000,000
Transfer from revenue reserve	-	250,000,000
	<b>1,518,000,000</b>	<b>1,518,000,000</b>

**22. Events After the reporting period**

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

**23. Currency**

The Financial statements are presented in Kenya Shillings (Kes).

**24. Acquisition Development fund**

These were funds received for acquisition of integrity centre



<b>25. Exchequer transfer to loan scheme</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KES</b>	<b>KES</b>
Transfer to staff Mortgage and Car loan Scheme	<b>125,000,000</b>	<b>90,000,000</b>

13	PROPERTY, PLANT AND EQUIPMENT	Land	Building	Motor vehicles	Furniture, Fixture & fitting	Computer Equipment	Security Equipment	Plant and Equipment	Library Books	Total
		Sh	Sh	Sh	Sh	Sh	Sh	Sh	Sh	Sh
<b>Cost or Valuation:</b>										
<b>Depreciation Rates</b>		-	2.5%	25%	12.5%	33.33%	12.5%	12.5%	12.5%	
<b>As at 1st July 2019</b>	1,663,799,413	-	-	511,041,167	84,554,427	229,115,494	165,232,176	101,392,295		2,766,745,129
<b>Additions</b>	-	-	-	-	380,500	13,911,121	-	58,295		14,349,916
<b>Disposals</b>	-	-	-	(15,422,956)	(799,020)	(5,092,350)	-	(1,141,893)		(22,456,219)
<b>Transfers/adjustments</b>	(120,416,497)			-	-	-	-	-		(120,416,497)
<b>Land Improvements</b>	(747,899,166)		747,899,166							
<b>As at 30th June 2020</b>	795,483,750		747,899,166	495,618,211	84,135,907	237,934,265	165,232,176	100,308,697		2,626,612,171
<b>Additions</b>			9,346,748		6,916,569	30,968,242		1,893,861		49,125,420
<b>Disposals</b>				(8,414,047)	-	(152,016)		(316,180)	-	(8,882,243)
<b>Transfers/adjustments</b>	-			-	-	-	-	-	11,610,157	11,610,157
<b>Land Improvements</b>	-		-							-
<b>As at 30th June 2021</b>	795,483,750		757,245,914	487,204,164	91,052,476	268,750,491	165,232,176	101,886,378	11,610,157	2,678,465,505
<b>Depreciation and impairment</b>										



At 1 July 2019	-	-	-	379,673,002	40,061,525	175,584,873	73,261,196	52,749,298	-	721,329,894
Depreciation	-	<b>18,697,479</b>	-	32,591,838	5,590,338	22,375,016	11,496,373	6,048,115	-	96,799,160
Disposals	-	-	-	(14,422,146)	(648,320)	(4,842,849)	-	(825,523)	-	(20,738,838)
<b>At 30 June 2020</b>	<b>-</b>	<b>18,697,479</b>	<b>-</b>	<b>397,842,695</b>	<b>45,003,543</b>	<b>193,117,041</b>	<b>84,757,569</b>	<b>57,971,890</b>	<b>-</b>	<b>797,390,216</b>
Depreciation	-	18,463,711	-	24,355,448	5,756,117	25,236,775	10,059,326	5,507,040	1,451,270	90,829,686
Disposals	-	-	-	(8,060,324)	-	(84,447)	-	(141,832)	-	(8,286,603)
<b>As at 30 June 2021</b>	<b>-</b>	<b>37,161,190</b>	<b>-</b>	<b>414,137,818</b>	<b>50,759,659</b>	<b>218,269,369</b>	<b>94,816,894</b>	<b>63,337,098</b>	<b>1,451,270</b>	<b>879,933,299</b>
Net book values										
At 30 June 2021	795,483,750	720,084,723		73,066,346	40,292,816	50,481,122	70,415,282	38,549,280	10,158,887	1,798,532,206
At 30 June 2020	795,483,750	729,201,687		97,775,516	39,132,364	44,817,224	80,474,608	42,336,807	-	1,829,221,955

## 26. Contingency Liabilities

The Commission has given no guarantees to third parties. In the ordinary course of business, the Commission has been sued in various cases with potential exposure estimated at Kes 46,073,201.20 The Commission is a defendant or co-defendant in various litigations and claims. The outcomes of these litigations and claims are yet to be determined; hence the Commission has not made any provisions in these accounts towards contingent liabilities.

## 27. The deficit is mainly caused by depreciation and accrued expenses resulting from unfunded exchequer.

## 28. Detail Analysis of Cash and Cash equivalents

Financial Institution	Account Number	2020-2021	2019-2020
		KES	KES
KCB - Main A/C	1103253387	32,453,914	23,724,797
KCB - Mombasa	1106512073	2,000,673	1,999,215
KCB - Kisumu	1121427499	2,000,000	1,999,874
KCB - Garissa	1128655223	1,994,828	1,939,309
KCB - Nyeri	1128743523	2,000,000	2,000,000
KCB - Eldoret	1131040244	2,000,000	1,996,640
KCB - Malindi	1167493583	1,894,100	1,871,251
KCB - Isiolo	1167596226	2,000,000	1,981,090
KCB - Machakos	1167286790	2,000,000	1,996,930
KCB - Nakuru	1167708466	2,030,532	1,998,320
KCB - Kisii	1178636070	2,000,000	1,999,028
KCB - Bungoma	1249057019	2,000,000	1,998,900
Central Bank of Kenya	1000181141	16,568,168	50,094
CBK - GIZ Project	1000227959	700	700
CBK Development A/C	1000182059	1,416,779	-
Cash - Head Office		-	205,828
Cash - Garissa		5,172	60,691
Cash - Isiolo		-	18,784
Cash - Malindi		-	325.00
<b>Total</b>		<b>72,364,867</b>	<b>45,841,777</b>



## APPENDIX.1 RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/ Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development/ Others	Total Amount KES	Where Recorded/recognized		
				Statement of Financial Performance	Capital Fund	Total Transfers during the Year
The National Treasury	05.08.2020	Recurrent	271,647,671	271,647,671		271,647,671
The National Treasury	19.08.2020	Recurrent	178,527,021	178,527,021		178,527,021
The National Treasury	26.08.2020	Recurrent	166,106,791	166,106,791		166,106,791
The National Treasury	17.09.2020	Recurrent	40,000,000	40,000,000		40,000,000
The National Treasury	29.09.2020	Recurrent	168,546,677	168,546,677		168,546,677
The National Treasury	09.09.2020	Recurrent	11,870,898	11,870,898		11,870,898
The National Treasury	14.10.2020	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	30.10.2020	Recurrent	168,803,760	168,803,760		168,803,760
The National Treasury	26.11.2020	Recurrent	179,821,494	179,821,494		179,821,494
The National Treasury	17.12.2020	Recurrent	20,000,000	20,000,000		20,000,000



The National Treasury	28.12.2020	Recurrent	193,831,145	193,831,145		193,831,145
The National Treasury	14.01.2021	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	29.01.2021	Recurrent	174,117,816	174,117,816		174,117,816
The National Treasury	16.02.2021	Recurrent	77,145,066	77,145,066		77,145,066
The National Treasury	24.02.2021	Recurrent	174,316,712	174,316,712		174,316,712
The National Treasury	12.03.2021	Recurrent	116,758,761	116,758,761		116,758,761
The National Treasury	17.03.2021	Recurrent	57,145,066.55	57,145,066		57,145,066
The National Treasury	29.03.2021	Recurrent	175,505,295	175,505,295		175,505,295
The National Treasury	26.04.2021	Recurrent	174,188,669	174,188,669		174,188,669
The National Treasury	30.04.2021	Recurrent	174,188,690	174,188,690		174,188,690
The National Treasury	02.06.2021	Recurrent	175,890,874	175,890,874		175,890,874
The National Treasury	24.06.2021	Recurrent	260,490,156	260,490,156		260,490,156
The National Treasury	02.07.2021	Recurrent	100,000,000	100,000,000		100,000,000
The National Treasury	08.07.2021	Development	14,167,795		14,167,795	14,167,795
<b>Total</b>			<b>3,273,070,361</b>	<b>3,258,902,566</b>	<b>14,167,795</b>	<b>3,273,070,361</b>



## APPENDIX 2: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Ref. No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
1	Excess acting allowance of Kes 5,862,895/90 paid to immediate former Chief Executive Officer against provisions of circular No OP/CAB/55/1	Details of evidence of overpayment have been provided to her lawyers	Mr. David Kaboro	Court case ongoing	The Commission is pursuing the individual. The timeframe is open as it going through court process
2	Loss of 410 toners worth Kes 2,923,920/-	Services of staff involved were terminated, file forwarded to Director of public prosecutions to institute prosecution.	Mr. David Kaboro	Not Resolved	Open as it is ongoing through court process
3	Development of United Nations Development Programme (UNDP) funded wealth Declaration Management System. Kes 20,457,206/- incurred without fully attaining the desired deliverables and goals spelt out in the project's financing agreement signed on 5 April 2011.	Fully fledged Directorate set up to look in to issues of leadership integrity including wealth declaration and conflict of interest. Development of the wealth declaration system based on the systems designs that were developed by the UNDP project has commenced	Mr. David Kaboro	Resolved	The system implementation is ongoing.



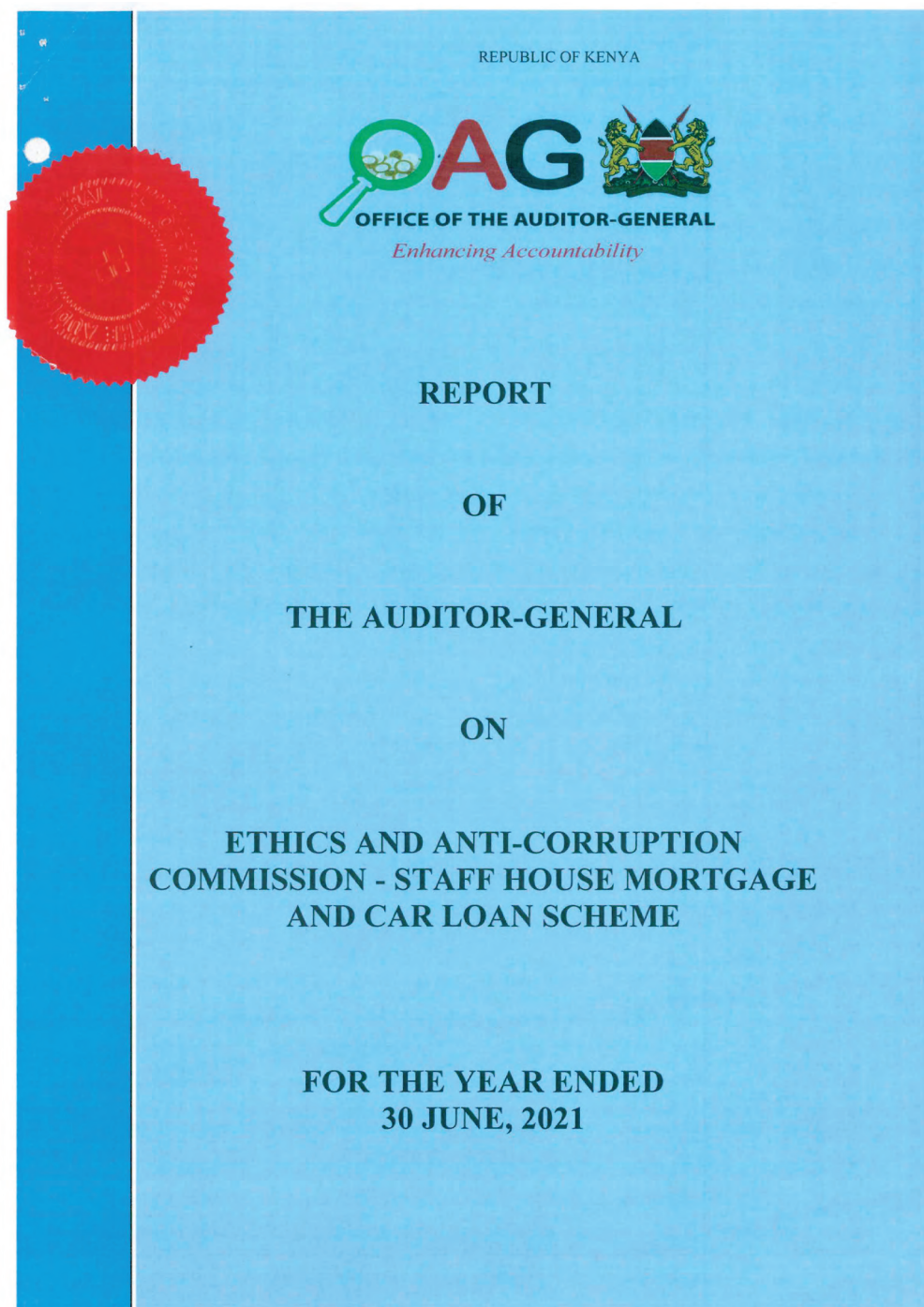
Ref. No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Timeframe
4	<b>Acquisition of Integrity Centre</b> <ul style="list-style-type: none"> <li>Incomplete acquisition process</li> <li>Valuation of the Integrity Centre</li> <li>Inadequate building Plan/ Drawings</li> </ul>	<p>The acquisition process of the Integrity Centre was being handled by National Land Commission (NLC)</p> <p>The valuation and acquisition of the building was being handled by NLC on behalf of EACC</p> <p>The submitted drawings were not sufficient as pointed by the Ministry of Lands and Physical Planning</p>	<p>Mr. Enock Otiko</p> <p>Mr. Enock Otiko</p> <p>Mr. Enock Otiko</p>	<p>Resolved</p> <p>The procuring entity (NLC) is handling the matter</p> <p>Unresolved</p>	<p>Copies of Ownership documents received</p> <p>The procuring entity (NLC) is handling the matter</p> <p>The procuring entity (NLC) is handling the matter</p>

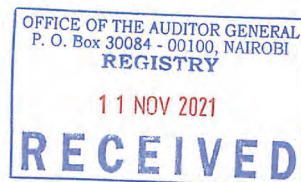
**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**

**Chairperson**

**Twalib Mbarak, CBS**

**Secretary/Chief Executive Officer**





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**ETHICS AND ANTI - CORRUPTION COMMISSION**

**STAFF HOUSE MORTGAGE AND CAR LOAN SCHEME  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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





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## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### I. KEY ENTITY INFORMATION AND MANAGEMENT

#### (a) Background information

The Ethics and Anti-Corruption Commission (EACC) is a statutory body established under the Ethics and Anti-Corruption Commission Act, 2011. EACC is domiciled in Kenya and has its head office in Nairobi. The Commission has eleven (11) regional offices situated in various parts of the Country. Its mandate is to combat and prevent corruption, economic crime and unethical conduct in Kenya through law enforcement prevention, public education, promotion of standards and practices of integrity, ethics and anti-corruption. The Commission is comprised of the Chairperson, Commissioners and the Secretary/Chief Executive Officer.

#### (b) Principal Activities

The principal activities of the Commission include: Investigation of corruption and economic crimes, tracing and recovery of corruptly acquired public property, forfeiture of unexplained wealth, corruption prevention, public education and promotion of ethics and integrity.

#### (c) Key Management

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

1. The Secretary/ Chief Executive Officer
2. The Deputy Chief Executive Officer
3. Directorate of Investigation
4. Directorate of Preventive Services
5. Directorate of Legal Services & Asset Recovery
6. Directorate of Ethics and Leadership
7. Directorate of Field Services & Coordination
8. Directorate of Finance and Planning
9. Directorate of Corporate Support Services
10. Department of Supply Chain Management

#### (d) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021.

Designation	Name
1. Secretary / Chief Executive Officer	Mr. Twalib Mbarak, CBS
2. Deputy Chief Executive Officer	Mr. Abdi A. Mohamud, MBS
3. Directorate of Legal Services	Mr. David Too, OGW
4. Directorate of Ethics and Leadership	Ms. Lucy Kinuthia, MBS
5. Directorate of Preventive Services	Mr. Vincent Okong'o
6. Directorate of Field Services	Mr. Jackson Mue
7. Directorate of Finance and Planning	Mr. Joel Mukumu
8. Directorate of Corporate Support Services	Ms. Ellyjoy Bundi
9. Department of Supply Chain Management	Mr. Robert Kanyi





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### (e) Fiduciary Oversight Arrangements

Commission Committees	Members
Enforcement	Commissioner Paul Mwaniki Gachoka, EBS - Chairperson Commissioner Sophia Lepuchirit, EBS
Corruption Prevention, Education and Public Engagement	Commissioner Dr. Dabar Maalim - Chairperson Commissioner Rose Mghoi Macharia
Support Services	Commissioner Rose Mghoi Macharia - Chairperson Commissioner Dr. Dabar Maalim
Risk & Audit	Lawrence Nyalle (Independent Chairperson) Jane Micheni (Representative – National Treasury) Commissioner Dr. Dabar Maalim Commissioner Rose Mghoi Macharia Commissioner Paul Mwaniki Gachoka, EBS
Finance, Planning and Supply Chain Management	Commissioner Sophia Lepuchirit, EBS - Chairperson Commissioner Paul Mwaniki Gachoka, EBS

### (f) Entity Headquarters

Integrity Centre  
Jakaya Kikwete/Valley Road Junction  
P.O. Box 61130-00200  
Nairobi, Kenya

### (g) Entity Contacts

Headquarters, Nairobi  
Integrity Centre  
Jakaya Kikwete /Valley Road Junction  
P. O. Box 61130-00200, Nairobi  
Tel: (254) (020) 4997000  
Mobile: 0709 781000; 0730 997000  
Fax: (020) 2240954  
Email address: eacc@integrity.go.ke



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### **(h) Entity Bankers**

Kenya Commercial Bank  
P.O. Box 69695-00400  
Agip House  
Nairobi, Kenya

Housing Finance Company  
Kenyatta Avenue  
P.O. Box 30088 - 00100  
Nairobi, Kenya

### **(i) Independent Auditors**

The Auditor General  
Anniversary Towers, University Way  
P. O. Box 30084  
GPO 00100  
Nairobi, Kenya



### **(j) Principal Legal Adviser**

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



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### II. THE COMMISSION

COMMISSION MEMBERS	
 <p><b>Archbishop (Emeritus) Dr. Eliud Wabukala, EBS - Chairperson</b></p>	<p>Archbishop (Emeritus) Dr. Eliud Wabukala, EBS was appointed the Chairperson of the Ethics and Anti-Corruption Commission (EACC), in January 2017. He is a retired Archbishop of the Anglican Church of Kenya.</p> <p>Archbishop (Emeritus) Dr. Wabukala, EBS was awarded Doctor of Divinity (Hon) and holds a Master Degree in Religion from Wycliffe College, University of Toronto – Canada. He also holds a Bachelor Degree in Divinity from St. Paul's University – Limuru. He was born in the year 1951.</p> <p>Previously, he served as the Chairperson of the National Anti-Corruption Campaign Steering Committee (NACCSC), The Global Future Anglican Conference and the National Council of Churches of Kenya. Archbishop (Emeritus) Dr. Wabukala, EBS is a professional teacher with many years of teaching experience and previously served; as the Academic Dean at St. Paul's University, as a lecturer and as Chairperson of the University Council.</p> <p>He has been involved in many peace mitigations and reconciliation including the 2007 post-election violence in Kenya. Archbishop (Emeritus) Dr. Wabukala, EBS was also involved in the reform process in South Sudan.</p>
 <p><b>Commissioner Sophia Lepuchirit, EBS - Vice-Chairperson</b></p>	<p>Commissioner Sophia Lepuchirit, EBS was appointed a Commissioner in January 2016. She is the Vice Chairperson of the Ethics and Anti-Corruption Commission.</p> <p>She holds a Bachelor of Arts Degree in Public Administration and International Relations from the University of Nairobi and currently pursuing a Master Degree in Business Administration (MBA) at the African Nazarene University. She was born in the year 1959.</p> <p>Prior to her appointment, she held prominent administrative positions in several State Organizations including Jomo Kenyatta Foundation (JKF) where she served as a Director, and Kerio Valley Development Authority where she served as Chairperson. She also served as a member at the National Anti-Corruption Campaign Steering Committee.</p> <p>Commissioner Sophia Lepuchirit, EBS is an anti-corruption crusader, community mobilizer, gender activist, a promoter of affirmative action for the marginalized categories and communities. She is a member of the Minority Rights Groups, London (MRG), International Working Group on Indigenous Issues (IGWIA) – Denmark, and Kenya Pastoralist Forum.</p>



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

COMMISSION MEMBERS	
 <p><b>Commissioner Dr. Dabar Abdi Maalim</b></p>	<p>Commissioner Dr. Dabar Abdi Maalim was appointed a Commissioner in January 2016.</p> <p>He holds a PhD in Community Health from University of Reading (UK) and Master Degree from Wales College of Medicine, Cardiff (UK). He was born in the year 1957.</p> <p>He has over 12 years of experience as a university academician having attained the rank of Assistant Professor at Aga Khan University, East Africa.</p> <p>Commissioner Dr. Maalim has also consulted for various national and international institutions including the Government of Kenya, DANIDA, UNICEF-Ethiopia, and World Health Organisation (WHO) both in Kenya and Eritrea, Islamic Development Bank among others. He was the Team Leader/ Coordinator of the Millennium Villages Project (Kenya) and Associate Research Scientist – Earth Institute, Columbia University USA between November 2010 and January 2012.</p>
 <p><b>Commissioner Paul Mwaniki Gachoka, EBS</b></p>	<p>Commissioner Paul Mwaniki Gachoka was appointed a Commissioner in January 2016.</p> <p>He is an Advocate of the High Court of Kenya. He is a holder of a Bachelor of Laws Degree from the University of Nairobi and holds a Master of Arts in Philosophy and Ethics from Strathmore University. He was born in the year 1965. He is a fellow of Chartered Institute of Arbitrators and Accredited Mediator</p> <p>Commissioner Gachoka has in-depth legal experience in Kenya and is the Principal Partner at Mwaniki Gachoka and Co. Advocates, representing clients in multi-disciplinary commercial, conveyancing services and civil cases.</p> <p>He has served as a Director of several private Companies; Further, he has served as a Council Member of the Law Society of Kenya (2003 to 2006).</p>






Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

COMMISSION MEMBERS	
 <p><b>Commissioner Rose Mghoi Macharia</b></p>	<p>Commissioner Rose Mghoi Macharia was appointed a Commissioner in January 2016.</p> <p>She holds a Master Degree in Human Resource Development from the Institute for Development Policy and Management (IDPM) of the University of Manchester and a Bachelor Degree in Education from University of Nairobi. She was born in the year 1958.</p> <p>She is a seasoned Human Resource professional and has a wealth of experience in public sector management, education, people development and strategy. She has worked in the Education Sector as a Graduate Teacher, Lecturer and Senior Education Officer.</p> <p>She also has valuable experience in developing human capital in various State Corporations such as Higher Education Loans Board, Nyayo Tea Zones Development Corporation and Information Communication and Technology Authority.</p>
 <p><b>Mr. Twalib Mbarak, CBS Secretary/Chief Executive Officer</b></p>	<p>Mr. Twalib Mbarak, CBS was appointed Secretary/Chief Executive Officer of the Ethics and Anti-Corruption Commission in January 2019.</p> <p>He is a holder of Master of Arts Degree in Armed Conflict and Peace Studies and Bachelor of Arts degree from the University of Nairobi. He was born in 1965.</p> <p>Mr. Twalib Mbarak, CBS joined the Kenya Armed Forces in 1984 where he rose through the ranks and retired as a Major in 1999. He has also served with the National Intelligence Service (NIS), Kenya Anti-Corruption Commission (KACC) and Kenya Electricity Generating Company (KenGen).</p> <p>Mr. Twalib Mbarak, CBS has extensive experience in Security, Intelligence and Investigation Management. He is a Certified Security Management Professional from the International Security Management Institute, UK. In Kenya, he founded the Association of Corporate and Industrial Security Professionals (ACISMP) an association directing the corporate security in Kenya.</p>



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### III. MANAGEMENT TEAM

MANAGEMENT TEAM		
	<p>Master of Arts in Armed Conflict &amp; Peace Studies</p> <p>Bachelor of Arts (Political Science and Sociology)</p> <p>Diploma in Armed conflict and Peace Studies</p> <p>Diploma Advanced Intelligence Course</p> <p>Diploma, Private Investigations</p> <p>Advanced Intelligence Course</p> <p>FBI undercover Certification Course</p> <p>Strategic Intelligence Course</p>	<p>Chief Executive Officer and Accounting Officer responsible for the day-to-day management of the Commission</p>
<b>Mr. Twalib Mbarak, CBS - Secretary/Chief Executive Officer</b>		
	<p>Master of Science (Security and Risk Management)</p> <p>Bachelor of Laws (LLB)</p> <p>Strategic Leadership Development Programme</p> <p>Senior Leadership and Management Course</p> <p>Corporate Governance Course</p> <p>Local and International Fraud Investigation courses</p>	<p>He is Ag. Deputy Chief Executive Officer and Head of the Investigation Directorate</p>
<b>Mr. Abdi A. Mohamud, MBS – Ag. Deputy Chief Executive Officer</b>		
	<p>Master of Business Administration</p> <p>Bachelor of Laws (LLB)</p> <p>Diploma in Law</p> <p>Strategic Leadership Development Programme Course</p> <p>Senior Management Course;</p> <p>Corporate Governance Training Course;</p>	<p>Head of Legal Services &amp; Asset Recovery Directorate</p>
<b>Mr. David K. Too, OGW - Director, Legal Services &amp; Asset Recovery</b>		



Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

**MANAGEMENT TEAM**

	<p>Master of Social Science (Development Administration) Bachelor of Arts (Political Science) Strategic Leadership Development Programme Course Certification in Governance Ethics and Anti - Corruption Reforms</p>	<p>Head of Ethics and Leadership Directorate</p>
	<p>Master of Arts (Economics &amp; Social Studies) Master of Arts in Economic Policy Management Bachelor of Arts (Economics) Strategic Leadership Development Programme Course Corporate Governance Course</p>	<p>Head of Preventive Services Directorate</p>
	<p>Master of Business Administration (Finance) Bachelor of Commerce -Accounting Option. Certified Public Accountant-K Strategic Leadership Development Programme Course Corporate Governance Course Senior Management Course</p>	<p>Head of Finance and Planning Directorate</p>

**Ms. Lucy W. Kinuthia, MBS - Director, Ethics & Leadership**

**Mr. Vincent O. Okong'o - Director, Preventive Services**

**Mr. Joel I. Mukumu - Director, Finance and Planning**



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### MANAGEMENT TEAM



Master of Science in ICT Policy and Regulation  
Bachelor of Science (Mathematics & Computer Science)  
Post Graduate Diploma in Computer Science,  
Strategic Leadership Development Programme Course  
Certificate Course in Governance, Ethics and Economic Crimes  
Economic Crime Intelligence Course  
Corporate Governance Course

Head of Field Services & Coordination Directorate

**Mr. Jackson K. Mue - Director, Field Services & Coordination**



Master of Science (Procurement & Logistics)  
Bachelor of Science (Mathematics & Physics)  
Diploma in Purchasing & Supplies Management  
Strategic Leadership Development Programme Course  
Senior Management Course  
Corporate Governance Course

Head of Supply Chain Management

**Mr. Robert K. Wachira- Deputy Director, Supply Chain Management**



Master of Business Administration (HRM)  
Bachelor of Education  
Diploma in Human Resources Management  
Strategic Leadership Development Programme Course  
Corporate Governance Course  
Senior Management Course

Head of Human Resource Management

**Ms. Ellyjoy G. Bundi- Assistant Director, Human Resource Management**

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## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### IV. STATEMENT OF THE CHAIRPERSON

The Ethics and Anti-Corruption Commission is committed towards continuously improving the welfare of its staff through implementation of various products such as the EACC Staff Mortgage and Car Loan Scheme. The Scheme has been in existence for the last five (5) years and is implemented in line with Salaries and Remuneration Commission Guidelines. The benefits derived contribute to attraction and retention of staff.

The National Treasury has funded the scheme in consecutive financial periods totalling to **Kes. 985 million** as at the time of reporting. The Commission appreciates the support of the Government through the National Treasury. The uptake of the mortgage and car loan has been on an increase and the Commission continue to review the products available to ensure optimal uptake of the facility. Some of the recent products introduced include the Sharia compliant products, as well as, equity release, plot purchase and buy and build among others.

The governance and management of the Scheme is as set out in the loan entitlement and conditions stipulated in the Staff Mortgage and Car Loan Scheme Policies and Regulations and as per the guidelines issued by the Salaries and Remuneration Commission.

I urge all staff to utilize the opportunity to improve on their wellbeing as well as that of their families. I further wish to state the uptake of the facility has a direct effect in supporting the Government's Big Four Agenda on affordable housing.

God bless Kenya,

**ARCHBISHOP (EMERITUS) DR. ELIUD WABUKALA, EBS**  
**CHAIRPERSON**





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### V. REPORT OF THE SECRETARY/CHIEF EXECUTIVE OFFICER

The Staff Mortgage and Car Loan Scheme is established and governed in line with existing Government regulations. In this regard, the EACC hereby presents the Financial Statements of the Staff Mortgage and Car Loan scheme for the year ending 30th June, 2021. The Financial Statements presented comprise of the Statement of financial performance, Statement of the Financial Position, Statement of Changes in Net Assets and Statement of Cash Flow.

The Commission ensures prudent financial management and reporting in line with Public Finance Management Act (PFMA) 2012, Public Financial Regulations, 2015 and International Public Sector Accounting Standards (IPSAS). As result, the administration of the Scheme has been efficient and effective in meeting the intended purpose.

The implementation and administration of the Scheme is overseen by a Staff Mortgage and Car Loan Scheme Advisory Committee in liaison with external professional service providers. The Committee meets regularly to consider loans applications and make recommendations to the Service provider. The National Treasury has funded the scheme since inception to a tune of Kes. 985 million as at the time of reporting. Over time, the Scheme portfolio has grown to Kes. 1,368,559,913. arising from funding from the National Treasury and interest charged on loans. So far, the Scheme has facilitated 154 applicants for mortgage and 95 applicants for car loans.

During the period under review, 79 mortgage applicants benefitted while 27 car loan applicants were facilitated. The total amount disbursed during the financial year under review to facilitate staff Mortgage was Kes. 1,038,296,542 While car loans issued were Kes. 124,096,300.

The scheme continues to meet its objective of creating an enabling environment for optimal productivity by providing a competitive loan scheme for members of Staff. The Scheme has been beneficial to staff and has enhanced staff morale and productivity. I encourage all staff members to utilize the facility for improvement of their welfare and to remain resilient and focused in the performance of their duties.

**TWALIB MBARAK, CBS**  
**SECRETARY/ CHIEF EXECUTIVE OFFICER**





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### VI. CORPORATE GOVERNANCE STATEMENT

The Ethics and Anti-Corruption Commission (EACC) is a Constitutional Commission created pursuant to Article 79 of the Constitution of Kenya 2010 and established under Section 3 of the Ethics and Anti-Corruption Commission Act No. 22 of 2011. The EACC Act details the functions and powers of the Commission, to provide for the qualifications and procedures for the appointment of the Chairperson and Members of the Commission, and for connected purposes.

Section 4 of the Act provides for the composition and appointment of the Commission which consist of a Chairperson and four other Members appointed in accordance with the provisions of the Constitution and the Act. The Chairperson and Members of the Commission are appointed for a single term of six (6) years and serve on a part-time basis. The functions of the Commissioners include; policy formulation, strategic direction, establishing and maintaining strategic linkages and partnerships with other stakeholders in the rule of law and other governance sector, among others.

The Secretary to the Commission is also the Chief Executive Officer and Accounting Officer. The Secretary is responsible for; carrying out of the decisions of the Commission; day-to-day administration and management of the affairs of the Secretariat and the performance of such other duties as may be assigned by the Commission.

The mandate of the Commission is to; educate and create awareness; undertake preventive measures against unethical and corrupt practices; conduct investigations on its own initiative or on a complaint made by any person; recovery corruptly acquired an unexplained asset. In performing its function, the commission may engage such experts as may be necessary for the performance of its functions. To ensure access to its services in all parts of the Republic in accordance with Article 6 (3) of the Constitution, the Commission has established 11 Regional Offices and has presence in 50 Huduma Centres across the Country.

In order to effectively undertake its functions, the Commission has established five (5) Committees. The Committees include; Risk and Audit Committee, Finance and Supply Chain Management, Law Enforcement, Support Services, and Corruption Prevention, Education and Public Engagements. The Committees are comprised of Commissioners and relevant heads of Directorates and Departments. The conduct of meetings is guided by the Second Schedule of the EACC Act.

The Commission is implementing its Strategic Plan, 2018-2023 which has provided strategic direction for the period under review. The Plan is implemented through annual budgets, procurement plan and work plans. The Commission reports on its programmes and activities to the National Assembly through quarterly and annual plans. The Commission also prepares annual financial statements in accordance with the law and is audited by the Office of the Auditor General.

## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### VII. MANAGEMENT DISCUSSION AND ANALYSIS

The Scheme was introduced five (5) years ago and has a fund portfolio of Kes 1.367 Billion as reported in the period under review.

The number of staff who have shown interest in Mortgage and Car Loan facility has continued to grow. It has grown overtime recording 154 successful applications for mortgage amounting to Kes. 1,038,296,542 and 95 successful applications for Car Loan amounting to Kes. 124,096,300 as at the end of the period under review.

#### Performance for the periods 2015/2016 to 2020/2021

	Mortgage	Car Loan	Total
	Kes	Kes	Kes
Exchequer funding HFC Schemes	520,000,000	25,000,000	545,000,000
Exchequer funding KCB Schemes	427,000,000	13,000,000	440,000,000
Principal repayments received HFC	129,833,407	77,470,933	207,304,340
Principal repayments received KCB	13,417,138	505,846	13,922,984
Interest earned on HFC Schemes	106,567,008	32,616,039	139,183,047
Interest earned on KCB Schemes	22,920,296	229,246	23,149,543
<b>Total Inflows</b>	<b>1,219,737,849</b>	<b>148,822,064</b>	<b>1,368,559,913</b>
Loans Issued HFC Schemes	658,068,818	116,416,300	774,485,118
Loans Issued KCB Schemes	380,227,724	7,680,000	387,907,724
Scheme Administration Cost	67,069,456	6,511,949	73,581,406
<b>Total Outflows</b>	<b>1,105,365,998</b>	<b>130,608,249</b>	<b>1,235,974,248</b>
<b>Net Inflows</b>	<b>114,371,850</b>	<b>18,213,815</b>	<b>132,585,665</b>

The effects of Covid -19 have continued to affect the property market, creating mismatch between the demand and supply. The Scheme therefore prioritizes processing of loan application based on the order of application – *'first come, first served basis'*.





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### VIII. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

EACC exists to combat and prevent corruption and Economic crimes and unethical conduct in Kenya. It's what guides us to deliver our strategy, which is founded on four pillars:

Below is a brief highlight of our achievements in each pillar

#### 1. Ethics and Anti-Corruption Commission Sustainability

Articles 79 and 252 that anchor the Commission in the Constitution of Kenya 2010, have been the greatest boon to the sustainability of the Commission and the war against corruption in Kenya. Correspondingly, the National Assembly has enacted and or amended several Statutes that enable the Commission to carry out its mandate, among which are, the Ethics and Anti-Corruption Act, 2011, the Leadership and Integrity Act, 2012 and the Anti-Corruption and Economic Crimes Act, 2003.

Moreover, there have been continuous and incremental disbursements from the exchequer to the Commission each year. The Commission's budget has increased from Kes. 2,957,220,000 to Kes. 3,272,200,000 between 2015 and 2021. This indicates government commitments in fight against corruption. Further, recent developments in the war against graft have sparked greater interest and commitment from partners and donors. Donors have been participating by offering both operational and technical support.

The establishment of the Anti-Corruption Division of the High Court that is premised on the fact that corruption matters are heard on a continuous basis has contributed to the sustainability of the war against graft.

#### 2. Environmental Performance

In order to embrace sustainable waste disposal, the Commission has installed waste bins in strategic locations and put in place Service Level Agreements for collection and disposal of the various categories of waste generated in its premises.

During the period under review, the management has issued various directives and made initiatives aimed at leveraging technology and embracing electronic communication as opposed to over-reliance on printed communication. This has effectively reduced consumption of paper by the Commission. The Commission has a Corporate Social Responsibility Programme whose objectives include conservation of the environment through improvement of forest cover by planting





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### 3. Employee Welfare

The Commission has a policy on recruitment which states the Commission's commitment to ensuring that the one third gender rule is observed as well promotes affirmative action to ensure diversity in the workplace. In addition, the Commission's Shortlisting and Interview Guidelines ensure that recruitment processes are geared towards observing and promoting regional and gender balance. Currently the percentage gender distribution is 39.8% female and 60.2% male, while the ethnic representation within the Commission is thirty-one (31) ethnic tribes out the forty (46) existing ethnic communities. The Commission also has a Career Progression Guidelines which outlines the growth of job holders and specifies the requirements of each position thus making officers aware of the requisite skills required to grow in their careers. The policies are reviewed from time to time as the Commission determines but within two (2) to three (3) years. The Commission has an Annual Training Plan which is funded to ensure that all staff get an opportunity to be trained based on the training needs identified in the course of their work and during the performance appraisal. The Commission also supports officers to be in good professional standing with their professional bodies by facilitating their Annual Subscription and Continuous Professional Development (CPD) training. Further staff are trained in career development courses, specialised skills and seminars and workshops.

The Commission has a robust Performance Management System that comprise tools such as the Target Setting Form and the Annual Performance Appraisal Form which guides the target setting and appraisal processes in the Commission. Targets are set at the beginning of the financial year and appraisal is done at the end of the year based on the targets agreed between the supervisor and the supervisee at the beginning of the year. All staff are sensitised on the use of the tools which are reviewed every two to three years. The Commission recommends officers for National honours and awards and issues commendation letters in recognition of exemplary performance. Further proposals to consider reviewing allowances paid to staff have been submitted to Salaries and Remuneration Commission (SRC) for consideration, within the financial year under review. The Commission has a Health and Safety Policy that is in compliance with the Occupational Safety and Health Act of 2007.

### 4. Market Place Practices

Ethics and Anti-Corruption Commission operates in an environment with a wide range of risk profiles, making anti-bribery a central focus of our concern for compliance. Public Procurement Code of Ethics for Procuring Entities provides comprehensive coverage on anti-bribery and anti-corruption guidelines, addressing such issues as fraud, bribery, conflicts of interest, among others. Further, the Commission





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

has established guidelines on management of conflict of interest geared towards promoting ethics and integrity in the workplace. Together, these policies emphasize the fact that Ethics and Anti-Corruption Commission strictly prohibits bribery in any form, including but not limited to kickbacks, indirect bribery, unlawful political contributions, and improper charitable contributions.

The Commission has consistently applied the most competitive procurement methodology based on the prevailing procurement circumstances with emphasis on maximizing value for money. The Commission also conducts due diligence on third parties to ensure that it engages the right supplier in its procurement.

The Commission has established a responsible supplier relationship by strict compliance to the public procurement and asset disposal processes and principles as laid down in the public procurement and asset disposal legislative framework. Further, the Commission has enhanced its communication as a tool in bettering the management of the existing suppliers. The use of online procurement modules has further enhanced efficiency hence increased trust in our procurement process. This has made suppliers to have a better understanding of the Commission's business goals.

### **a) Responsible supply chain and supplier relations**

The Commission highly regards adherence to all statutory and best practices within its supply chain management as a fundamental factor in value creation and an important lever for minimizing risks. For this reason, The Commission considers economic, social, ethical, and environmental standards in all of its procurements and disposal processes. The aforementioned standards are also applied when selecting new suppliers and while relating with existing suppliers.

The Commission provides all the sufficient information to enhance supplier confidence and competition in all its bidding processes. Additionally, the use of online procurement modules and online contract publications has enhanced efficiency and increases trust in our procurement process. The Commission is committed to honour all suppliers demanded as stipulated in each contract.



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### **b) Responsible marketing and advertisement**

In addition to maximizing value for money in its procurement the Commission applies the preference and reservation schemes which allows has benefited the small and micro enterprises owned by youth women and persons with disability. To achieve this, the Commission engaged on a robust advertisement program of all its activities which entailed different mode targeting the intended audience

### **c) Product stewardship**

In the entire supply chain system, the Commission developed procurement requirements with the aim of reducing the environmental, health and safety impacts of the goods, works and services procured. This has been achieved by It is evaluating the environmental costs associated with goods, works and services throughout their life cycles.

### **5. Corporate Social Responsibility / Community Engagements**

The EACC's corporate social responsibility is based on the fact that, as part of the Kenyan society, we have responsibilities that go beyond our legal obligations for the benefit of the society at large. Our corporate social responsibility entails community engagement, supporting community activities, responding to emerging challenges, donating to charities, helping the needy and application of ethical conduct and participating in matters of topical national interest in Kenya. Our Corporate Social Responsibility, CSR, strategy involves building relationships and partnerships and working together with organizations that we believe advance the wellbeing of Kenyans. The EACC's CSR decisions are made in the best interest of the society. During the year under review, the Commission, offered support to the families affected by the landslide in West Pokot County.





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### IX. REPORT OF THE COMMISSION AND THE SCHEME

The Commission submits its report together with the audited financial statements for the year ended June 30, 2021 which show the state of the Commission's affairs.

#### Principal activities

The principal activities of the Commission are to investigate corruption and economic crimes, recover lost public property and obtain compensation for damaged public property, prevent corruption, conduct public education on the dangers of corruption and promote ethics and integrity.

#### Results

The results of the entity for the year ended June 30, 2021 are set out on page 1 to 14.

#### Commissioners

The Commission members of who served during the year are shown on page v to vii in accordance with Ethics and Anti-Corruption Act, 2011.

#### Surplus remission

The Staff Mortgage and Car Loan Scheme made a surplus of Kes **13,594,318** during the year 2020/2021. This is a staff scheme that operates as a revolving fund therefore no surplus was remitted to the Consolidated fund.

#### Auditors

The Auditor General is responsible for the statutory audit of the Scheme in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act, 2015.



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### X. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and Section 26 of the Ethics and Anti-Corruption Act, require the Management to prepare Financial Statements in respect of EACC, which give a true and fair view of the state of affairs of the Commission at the end of the financial year. The Management is also required to ensure that the Commission and the Scheme keep proper accounting records which disclose with reasonable accuracy the financial position of the Commission and the Scheme. The Management is also responsible for safeguarding the assets of the Commission and the Scheme.

The management is responsible for the preparation and presentation of the Scheme's Financial Statements, which give a true and fair view of the state of the affairs of the Scheme for and as at the end of the financial year ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Management accepts responsibility for the Scheme's Financial Statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Reporting Standards (IPSAS), and in the manner required by the Public Finance Management Act and the Ethics and Anti-Corruption Act. The management is of the opinion that the Scheme's financial statements give a true and fair view of the state of the Scheme's transactions during the financial year ended June 30, 2021, and of the Scheme's financial position as at that date. The Management further confirms the completeness of the accounting records maintained for the Scheme, which have been relied upon in the preparation of the Scheme financial statements as well as the adequacy of the systems of internal financial controls.

Nothing has come to the attention of the Management to indicate that the Commission and the Scheme will not remain a going concern for at least the next twelve months from the date of this statement.

#### Approval of the financial statements

The Scheme's Financial Statements were approved by the Commission on 7<sup>th</sup> September, 2021 and signed on its behalf by:

Archbishop (Emeritus) Dr. Eliud Wabukala, EBS  
Chairperson

Twalib Mbarak, CBS  
Secretary/Chief Executive Officer

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## REPUBLIC OF KENYA

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

### REPORT OF THE AUDITOR-GENERAL ON ETHICS AND ANTI-CORRUPTION COMMISSION - STAFF HOUSE MORTGAGE AND CAR LOAN SCHEME FOR THE YEAR ENDED 30 JUNE, 2021

#### PREAMBLE

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

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

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

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

#### REPORT ON THE FINANCIAL STATEMENTS

##### Opinion

I have audited the accompanying financial statements of Ethics And Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme as set out on pages 1 to 14, which comprise the statement of financial position as at 30 June, 2021 and, the statement

*Report of the Auditor-General on Ethics And Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme for the year ended 30 June, 2021*



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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Ethics And Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with Ethics and Anti-Corruption Commission (EACC Staff Motor Car Loan Scheme) Regulations, 2017, Ethics and Anti-Corruption Commission (EACC Staff House Mortgage Scheme) Regulations, 2017 and the Public Finance Management Act, 2012.

#### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ethics and Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Key Audit Matters**

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

#### **Other Information**

"The Commissioners are responsible for the other information, which comprises the Chairman's Report, Secretary/Chief Executive Officer's report, the statement of corporate governance, management discussions and responsibilities, statement of corporate social responsibility and the statement of commissioners' responsibilities. The other information does not include the financial statements and my auditor's report thereon.

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

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

##### **Conclusion**

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

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*Report of the Auditor-General on Ethics And Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme for the year ended 30 June, 2021*





### **Basis for Conclusion**

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

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

#### **Conclusion**

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

#### **Basis for Conclusion**

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

#### **Responsibilities of Management and Commissioners**

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

In preparing the financial statements, Management is responsible for assessing the Scheme's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to liquidate the Scheme cease operations.

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

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

Commissioners are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Scheme monitors compliance with relevant legislative and

*Report of the Auditor-General on Ethics And Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme for the year ended 30 June, 2021*



regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

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*Report of the Auditor-General on Ethics And Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme for the year ended 30 June, 2021*





fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

**Nairobi**

**09 November, 2021**

*Report of the Auditor-General on Ethics And Anti-Corruption Commission - Staff House Mortgage and Car Loan Scheme for the year ended 30 June, 2021*



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

		2020-2021	2019-2020
	Notes	Kes.	Kes.
<b>Revenue from exchange transactions</b>			
Interest on Bank Balance	5	5,781,311	7,244,085
Interest on Individuals Staff House Mortgage and Car Loans	6	31,261,631	26,096,486
<b>Total Revenue</b>		<b>37,042,942</b>	<b>33,340,571</b>
<b>Expenses</b>			
3% Commission to Service Provider	7	23,446,224	19,572,365
Bank Service Charges	8	2,400	1,785
<b>Total Expenses</b>		<b>23,448,624</b>	<b>19,574,150</b>
<b>Surplus for the period</b>		<b>13,594,318</b>	<b>13,766,421</b>

The notes set out on pages 6 to 13 form part of these financial statements

The Financial Statements set out on pages 1 to 4 were signed on behalf of the Commission

**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**  
Chairperson

**Twalib Mbarak, CBS**  
Secretary/Chief Executive Officer

**Joel I. Mukumu, ICPAK No: 5917**  
Director, Finance & Planning



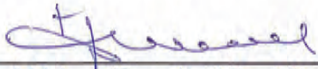



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

		2020-2021	2019-2020
	Notes	Kes.	Kes.
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	9	132,585,664	238,370,009
Short term receivables from staff House Mortgage	10	55,614,257	42,054,731
Short term receivables from staff Car Mortgage	10	16,842,507	20,229,636
		<b>205,042,428</b>	<b>300,654,377</b>
<b>Non-Current Assets</b>			
Long term receivables from staff House Mortgage	11	839,431,739	598,011,175
Long term receivables from staff Car Mortgage	11	29,277,015	36,491,312
		<b>868,708,754</b>	<b>634,502,486</b>
<b>Total Assets</b>		<b>1,073,751,182</b>	<b>935,156,863</b>
<b>Net Assets</b>			
Reserves (Accumulated fund)	12	88,751,182	75,156,863
Mortgage and Car Loan Revolving fund	13	985,000,000	860,000,000
		<b>1,073,751,182</b>	<b>935,156,863</b>
<b>Total Net assets and Liabilities</b>		<b>1,073,751,182</b>	<b>935,156,863</b>

The Financial Statements set out on pages 1 to 4 were signed on behalf of the Commission

  
**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**  
**Chairperson**

  
**Twalib Mbarak, CBS**  
**Secretary/Chief Executive Officer**

  
**Joel I. Mukuma, ICPAK No: 5917**  
**Director, Finance & Planning**



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2021				
	Notes	Staff Car Loan and Mortgage Scheme	Revenue Reserve	Total
		Kes.	Kes.	Kes.
Balance as at 30 June 2019		770,000,000	61,390,443	831,390,443
Staff car loan and mortgage scheme		90,000,000		90,000,000
Surplus for the period		-	13,766,421	13,766,421
<b>Balance as at 30 June 2020</b>		<b>860,000,000</b>	<b>75,156,864</b>	<b>935,156,864</b>
Staff car loan and mortgage scheme	15	125,000,000		125,000,000
Surplus for the period		-	13,594,318	13,514,398
<b>Balance as at 30 June 2021</b>		<b>985,000,000</b>	<b>88,751,182</b>	<b>1,073,751,182</b>






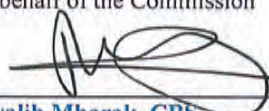
## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2020-2021	2019-2020
		Kes.	Kes.
<b>Cash flows From Operating Activities</b>			
Surplus from operations		13,594,318	13,766,421
		<b>13,594,318</b>	<b>13,766,421</b>
<b>Income from Operations</b>			
(Increase) Staff Mortgage and Car Loan long term receivables		(234,206,267)	(86,763,753)
(Increase) Staff Mortgage and Car Loan short term receivables		(10,172,396)	(13,711,622)
(Decrease) in payables		-	(1,836,397)
<b>Net cash flows from operating activities</b>		<b>(230,784,345)</b>	<b>(88,545,351)</b>
<b>Cash flows From Investing Activities</b>			
		-	-
<b>Net cash utilized in investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows From Financing Activities</b>			
Staff Mortgage and Car Loan Scheme	15	125,000,000	90,000,000
<b>Net cash used in Financing activities</b>		<b>125,000,000</b>	<b>90,000,000</b>
<b>Net increase in cash and cash equivalents</b>		<b>(105,784,345)</b>	<b>1,454,649</b>
Bank and Cash equivalents at beginning of year		238,370,009	236,915,361
<b>Bank and cash equivalent at end of year</b>	8	<b>132,585,664</b>	<b>238,370,009</b>

The Financial Statements set out on pages 1 to 4 were signed on behalf of the Commission

  
**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**  
 Chairperson

  
**Twalib Mbarak, CBS**  
 Secretary/Chief Executive Officer

  
**Joel I. Mukumu, ICRAK No: 5917**  
 Director, Finance & Planning

# Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

	Original budget 2020-2021	Adjustments 2020-2021	Final budget 2020-2021	Actual on comparable basis 2020-2021	Performance difference 2020-2021	% of Utilization
<b>Revenue</b>	Kes	Kes	Kes	Kes	Kes	Kes
Government grants and subsidies	-	-	-	-	-	-
Development Expenditure	-	-	-	-	-	-
Staff mortgage Car loan	125,000,000	-	125,000,000	125,000,000	-	100%
Other Income				37,042,942	37,042,942	0%
<b>Total income</b>	<b>125,000,000</b>	<b>-</b>	<b>125,000,000</b>	<b>162,042,942</b>	<b>37,042,942</b>	
<b>Expenses</b>						
Compensation of employees	-	-	-	-	-	-
Total expenses	-	-	-	23,448,624	(23,448,624)	0%
Staff Loan	125,000,000	-	125,000,000	125,000,000	-	100%
<b>Total expenditure</b>	<b>125,000,000</b>		<b>125,000,000</b>	<b>148,448,624</b>	<b>(23,448,624)</b>	
<b>Surplus for the period</b>				<b>13,594,318</b>	<b>13,594,318</b>	

### Note:

**Other income:** The other income is as a result of interest on loans issued and interest received from bank balances not included in budget estimates.

**Use of goods and service:** This represents cost of scheme administration recovered by scheme administrators but not included in the budget estimates.

**Staff Loan:** This represents the actual budgetary allocation during the financial year.

**0% utilization:** The Scheme is dependent on the EACC budget. Therefore, the Scheme only budgeted for remittance from the Commission and by extension the National Treasury





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. Statement of compliance and basis of preparation – IPSAS 1

The Scheme's Financial Statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Scheme. The accounting policies have been consistently applied to all the years presented.

The Financial Statements have been prepared on the basis of historical cost, unless stated otherwise. The Cash Flow statement is prepared using the indirect method. The Financial Statements are prepared on accrual basis of accounting.

#### 2. Summary of significant accounting policies

##### a) Revenue recognition

##### Revenue from non-exchange transactions – IPSAS 23

Income is recognized in the period in which it is received. Government and donor funding is only recognized on receipt. Income is not accrued if its recoverability is considered doubtful. Interest income is recognized on a time proportion basis using the effective interest rate method.

##### Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Scheme and can be measured reliably.

##### *Sale of goods*

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

##### *Interest income*

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





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### *Notes to financial statements continued...*

#### **b) Budget information – IPSAS 24**

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

#### **c) Investment property – IPSAS 16**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if their cognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

#### **d) Property, plant and equipment – IPSAS 17**

All property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Scheme recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

#### **e) Intangible assets–IPSAS 31**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful life of the intangible assets is assessed as either finite or indefinite.



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### *Notes to financial statements continued...*

#### **f) Inventories – IPSAS 12**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

#### **g) Provisions – IPSAS 19**

Provisions are recognized when the Scheme has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service Potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Scheme Committee expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is Virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

#### ***Contingent liabilities***

The Scheme 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.

#### **i) Changes in accounting policies and estimates – IPSAS 3**

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

#### **j) 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



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

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.

### k) Comparative figures

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

### l) Significant judgments and sources of estimation uncertainty – IPSAS 1

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

#### *Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

#### *Useful lives and residual values*

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

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset



## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### 3 Adoption of new and Revised Standards

- i. Relevant new standards and amendments to published standards effective for the year ended 30<sup>th</sup> June 2021

Standard	Impact
IPSAS 39: Employee Benefits	Applicable: 1st January 2018: The objective to issue IPSAS 39 was to create convergence to changes in IAS 19 Employee benefits. The IPSASB needed to create convergence of IPSAS 25 to the amendments done to IAS 19. The main objective is to ensure accurate information relating to pension liabilities arising from the defined benefit scheme by doing away with the corridor approach. (This is not applicable for EACC since there are no employees paid to work for the scheme)

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2021

Standard	Effective date and impact:
IPSAS 40: Public Sector Combinations	Applicable: 1st January 2019: The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only) Business combinations and combinations arising from non-exchange transactions which are covered purely under Public Sector combinations as amalgamations. (This is not applicable for EACC)

### 4 Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of Financial Performance. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### 5 Interest on Bank Balance

	2020-2021	2019-2020
Item	Kes.	Kes.
Staff Mortgage Bank Account HFC	1,762,253	1,953,322
Staff Mortgage Bank Account KCB	3,333,817	4,585,377
Interest overstated in previous period	-	(6,394)
Interest Car Loan Bank Account KCB	104,067	-
Interest Car Loan Bank Account HFC	580,634	711,779
<b>Total Income from Bank Balance</b>	<b>5,781,311</b>	<b>7,244,085</b>

### 6 Interest on Individuals Staff House Mortgage and Car Loans

	2020-2021	2019-2020
	Kes.	Kes.
Individual Staff Mortgage 4% Interest	29,144,201	23,704,368
Individual Car Loan 4% Interest	2,117,430	2,392,118
<b>Total Individual Staff Interest</b>	<b>31,261,631</b>	<b>26,096,486</b>

### 7 Expenses; 3% commission for service Provider

	2020-2021	2019-2020
	Kes.	Kes.
Individual Staff Mortgage 3% Interest	21,858,151	17,778,276
Individual Car Mortgage 3% Interest	1,588,073	1,794,088
<b>Total Expenses</b>	<b>23,446,224</b>	<b>19,572,365</b>

### 8 Bank Service Charges

	2020-2021	2019-2020
	Kes.	Kes.
Mortgage Bank accounts	1,800	1,785
Car Loan Bank accounts	600	-
<b>Total Expenses</b>	<b>2,400</b>	<b>1,785</b>

### 9 Cash and Cash Equivalent

	2020-2021	2019-2020
	Kes.	Kes.
HFC Staff Mortgage Bank Account	38,046,086	63,329,701
KCB Staff Mortgage Bank Account	76,325,765	146,641,319
KCB Car Loan Bank Account	5,961,613	-
HFC Car Loan Bank Account	12,252,202	28,398,989
<b>Total</b>	<b>132,585,664</b>	<b>238,370,009</b>





## Ethics and Anti-Corruption Commission Mortgage and car loan Scheme Annual Reports and Financial Statements for the year ended June 30, 2021

### 10 Short -Term Receivables from Mortgage and Car loan

	2020-2021	2019-2020
	Kes.	Kes.
EACC Mortgage Issuance	55,614,257	42,054,731
EACC Car Loan Issuance	16,842,507	20,229,636
<b>Total Short -Term Receivables</b>	<b>72,456,764</b>	<b>62,284,368</b>

### 11 Long -Term Receivables from Mortgage and Car loan

	2020-2021	2019-2020
	Kes.	Kes.
EACC Mortgage Issuance	839,431,739	598,011,175
EACC Car Loan Issuance	29,277,015	36,491,312
<b>Total Long -Term Receivables</b>	<b>868,708,754</b>	<b>634,502,486</b>

### 12 Revenue Reserve

	2020-2021	2018-2019
	Kes.	Kes.
Balance Brought Forward	75,156,863	61,390,442
Surplus for the year	13,594,318	13,766,421
<b>Total</b>	<b>88,751,181</b>	<b>75,156,863</b>

### 13 Mortgage and Car Loan Revolving fund

	2020-2021	2019-2020
Item	Kes.	Kes.
Balance Brought Forward	860,000,000	770,000,000
Staff House Mortgage	120,000,000	90,000,000
Staff Car Loan	5,000,000	-
<b>Total</b>	<b>985,000,000</b>	<b>860,000,000</b>

### 14. Scheme Performance

The Scheme recorded 57 applications for Mortgage amounting to Kes. 298,344,970 and 10 for Car Loan amounting to Kes. 13,138,000 as at the end of the period under review compared with 22 successful applications for Mortgage and 17 successful applications for Car loan in the previous financial year as analysed below.

Statement of Scheme Performance				
Scheme	2020-2021		2019-2020	
	Number of successful applicants	Amount	Number of successful applicants	Amount
Staff Mortgage	57	298,344,970	22	176,407,429
Staff Car Loan	10	13,138,000	17	32,648,500
	<b>67</b>	<b>311,482,970</b>	<b>39</b>	<b>209,055,929</b>

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### 15. EACC Staff Car Loan and House Mortgage Scheme

The Commission funded the Scheme; Kes. 125,000,000/- for Staff Car Loan and Mortgage Scheme.

Scheme accountability Statement as at 30 <sup>th</sup> June 2021					
	House Mortgage Scheme Interest	House Mortgage Scheme	Car Loan Scheme Interest	Car Loan Scheme	Total
<b>Scheme Funding:</b>					
Opening Balance 01.07.2020		850,036,927		85,119,936	935,156,863
Funding for the year		120,000,000		5,000,000	125,000,000
<b>Total Principal Funding</b>		<b>970,036,927</b>		<b>90,119,936</b>	<b>1,060,156,863</b>
<b>Interest</b>					
Interest earned on Bank Balance HFC		1,792,253		580,633	2,342,886
Interest earned on Bank Balance KCB		3,333,817		104,607	3,438,424
Interest earned ;4% on Loans Issued	29,144,201		2,117,430		
Less:3% Administration fees	(21,858,151)	7,286,050	(1,588,073)	529,358	7,815,408
Bank Service Charges		(1,800)		(600)	(2,400)
<b>Total net Interest</b>		<b>12,380,320</b>		<b>1,213,998</b>	<b>13,594,318</b>
<b>Total Fund</b>		<b>982,417,247</b>		<b>91,333,934</b>	<b>1073,751,181</b>
Total Loans Issued KCB Bank	(380,227,724)		(7,680,000)		
Total Principal Repaid KCB Bank	13,417,287	(366,810,437)	(505,486)	(7,174,154)	(373,984,591)
Total Loans Issued HFC Bank	(658,068,818)		(116,414,300)		
Total Principal Repaid HFC Bank	129,833,259	(528,235,559)	77,470,933	(38,945,367)	(567,180,926)
<b>Total Fund Balance 30.06.2021</b>		<b>87,371,250</b>		<b>45,214,413</b>	<b>132,585,664</b>

### 16. Events After the reporting period

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

### 17. Currency

The Financial statements are presented in Kenya Shillings (Kes).



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**APPENDIX: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The Scheme did not have any Audit follow up issues for the previous Audited Financial Year 2019/20.

**Archbishop (Emeritus) Dr. Eliud Wabukala, EBS**  
Chairperson

**Twalib Mbarak, CBS**  
Secretary/Chief Executive Officer