

REPUBLIC OF KENYA



*Enhancing Accountability*



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 FEB 2021	DAY: Thurs
TABLED BY:	LOM
CLERK AT THE TABLE:	Marah Wangiku

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**AFRICAN UNION AND OTHER  
INTERNATIONAL ORGANIZATION  
SUBSCRIPTION FUND**

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

**THE NATIONAL TREASURY**





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**The National Treasury & Planning**  
**African Union and Other International Organizations**  
**Subscription Fund**

**Annual Report and Financial Statements**  
**For the Financial Year Ended**

**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)



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## **I. Key Entity Information and Management**

### **a) Background information**

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

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

### **Vision**

"Excellence in economic and public financial management, and development planning".

### **Mission**

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

### **Core Values**

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

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

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

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

- Formulate, implement and monitor macro-economic policies involving expenditure and revenue;
- Manage the level and composition of national public debt, national guarantees and other financial obligations of national government;

- Formulate, evaluate and promote economic and financial policies that facilitate social and economic development in conjunction with other national government entities;
- Mobilize domestic and external resources for financing national and county government budgetary requirements;
- Design and prescribe an efficient financial management system for the national and county governments to ensure transparent financial management and standard financial reporting.
- In consultation with the Accounting Standards Board, ensure that uniform accounting standards are applied by the national government and its entities;
- Develop policy for the establishment, management, operation and winding up of public funds;
- Prepare the annual Division of Revenue Bill and the County Allocation of Revenue Bill;
- Strengthen financial and fiscal relations between the national government and county governments and encourage support for county governments;
- Assist county governments to develop their capacity for efficient, effective and transparent financial management;
- To prepare the National Budget, execute/implement and control approved budgetary resources to MDAs and other Government agencies/entities; and
- Coordination and integration of public ports, railway and pipeline services.

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

The National Treasury is mandated by law to:

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

#### **(b) Key Management**

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

##### **Office of the Principal Secretary**

The Office of the Principal Secretary is responsible for the day to day administration of the National Treasury operations and is the Accounting officer. In addition, the Principal Secretary is charged with the responsibility of providing

advice to the Cabinet Secretary in order to enhance efficiency and collective responsibility.

### **Organizational structure of the National Treasury**

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

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

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

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

#### Directorate of Accounting Services and Quality Assurance

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

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

#### Directorate of Portfolio Management

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

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

#### Directorate of Public Debt Management Office

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

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



- Debt Recording and Settlement (Back Office).  
Directorate of Public Private Partnership Unit

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

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

- Accounting,
- Finance,
- Human Resource Management and Development,
- Central Planning and Project Monitoring,
- Supply Chain Management,
- Legal,
- Public Communications,
- General Administration,
- Records Management;
- Internal Audit;
- ICT
- Government Clearing Agency

### **(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

S/No.	Designation	Name
1.	Principal Secretary	Dr. Julius Muia, PhD, CBS
2.	Principal Administrative Secretary	Mr. Amos Gathecha, EBS
3.	Director General, BFEA	Mr. Albert Mwenda, HSC
4.	Director General, Accounting Services	Mr. Bernard Ndung'u, MBS
5.	Director General, PIPM	Eng. Stanley Kamau
6.	Director General, PDMO	Dr. Haron Sirma, OGW
7.	Director General, PPP	Mr. Christopher Kirigua, OGW
8.	Director, Macro and Fiscal Affairs Department	Mr. Musa Gathanje
9.	Director, Budget Department	Mr. Francis Anyona, OGW
10.	Director, Financial and Sectoral Affairs Department	Prof. Galgalo Barako

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11.	Director, Public Procurement Department	Mr. Eric Korir
12.	Director, Intergovernmental Fiscal Relations Department	Mr. Albert Mwenda, HSC
13.	Deputy Internal Auditor General	Ms. Jane Micheni
14.	Director, Government Accounting Services Department	Mr. Jonah Wala
15.	Ag Director, National Sub County Treasuries	Mr. Francis Kariuki
16.	Director, Financial Management Information System	Mr. Stanley Kamunguya
17.	Director, Public Private Partnership Unit	Mrs. Veronica Okoth
18.	Director, National Assets and Liability Management	Mrs. Beatrice Gathirwa
19.	Director, Government Investment and Public Enterprises	Mr. Kennedy Ondieki
20.	Director, Pensions Department	Mr. Michel Kagika, EBS
21.	Director, Resource Mobilization Department	Mr. Moses Kanagi
22.	Director, Debt Policy, Strategy and Risk Management Department	Mr. Daniel Ndolo
23.	Director, Debt Recording and Settlement Department	Mr. George Kariuki
24.	Secretary Administration	Mr. Hiram Kahiro
25.	Head, Accounts Division	Mr. Nemwel Motanya
26.	Head, Finance	Mr. Kimathi Mugambi, HSC
27.	Head, SCM	Mr. Aggrey kituyi
28.	Head, Internal Audit Unit	Mr. Esther Ngeru
29.	Director, Human Resource Management & Development	Ms. Susan Mucheru
30.	Director, Information Communication and Technology	Mrs. Lynn Nyongesa
31.	Head, Central Planning and Project Monitoring Unit	Mr. Antony Muriu, HSC
32.	Head, Public Communications	Ms. Catherine Njoroge
33.	Programme Coordinator, Public Financial Management Reform Secretariat	Mr. Julius Mutua
34.	Director, Government Clearing Agency	Mr. Felix Ateng

#### **(d) Fiduciary Oversight Arrangements**

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

### **Internal Audit Unit**

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

### **Audit Committees**

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

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

### **Project Implementation Committee**

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

### **Parliamentary Activities**

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

### **Development Partner Oversight**

To effectively manage Official Development Assistance to the Government, the National Treasury has under the Public Debt Management a department responsible for all matters relating to

Development Partners. The Department has various Units that coordinate different development partner activities in the Country.

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

### **Top Management Committee and Other Committees**

To monitor the implementation of the Ministry's programmes and performance, the National Treasury has appointed Top Management Committee comprising of Directors General. The Committee receives reports from departments, build consensus on National Treasury responses to emerging issues, challenges and risks and ensures that the decisions made are implemented in a timely manner. Additionally, the Treasury constituted Adhoc Committees to handle specific assignments in the Financial Year 2020/21.

### **Public Financial Management Sector Working Group**

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

### **Budget Implementation Steering Committee**

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

### **Budget Implementation Technical Committee**

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

### **Budget Implementation Ministerial Committee**

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

## **Monitoring and Evaluation**

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

### **(e) The National Treasury Headquarters**

P.O. Box 30007- 00100,  
Treasury Building,  
Harambee, Avenue  
Nairobi Kenya

### **The National Treasury Contacts**

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

### **(f) The National Treasury Bankers**

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

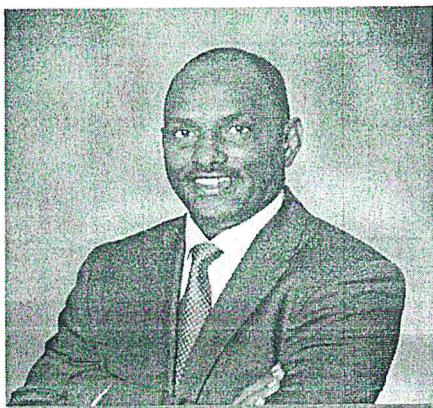
### **(g) Independent Auditors**

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

### **(h) Principal Legal Adviser**

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

## Key Management Profile



### **Hon. Amb. Ukur Yatani, EGH** **Cabinet Secretary, National Treasury and planning**

Hon. Amb. Ukur Yatani Kanacho born in 1967, has over 27-year experience in public administration, politics, diplomacy and governance in public sector. Before his appointment as Cabinet Secretary for the National Treasury he served as the Cabinet Secretary for Labour and Social Protection since January 2018.

Between the years 2006 - 2007 while Member of Parliament for North Horr constituency, he also served as an Assistant minister for science and technology. At the height of his career (March 2013-August 2017), he served as a pioneer Governor of Marsabit County, the largest County in the Republic of Kenya.

Between June 2009 and October 2012, he served as Kenya's Ambassador to Austria with Accreditation to Hungary and Slovakia and Permanent Representative to the United Nations in Vienna. In this position, he aggressively pursued and advanced Kenya's foreign interests. He held senior leadership positions at various diplomatic and international agencies such as International Atomic Energy Agency (IAEA), United Nations Organization on Drugs and Crimes (UNODC), United Nations Industrial Development Organization (UNIDO), Vice Chairperson of United Nations Convention Against Transnational Organized Crime (UNTOC), Vice President of Convention on Crime Prevention and Criminal Justice (CCPJ), and chair of African Group of Ambassadors among others.

Between 1992 - 2015, he served in different positions in Kenya's Public Administration including a District Commissioner, where sharpened his management and administrative skills. He has Master of Arts in Public Administration and Public Policy, University of York, United Kingdom, 2005; and Bachelor of Arts in Economics, Egerton University, Kenya, 1991.

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### **Dr. Julius M. Muia, Phd, CBS**

#### **Principal Secretary, National Treasury,**

Dr. Julius is currently the Principal Secretary, The National Treasury. Before this appointment, he was the Director General of the Vision 2030 Delivery Secretariat which operates under the Office of the President. Prior to this, Dr. Muia served as the Secretary, National Economic and Social Council, Office of the President. He holds a First Class Honours Degree in Accounting; Masters Degree and PhD in Finance from the University of Nairobi's School of Business. He is also a Certified Public Accountant (CPA-K); Certified Public Secretary (CPS-K), Associate Kenya Institute of Bankers; Associate Chartered Institute of Arbitrators; and Certified Coach.

Dr. Muia has over 20 years' experience in leadership in the private sector in Kenya and UK. Dr. Julius Muia serves as a non-executive board member in several companies and a number of not-for profit organizations

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## II. Foreword by The Cabinet Secretary

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



Economic growth in the first three quarters of 2020 contracted by an average of 0.4% compared to a growth of 3.6 per cent in the corresponding period of 2019. In 2020, the Kenyan economy was adversely affected by the outbreak of Covid-19 Pandemic and the swift containment measures, which disrupted and scaled down economic activities within the country and in most of the country's major trading partners. Additionally, Kenya faced two other shocks: the invasion of swarms of desert locusts that damaged crops and occurrence of floods following receipt of more than normal rainfall in May 2020. As a result, growth in 2020 is estimated to have contracted by 0.6 per cent from a growth of 5.4 per cent in 2019 (figure 1).

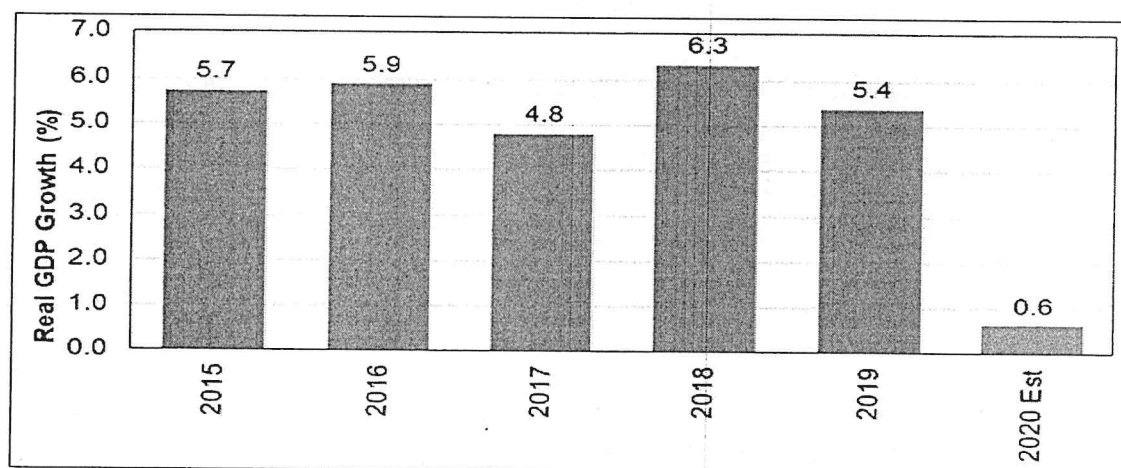
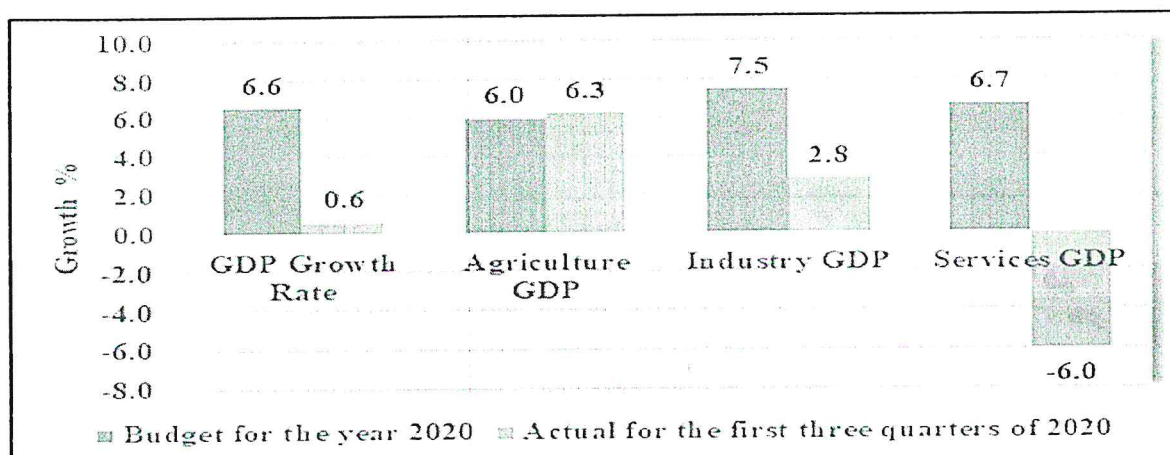


Figure 1: Annual Real GDP Growth rates (Percent)

The agriculture sector recorded an improved average growth of 6.4 per cent in the first three quarters of 2020 compared to a growth of 3.6 per cent in the corresponding period of 2019. The non-agriculture (service and industry) sectors were adversely affected by the Covid-19 pandemic. As a result, the sectors contracted by an average of 2.1 per cent in the first three quarters of 2020 down from an average growth of 6.1 per cent in a similar period in 2019.

Figure 2: Annual Percentage Economic Growth Rates in 2020/21



Data Source: Quarterly Economic and Budgetary Review(QEBR), MTP III

Additionally, the economic slowdown in fourth quarter was aggravated by contraction in Accommodation and Food Service activities to negative 6 per cent from 6.7 per cent on account of Corona Virus containment measures instituted in our major tourist source markets.

Despite the difficult circumstances faced last year, the country was able to preserve macroeconomic stability with inflation, interest rates and exchange rates remaining largely stable. Leading economic indicators for the fourth quarter of 2020 and the first quarter of 2021 point to strong recovery from the adverse impact of the COVID-19 pandemic.

### Budget performance

In terms of budget performance, the National Treasury expenditure stood at Kshs.107.6 Billion against an approved budget of Kshs.114.5 Billion translating to an overall absorption rate of 94% as demonstrated in that pie chart below:

Figure 3: Total Allocation against Total Expenditure (Kshs. Billion)

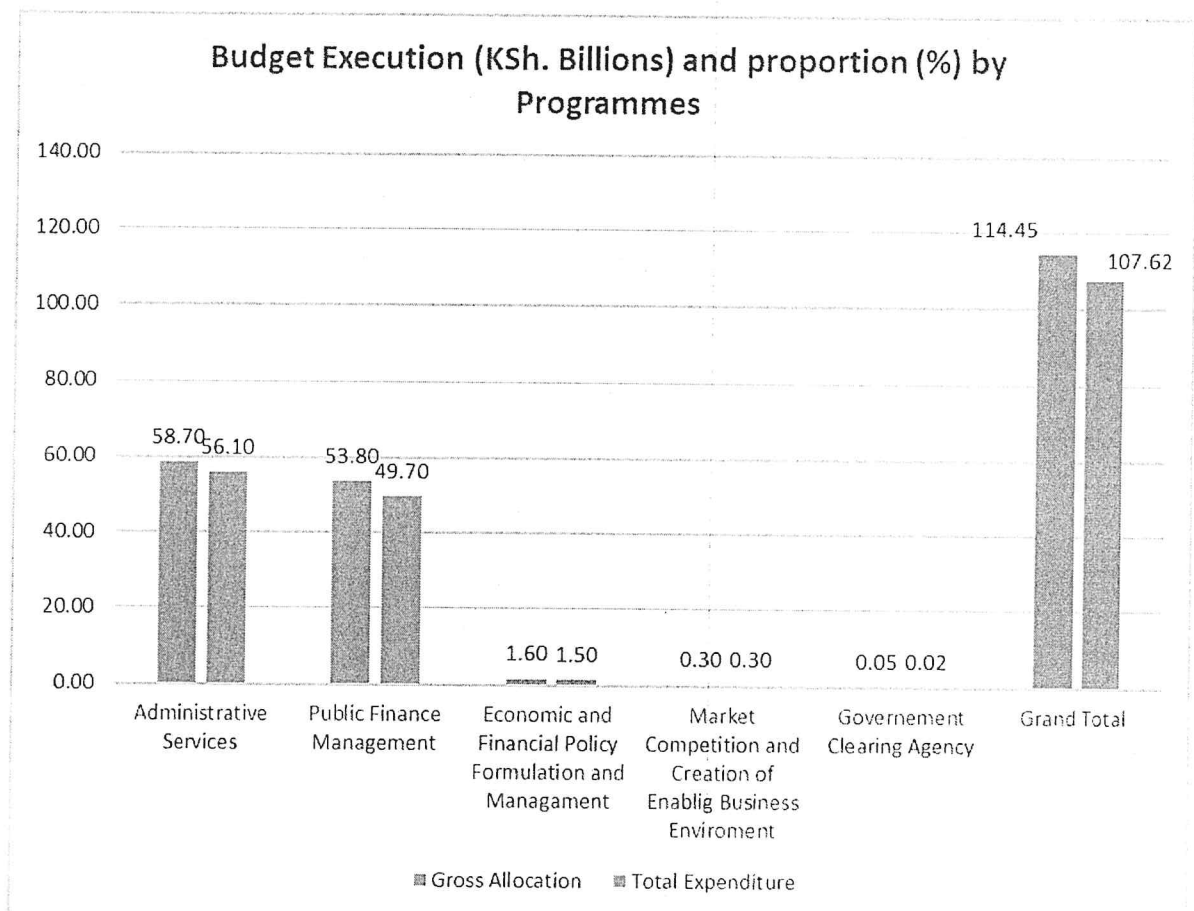
Total Allocation against Total Expenditure (KSh. Billion)





The National Treasury implemented the 2020/21 budget within five economic classifications/programmes. These were General Administration, Planning and Support Services, Public Financial Management, Economic and Financial Policy Formulation and Management, Market Competition and Creation of an Enabling Business Environment, and Government Clearing Agency. As demonstrated in the bar chart below, the Market Competition Programme had the highest absorption at 100% followed by General Administration 96%, Economic and Financial Policy Formulation and Management 94%, and Public Financial Management Programme at 82% while Government Clearing Agency at 30%.

Figure 3: Budget Execution (KSh. Billions) and proportion (%) by Programmes  
The 100% absorption rate in Market Competition and Creation of an Enabling Business Environment programme is attributed to transfers to Semi Autonomous Government Agencies (SAGAs) under the National Treasury which implemented this programme.



The Public Service Superannuation Scheme commenced on 1<sup>st</sup> January 2021, with the Board of Trustees having been constituted in line with the provisions of the Act that established the scheme. The scheme covers all employees below the age of 45 years of the Public Service Commission, the Teachers Service Commission and the National Police

Service. This will be the largest pension fund in the country and will generate growth of capital markets and bring growth in unlocking value in real estate.

The Performance Contract Evaluation report for all Ministries, State Corporations and Tertiary Institutions released in May 2021 ranked the National Treasury and Planning as the best performing Ministry for Fiscal year 2029/2020.

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

- i. Mobilization of external resources amounting to Kshs.622 billion for projects and Kshs.423 billion for budget support to meet the budget deficit equivalent to 40.3% of the fiscal gap;
- ii. Facilitated the National Police Service by leasing 3,400 vehicles towards enhancing security;
- iii. Developed two Public Private Partnership (PPP) Projects Standardized Transactional Templates.

- iv. Developed Government Investment Management Information System (GIMIS);
- v. Conducted 245 value for money (VfM) audits;
- vi. Trained 1,273 Public Finance Management (PFM) users on financial reporting on IFMIS system;

### Emerging Issues

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

- Covid-19 Pandemic and the containment measures led to depressed business environment hence pushing many enterprises and business to scale down operations. This negatively impacted revenue performance, thus exacerbating the pressure for resource at the Ministry level, the containment measures included but not limited to work shift plans and restriction of movements. These constrained the implementation of planned activities for the National Treasury.
- Re-allocation of resources to finance Covid-19 related expenditures thus affecting implementation of some programmes and projects.
- Leveraging on ICT innovations in the delivery of services to the citizenry.
- Change in Government Policies that led to adjustment in the implementation of planned programmes and projects.

### Challenges

Some of the challenges the National Treasury faced while implementing the 2020/21 budget include:-

- Resource Constraint
- The rationalization of the budget, occasioned by underperformance of revenue collection and emerging government priorities affected the implementation of programmes on training, hospitality, transfer of conditional grants to County Governments and to semi-autonomous Agencies (SAGAs). The underperformance in revenue also caused delays in disbursement of funds by the National Treasury to MDAs. The underperformance of county governments own source revenue led to overreliance on transfers from the National Government occasioning more pressure on the exchequer.
- Shortage of Key Technical Staff
- The National Treasury experienced staff shortage across all cadres. This is attributed to natural attrition and departure of staff to the county governments and other constitutional bodies. The planned recruitment and promotion of staff by the appointing authorities has been slow hence affecting service delivery and succession management initiatives.
- Shortage of office space especially for key technical staff.
- Lack of a Project Implementation, Monitoring and Evaluation framework.

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

- Continued to implement borrowing policy that provides for domestic borrowing to plug the financing gap created by non-performing revenue,

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- Undertook expenditure reduction strategies such as austerity measures and relevant re-prioritization of projects funding to those with greatest impact.
- Continued to implement succession planning towards progressively filling in staff shortage, continued training and timely promotions.
- Engaged other developments partners for concessional loans and grants as well as pursued strategies to finance government projects.

**Recommendations**

- Increasing allocation to the sub-Sector to facilitate effective mobilization of resources to finance public expenditure particularly towards facilitation and implementation of post COVID-19 recovery programmes and strategies
- Reforms in Public Financial Management shall be sustained to enable the National Treasury to mobilize adequate financial resources and enhance absorption capacity;
- Sustained implementation of succession planning, especially with respect to recruitment of key technical staff;
- Strengthening Monitoring and Evaluation Framework and capacity.
- Leveraging on the use of ICT in the face of COVID 19 containment measures to ensure timely delivery of targets and through acquisition of modern communication equipment and systems.
- Enhancing working environment and refurbishment of offices to provide accommodation of staff.
- Prioritization of ongoing projects and fast tracking to ensure timely completion

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



**HON. (AMB.) UKUR YATANI, EGH**  
**CABINET SECRETARY/NATIONAL TREASURY & PLANNING**

### III. Overview of the Subscriptions Fund

#### **Background of the Fund**

The fund is established under by Gazette Notice No. 10 of 2017, in exercise of section 24 of the Public Finance Management Act of 2012.

The object and purpose of the Fund is to make Kenya's contribution to the African Union and any other International organization to which Kenya has a financial obligation.

The Fund consists of:

- Ten percent of the import declaration fee imposed under section 7 of the Miscellaneous Act, 2016.
- Monies Appropriated by Parliament
- Any other money that may accrue to the Fund

The day to day operations of the Fund are run by a Secretariat appointed by the Principal Secretary of the National Treasury.

.....  
  
**Hiram Kahiro**  
**Fund Administrator**

#### IV. Report of the Administrator

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

i) Principal activities

The principal activities of the Fund are stated in page xvii

ii) Results

The results of the entity for the year ended June 30, 2021, are set out on page 1 to 18

iii) Surplus remission

The Fund is not required to remit surpluses to the Consolidated Fund.

iv) Auditors

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

  
.....  
Hiram Kahiro  
Fund Administrator

## V. Statement of Management Responsibilities

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

The Accounting Officer in charge of The National Treasury is responsible for the preparation and presentation of the Subscription Fund report, which give a true and fair view of the state of affairs of The National Treasury 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 status of the revenue collected by the national treasury;
- iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the revenue report, and ensuring that they are free from material misstatements, whether due to error or fraud.

The Accounting Officer in charge of The National Treasury accepts responsibility for the National Treasury's Subscription Fund report, which has been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Principal Secretary is of the opinion that this Fund report gives a true and fair view of The National Treasury's Fund performance during the financial year ended June 30, 2021. The Principal Secretary in charge of The National Treasury further confirms the completeness of the accounting records maintained for The National Treasury, which have been relied upon in the preparation of this report as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of The National Treasury confirms that the Fund has complied fully with applicable Government Regulations. Further the Accounting Officer confirms that this report has been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

### Approval of the Financial Statements

The Financial Statements were approved by on 30<sup>th</sup> sept......2021



Dr. Julius M. Muia, PhD, CBS.  
Principal Secretary  
The National Treasury



Hiram Kahiro  
Fund Administrator



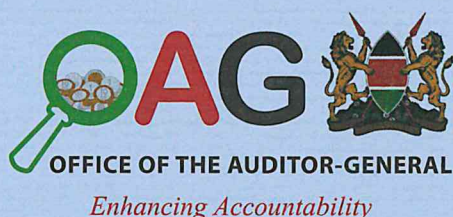
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Head of Accounting Unit  
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# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON AFRICAN UNION AND OTHER INTERNATIONAL ORGANIZATION SUBSCRIPTION FUND FOR THE YEAR ENDED 30 JUNE, 2021 - THE NATIONAL TREASURY**

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### PREAMBLE

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

- A. Report on the 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 control, 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 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 African Union and Other International Organizations Subscription Fund set out on pages 1 to 20, which comprise the statement of financial position as at 30 June, 2021, and statement of financial performance, statement of changes in net assets, statement of cash flows, 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 the African Union and Other International Organizations Subscription Fund 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.

### Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the African Union and Other International Organizations Subscription Fund 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.

### Emphasis of Matter

#### Multiple Laws Guiding Operations of the Fund

I draw your attention to Part III of the non-financial information at Page XVII of the financial statements which indicates that the Fund is established under a Gazette Notice No. 10 of 2017, in exercise of Section 24 of the Public Finance Management Act, 2012. The Public Finance Management (African Union and Other International Organizations Subscription Fund) Regulations, 2017 established the African Union and Other International Organizations Subscription Fund through which Kenya's contributions to African Union and Other International Organizations across all Government agencies were to be paid. Until 2017, the Government through The National Treasury has been paying subscriptions to International Organizations through Vote R53 – Consolidated Fund Services - Subscriptions to International Organizations under various pieces of legislation namely: International Finance

*Report of the Auditor-General on African Union and Other International Organization Subscription Fund for the year ended 30 June, 2021-The National Treasury*

Corporation Act, CAP 466, International Development Association Act, CAP 465, Bretton Woods Agreements Act, CAP 464, the African Development Bank Act, CAP 492 and the Multilateral Investment Guarantee Agency Convention, 1988 (Revised 2010).

Previously, the Ministries, Departments and Agencies, (MDAs) have been remitting such subscriptions through their voted provisions within their budgets. The establishment of the African Union and Other International Organizations Subscription Fund has therefore rendered all other individual voted provisions to be consolidated and budgeted under one umbrella body, the African Union and Other International Organizations Subscription Fund.

Management has not caused the revocation or repealing of the earlier laws to be in tandem with the current legislation and therefore avert the risk of making multiple payments to the international organizations.

My opinion is not modified in respect of the above 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 are no other key audit matters to report during the year under review.

### **Other Matter**

#### **Budgetary Control and Performance**

Review of the statement of comparison of budget and actual amounts for the year under review revealed that the fund spent Kshs.4,906,730,229 out of a budget of Kshs.7,210,691,055 resulting in under absorption of funds by Kshs.2,303,960,826 or 68% utilization. The under-utilization of funds was attributed to the fact that the Fund received invoices amounting to Kshs.4,906,730,229.

There is need for Management of the Fund to review its budget making process with a view to formulating a realistic budget that would be actualized during implementation.

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

### **Conclusion**

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

## **Basis for Conclusion**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to abolish the Fund 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 in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how The National Treasury 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. 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.

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 Fund'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 Fund 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 Fund 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

28 January, 2022





**VII. Statement of Financial Performance for the year ended 30 June 2021.**

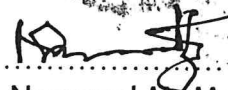
	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>Revenue - Non-Exchange Transactions</b>			
Transfers from Other Government Entities	1	4,411,770,592	3,309,892,292
<b>Total Revenue</b>		<b>4,411,770,592</b>	<b>3,309,892,292</b>
<b>Expenditure</b>			
Subscription Fees	2	4,906,730,229	6,639,831,969
Bank Charges & Transfer charges	3		450
Total Expenses		4,906,730,229	6,639,832,419
Deficit for the year		(494,959,637)	(3,329,940,127)
<b>Net deficit for the year</b>		<b>(494,959,637)</b>	<b>(3,329,940,127)</b>



.....  
Dr. Julius M. Muia, PhD, CBS.  
Principal Secretary  
The National Treasury



.....  
Hiram Kahiro  
Fund Administrator



.....  
Nemwel M. Motanya  
Head of Accounting Unit  
ICPAK M/No. 2367

III. Statement of Financial Position as at 30 June, 2021.

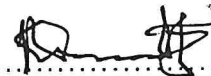
	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>Assets - Current Assets</b>			
Cash and Cash Equivalents	4	2,298,217,113	2,793,176,749
<b>Total Current Assets</b>		<b>2,298,217,113</b>	<b>2,793,176,749</b>
<b>Total Assets</b>			
		<b>2,298,217,113</b>	<b>2,793,176,749</b>
<b>Net Assets</b>			
Fund Balance		2,298,217,113	2,793,176,749
<b>Total Net Assets</b>		<b>2,298,217,113</b>	<b>2,793,176,749</b>



.....  
Dr. Julius M. Muia, PhD, CBS.  
Principal Secretary  
The National Treasury



.....  
Hiram Kahiro  
Fund Administrator




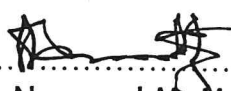
.....  
Nemwel M. Motanya  
Head of Accounting Unit  
ICPAK M/No. 2367

IX. Statement of Changes in Net Assets for the year ended 30 June 2021.

	Fund Balance	Total
	Kshs	Kshs
At July 1, 2019	6,123,116,877	6,123,116,877
Deficit for the Year	(3,329,940,127)	(3,329,940,127)
At June 30, 2020	2,793,176,749	2,793,176,749
At July 1, 2020	2,793,176,749	2,793,176,749
Deficit for the Year	(494,959,637)	(494,959,637)
At June 30, 2021	2,298,217,113	2,298,217,113

  
.....  
Dr. Julius M. Muia, PhD, CBS.  
Principal Secretary  
The National Treasury

  
.....  
Hiram Kahiro  
Fund Administrator

  
.....  
Nemwel M. Motanya  
Head of Accounting Unit  
ICPAK M/No. 2367

X. Statement of Cash Flows for the year ended 30 June 2021.

	Notes	2020-2021	2019-2020
Cash flows from Operating Activities		Kshs	Kshs
<b>Receipts</b>			
Transfers from other Government Entities		4,411,770,592	3,309,892,292
<b>Total Receipts</b>		<b>4,411,770,592</b>	<b>3,309,892,292</b>
<b>Payments</b>			
Subscription Fees		4,906,730,229	6,639,831,969
Bank Charges & Transfer charges		-	450
<b>Total Payments</b>		<b>4,906,730,229</b>	<b>6,639,832,419</b>
Net Cash from Operating Activities	5	(494,959,637)	(3,329,940,127)
Net decrease in Cash & Equivalents		(494,959,637)	(3,329,940,127)
Cash & Equivalents at the year Start	4	2,793,176,749	6,123,116,877
<b>Cash &amp; Equivalents at Year End</b>	<b>4</b>	<b>2,298,217,113</b>	<b>2,793,176,749</b>

  
.....  
Dr. Julius M. Muia, PhD, CBS.  
Principal Secretary  
The National Treasury

  
.....  
Hiram Kahiro  
Fund Administrator

  
.....  
Nemwel M. Motanya  
Head of Accounting Unit  
ICPAK M/No. 2367

**XI. Statement of Comparison of Budget and Actual Amounts for the year ended 30 June 2021.**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Variance	%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Bal brought forward	2,793,176,749		2,793,176,749	2,793,176,749	-	100%
Transfers from Other Government entity	4,417,514,306		4,417,514,306	4,411,770,592	5,743,714	99%
<b>Total Revenue</b>	<b>7,210,691,055</b>		<b>7,210,691,055</b>	<b>7,204,947,341</b>	<b>5,743,714</b>	<b>99%</b>
<b>Expenses</b>						
Subscription fees	7,210,691,055		7,210,691,055	4,906,730,229	2,303,960,826	68%
<b>Total expenditure</b>	<b>7,210,691,055</b>		<b>7,210,691,055</b>	<b>4,906,730,229</b>	<b>2,303,960,826</b>	<b>68%</b>
<b>Net Surplus</b>				<b>2,298,217,112</b>		

**Notes**

Subscription fees utilization was 68% owing to the fact that invoices raised during the year amounted to 4,907M

As a result of basis difference between the budget and financials presented a reconciliation of surplus between the comparison of budget and financial performance is included in page 31 under Appendix V of this report.



## **II. Notes to the Financial Statements**

### **General Information**

The Subscriptions Fund is established by and derives its authority and accountability from Public Finance Management Act, 2012.

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

The financial statements have been prepared on a historical cost basis. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires Subscriptions Fund to exercise judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of The Subscriptions Fund.

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

### Adoption of New and Revised Standards

New and amended standards and interpretations in issue effective in the year ended 30 June 2021.

Standard	Impact
Other Improvements to IPSAS	<p>Applicable: 1<sup>st</sup> January 2021:</p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</li> <li>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</li> <li>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</li> <li>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</li> </ul> <p>The amendments did not have impact on The Subscriptions Fund.</p>



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

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1<sup>st</sup> January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of Subscriptions Fund future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link [between Subscriptions Fund strategies and the accounting treatment for instruments held as part of the risk Subscriptions Fund strategy.</li> </ul> <p>The Standard did not have any impact on The Subscriptions Fund</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1<sup>st</sup> January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Subscriptions Fund provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <ol style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Subscriptions Fund</li> <li>(b) The key features of the operation of those social benefit schemes;</li> </ol>



*African Union and Other International Organizations Subscription Fund*  
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Standard	Effective date and impact:
	and (c) The impact of such social benefits provided on the Subscription Fund financial performance, financial position and cash flows. The Standard did not have any impact on Subscriptions Fund
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. The Standard did not have any impact on The Subscriptions Fund

**Early adoption of standards**

The Subscriptions Fund did not early – adopt any new or amended standards in year 2020/2021.



## **Summary of Significant Accounting Policies**

### **a) 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 Subscriptions Fund and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. 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.

### **b) Budget information**

The original budget for FY 2020-2021 was approved by the National Assembly in June 2020. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Subscriptions Fund upon receiving the respective approvals in order to conclude the final budget. The budget is not prepared on the same basis as the Financial i.e. the budget is prepared on cash basis while the financials are prepared on accrual basis a reconciliation of surplus between the financial performance and budget is included in Appendix IV.

### **c) Provisions**

Provisions are recognized when the Subscriptions Fund 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 Fund 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.

**d) Contingent liabilities**

The Subscriptions Fund 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.

**e) Contingent assets**

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

**f) Nature and purpose of reserves**

There is an accumulated surplus reserve fund that facilitates the core mandate of the Subscriptions Fund.

**g) Changes in accounting policies and estimates**

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

**h) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially

recorded during the period, are recognized as income or expenses in the period in which they arise.

**i) Related parties**

The Subscriptions Fund regards a related party as a person with the ability to exert control individually or jointly, or to exercise significant influence over the Subscriptions Fund, or vice versa. Members of key Subscriptions Fund are also regarded as related parties.

**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) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2021.

**m) Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Fund's financial statements in conformity with IPSAS requires Subscriptions Fund 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 assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Subscriptions Fund. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

### **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.
- 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.
- Changes in the market in relation to the asset

African Union and Other International Organizations Subscription Fund  
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Note 1

<b>Transfers from Other Govt Entities</b>		
	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Kenya Revenue Authority	4,411,770,592	3,309,892,292
<b>Total</b>	<b>4,411,770,592</b>	<b>3,309,892,292</b>

\*Analysis of receipts during the year provided in Appendix iii

Note 2

<b>Subscription Fees</b>		
	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Subscriptions expenses*	4,906,730,229	6,639,831,969
<b>Total</b>	<b>4,906,730,229</b>	<b>6,639,831,969</b>

\*Breakdown as attached in appendix iv

Note 3

<b>Bank Charges</b>		
	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank charges & transfer charges	-	450
<b>Total</b>	<b>-</b>	<b>450</b>

**Note 4**

**Cash and Cash Equivalents**

	2020-2021	2019-2020
	Kshs	Kshs
Cash at Bank - CBK A/c No. 1000323876	2,298,217,113	2,793,176,749
<b>Total</b>	<b>2,298,217,113</b>	<b>2,793,176,749</b>

**Cash and Cash Equivalents**

**Note 5**

**Net Cash Flows from Operating Activities**

	2020-2021	2019-2020
	Kshs	Kshs
Net Deficit for the year	(494,959,637)	(3,329,940,127)
Non - cash Adjustments	-	-
<b>Net Cash Flows from Operating Activities</b>	<b>(494,959,637)</b>	<b>(3,329,940,127)</b>



## **Financial Risk**

The Fund activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Subscriptions Fund overall risk programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Subscriptions Fund does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Fund's financial risk objectives and policies are detailed below:

### **i) Credit risk**

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Subscriptions Fund based on prior experience and their assessment of the current economic environment.

### **ii) Liquidity risk**

Ultimate responsibility for liquidity risk rests with the Subscriptions Fund directors, who have built an appropriate liquidity risk framework for the Fund requirements. The Subscriptions Fund manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

### **iii) Capital Risk**

The objective of the capital risk is to safeguard the Subscriptions Fund ability to continue as a going concern.

## **Related Party Disclosures**

Nature of related party relationships

Entities and other parties related to the Subscriptions Fund include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include Subscriptions Fund personnel, their associates and close family members.



### **Government of Kenya**

The Government of Kenya is the principal shareholder of the Subscriptions Fund, holding 100% equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Subscriptions Fund, both domestic and external.

Other related parties include:

- i) The Parent Ministry;
- ii) Other SCs and SAGAs

### **Surplus Remission**

The Fund does not remit surpluses to the consolidated fund.

Events after the Reporting Period

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

### **Ultimate and Holding**

The Subscriptions Fund is a Semi- Autonomous Government Agency under the National Treasury and Planning. Its ultimate parent is the Government of Kenya.

### **Currency**

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

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XIII. Appendix

Appendix 1: Progress on Follow up of Auditor Recommendations

Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Draft Audit Report on the Financial Statements 2019-2020	<b>164.</b> Irregular transfer of funds to the Exchequer account	The funds transmitted to the Exchequer account was for the purpose paying the Subscription fees to the African Union and other International Organization.	Resolved	N/A
Draft Audit Report on the Financial Statements 2019-2020	<b>165.</b> Lack of secretariat	The Fund did not have a secretariat in place however the Principal Secretary has appointed the secretariat via Ref AG/13/84/1/(25) dated 20 <sup>th</sup> November, 2020	Resolved	N/A

  
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Dr. Julius M. Muia, PhD, CBS.  
Principal Secretary  
The National Treasury

  
.....

Nemwel M. Motanya  
Head of Accounting Unit  
ICPAK M/No. 2367

**Appendix II: Projects Implemented by The Subscriptions Fund**

The Fund had no running projects.

**Appendix III: Inter-Entity Transfers**

Section 2(a) of the legal Notice No. 10 of 30 Jan 2017 states that the fund shall consist 10% of the import declaration fee.

The revenue accountability statement prepared by KRA for the Year ended 30 June 2021 reflects total import declaration fee of KSh. 44,147,705,921. The 10% African Union Fund entitlement is Kshs. 4,411,770,592 as analysed below:

Date	Transaction Reference Code;	Receipts From KRA	Subscription Payments	Balance=(A+C)-B
		A	B	C
1-Jul-20	Balance B/F 2019/2020			2,793,176,749
1-Jul-20	FT20183T7X4L	38,075,023	-	2,831,251,772
2-Jul-20	FT20184KF7J5	3,985,114	-	2,835,236,886
3-Jul-20	FT20185YLP4X	2,362,308	-	2,837,599,194
6-Jul-20	FT20188BYR89	8,649,503	-	2,846,248,697
7-Jul-20	FT20189G625K	10,646,761	-	2,856,895,459
8-Jul-20	FT201908TG88	23,206,386	-	2,880,101,844
9-Jul-20	FT20191Q4T8D	16,788,771	-	2,896,890,615
10-Jul-20	FT20192L6K6H	14,277,171	-	2,911,167,787
13-Jul-20	FT201951FFPB	11,174,518	-	2,922,342,304
14-Jul-20	FT20196F80SN	12,829,580	-	2,935,171,884
15-Jul-20	FT20197NM2N8	14,339,855	-	2,949,511,738
16-Jul-20	FT20198H4TX9	16,278,778	-	2,965,790,516
17-Jul-20	FT20199CQ2VY	19,783,972	-	2,985,574,488
20-Jul-20	FT20202XL9Q1	11,375,893	-	2,996,950,381
21-Jul-20	FT20203LPKTD	14,456,816	-	3,011,407,197

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22-Jul-20	FT2020441QWB	16,495,880	-	3,027,903,076
23-Jul-20	FT20205WRN70	13,854,327	-	3,041,757,404
24-Jul-20	FT202060R85Q	12,871,775	-	3,054,629,179
27-Jul-20	FT20209TJ9MT	13,000,258	-	3,067,629,437
28-Jul-20	FT20210Q7F1K	11,874,610	-	3,079,504,047
29-Jul-20	FT20211C6KGC	18,290,924	-	3,097,794,971
30-Jul-20	FT20212TPBSQ	16,914,905	-	3,114,709,876
3-Aug-20	FT20216NJX1K	21,217,696	-	3,135,927,572
4-Aug-20	FT20217J507TJXIK	18,191,208	-	3,154,118,780
5-Aug-20	FT20218LYNCH	20,735,312	-	3,174,854,091
6-Aug-20	FT20219600YH	13,366,694	-	3,188,220,785
7-Aug-20	FT202209V3SQ	16,181,718	-	3,204,402,503
10-Aug-20	FT20223GJNP4	13,732,078	-	3,218,134,581
11-Aug-20	FT20224HSRKK	15,493,112	-	3,233,627,693
12-Aug-20	FT20225M1VOP	15,078,162	-	3,248,705,855
13-Aug-20	FT20226PTOZW	14,794,314	-	3,263,500,169
14-Aug-20	FT202271MT4D	13,024,005	-	3,276,524,174
17-Aug-20	FT20230G4DNN	16,458,649	-	3,292,982,823
18-Aug-20	FT20231XSXII	10,540,667	-	3,303,523,491
19-Aug-20	FT20232S6RZL	16,520,560	-	3,320,044,051
20-Aug-20	FT2023386BN6	14,813,937	-	3,334,857,987
21-Aug-20	FT202342V5P7	12,481,546	-	3,347,339,533
24-Aug-20	FT20237QS18N	15,259,472	-	3,362,599,005

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25-Aug-20	FT20238J34YQ	10,379,828	-	3,372,978,833
26-Aug-20	FT202399BFXB	19,705,835	-	3,392,684,668
27-Aug-20	FT202404FXCW	15,761,758	-	3,408,446,426
28-Aug-20	FT20241FBTLZ	19,086,440	-	3,427,532,865
31-Aug-20	FT2024400DPC	10,463,872	-	3,437,996,737
1-Sep-20	FT202452C09H	15,767,490	-	3,453,764,227
2-Sep-20	FT2024628K1R	16,532,352	-	3,470,296,579
3-Sep-20	FT2024723F34	19,690,517	-	3,489,987,096
4-Sep-20	FT20248822H70	12,664,885	-	3,502,651,981
7-Sep-20	FT20251H9PCZ	11,173,793	-	3,513,825,774
8-Sep-20	FT202520557F	9,738,884	-	3,523,564,658
9-Sep-20	FT20253W4J58	13,672,395	-	3,537,237,053
10-Sep-20	FT20254RPVRJ	12,166,002	-	3,549,403,055
11-Sep-20	FT20255S13B7	10,294,181	-	3,559,697,237
14-Sep-20	FT20258J9PNS	10,472,835	-	3,570,170,071
15-Sep-20	FT202592T0C7	16,869,917	-	3,587,039,988
16-Sep-20	FT20260QNC5Z	29,368,066	-	3,616,408,055
17-Sep-20	FT20261Q3XHH	14,756,529	-	3,631,164,583
18-Sep-20	FT20262LR93K	16,819,006	-	3,647,983,589
21-Sep-20	FT20265Z14YV	10,363,639	-	3,658,347,229
22-Sep-20	FT202660X40V	13,723,185	-	3,672,070,413
23-Sep-20	FT20267WMF81	16,463,905	-	3,688,534,319
24-Sep-20	FT20268MVQLM	19,486,383	-	3,708,020,702

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25-Sep-20	FT20269K9PJY	18,156,440	-	3,726,177,141
28-Sep-20	FT20272RPSHF	14,066,788	-	3,740,243,929
29-Sep-20	FT20273535DJ	16,384,681	-	3,756,628,610
30-Sep-20	FT202740L0Q6	15,225,961	-	3,771,854,570
1-Oct-20	FT20275BN8PY	20,383,536	-	3,792,238,106
2-Oct-20	FT20276DZZ6G	15,374,894	-	3,807,613,000
5-Oct-20	FT20279DT466	18,498,282	-	3,826,111,282
6-Oct-20	FT20280JD803	10,540,788	-	3,836,652,070
7-Oct-20	FT202819PG45	19,240,663	-	3,855,892,733
8-Oct-20	FT20282ND9BX	16,638,748	-	3,872,531,481
9-Oct-20	FT20283CFKYG	18,926,681	-	3,891,458,162
12-Oct-20	FT20286FQDF4	10,279,492	-	3,901,737,654
13-Oct-20	FT202871XGST	13,549,976	-	3,915,287,629
14-Oct-20	FT202886862N	22,700,242	-	3,937,987,872
15-Oct-20	FT20289YN9YR	13,145,844	-	3,951,133,715
16-Oct-20	FT20290P81XR	19,348,326	-	3,970,482,041
19-Oct-20	FT20293D8ZGZ	14,263,410	-	3,984,745,450
21-Oct-20	FT20295YYQ22	15,520,400	-	4,000,265,850
22-Oct-20	FT20296F1GC7	15,973,352	-	4,016,239,202
23-Oct-20	FT20297ZF28G	19,606,750	-	4,035,845,951
26-Oct-20	FT203002L88M	16,272,114	-	4,052,118,065
26-Oct-20	FT20300JBXYY	-	1,934,934,179	2,117,183,886
27-Oct-20	FT20301LX5JL	18,636,710	-	2,135,820,597



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28-Oct-20	FT20302VVVBL	22,270,259	-	2,158,090,856
29-Oct-20	FT20303C6VR5	20,311,508	-	2,178,402,364
30-Oct-20	FT20304GZ1KH	13,172,814	-	2,191,575,178
2-Nov-20	FT20307NVC5Y	15,932,620	-	2,207,507,797
3-Nov-20	FT2030847PVB	8,997,391	-	2,216,505,188
4-Nov-20	FT20309YYH9G	17,031,844	-	2,233,537,032
5-Nov-20	FT20310KV4JX	14,565,765	-	2,248,102,797
6-Nov-20	FT203115H0GH	19,465,312	-	2,267,568,109
9-Nov-20	FT20314410TI	14,325,567	-	2,281,893,676
10-Nov-20	FT20315R5QNT	8,630,956	-	2,290,524,632
11-Nov-20	FT203163RRRB	14,493,258	-	2,305,017,890
12-Nov-20	FT20317Z8V70	16,102,699	-	2,321,120,589
13-Nov-20	FT20318132TK	16,112,919	-	2,337,233,509
16-Nov-20	FT203218NNFS	22,135,603	-	2,359,369,111
17-Nov-20	FT20322ZKGJQ	17,860,601	-	2,377,229,713
18-Nov-20	FT20323TWCH5	18,982,175	-	2,396,211,888
19-Nov-20	FT20324CJXJJ	15,295,882	-	2,411,507,770
20-Nov-20	FT20325JPKVY	14,687,116	-	2,426,194,886
23-Nov-20	FT20328Q8QNV	13,231,326	-	2,439,426,213
24-Nov-20	FT20329GT2MM	15,836,030	-	2,455,262,243
25-Nov-20	FT20330FVXN8	22,352,932	-	2,477,615,175
26-Nov-20	FT203310C47B	11,450,820	-	2,489,065,994
27-Nov-20	FT20332G6S2W	15,275,660	-	2,504,341,654

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30-Nov-20	FT20335SKY4T	18,979,208	-	2,523,320,862
1-Dec-20	FT20336L99Z2	20,502,751	-	2,543,823,613
2-Dec-20	FT20337RJV3X	18,049,179	-	2,561,872,792
3-Dec-20	FT203385TKMF	16,669,309	-	2,578,542,101
4-Dec-20	FT20339FDLN3	18,177,180	-	2,596,719,280
7-Dec-20	FT20342G715L	16,386,937	-	2,613,106,218
8-Dec-20	FT20343HX4MW	13,564,289	-	2,626,670,506
9-Dec-20	FT20344P12CT	26,803,919	-	2,653,474,425
10-Dec-20	FT20345R63GL	17,624,011	-	2,671,098,436
11-Dec-20	FT20346PGM6L	20,698,631	-	2,691,797,066
14-Dec-20	FT20349VJY89	21,035,654	-	2,712,832,720
15-Dec-20	FT203504597Y	20,298,468	-	2,733,131,188
16-Dec-20	FT20351V2MRC	17,547,195	-	2,750,678,383
17-Dec-20	FT20352RSOW6	16,413,664	-	2,767,092,047
18-Dec-20	FT20353ZMCS8	17,889,643	-	2,784,981,690
21-Dec-20	FT20356M2GCP	14,762,302	-	2,799,743,992
22-Dec-20	FT20357NFQ7J	13,311,400	-	2,813,055,393
23-Dec-20	FT203585YXHJ	21,255,768	-	2,834,311,160
24-Dec-20	FT20359NX8X3	21,285,730	-	2,855,596,890
28-Dec-20	FT2036316V9B	25,783,261	-	2,881,380,150
29-Dec-20	FT203642BOY9	15,387,966	-	2,896,768,116
30-Dec-20	FT203659R59Q	14,783,166	-	2,911,551,282
31-Dec-20	FT203664SQ1L	20,461,121	-	2,932,012,403

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4-Jan-21	FT21004DWRT6	22,569,727	-	2,954,582,130
5-Jan-21	FT2100554VQ5	18,335,566	-	2,972,917,696
6-Jan-21	FT21006TSJQ4	19,348,843	-	2,992,266,539
7-Jan-21	FT21007PJC5G	14,732,594	-	3,006,999,132
8-Jan-21	FT21008PCM8S	22,484,173	-	3,029,483,305
11-Jan-21	FT21011JCLRX	17,119,447	-	3,046,602,753
12-Jan-21	FT21012GWT1P	14,836,695	-	3,061,439,447
13-Jan-21	FT21013TN4MN	31,109,693	-	3,092,549,140
14-Jan-21	FT21014R9XML	16,005,401	-	3,108,554,541
15-Jan-21	FT210155T98Q	23,918,533	-	3,132,473,074
18-Jan-21	FT21018C9WQL	15,691,992	-	3,148,165,066
19-Jan-21	FT210193MZV	19,801,196	-	3,167,966,262
20-Jan-21	FT21020M5XVR	17,787,333	-	3,185,753,595
21-Jan-21	FT21021JPXMZ	21,854,876	-	3,207,608,471
22-Jan-21	FT21022TG8P0	15,062,678	-	3,222,671,149
25-Jan-21	FT2102542G6Z	15,350,006	-	3,238,021,155
26-Jan-21	FT21026T59XQ	14,156,294	-	3,252,177,449
27-Jan-21	FT210273CQMD	18,060,274	-	3,270,237,723
28-Jan-21	FT21028C8FLH	21,667,787	-	3,291,905,510
29-Jan-21	FT210292FM2V	17,258,087	-	3,309,163,597
1-Feb-21	FT21032D6Q2H	20,597,284	-	3,329,760,881
2-Feb-21	FT21033T7Q4T	17,684,150	-	3,347,445,031
3-Feb-21	FT21034Z6G1M	22,817,957	-	3,370,262,988

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4-Feb-21	FT21035W0Q4Q	15,685,975	-	3,385,948,963
5-Feb-21	FT210363LH46	14,210,754	-	3,400,159,717
8-Feb-21	FT21039GP67V	12,882,642	-	3,413,042,359
9-Feb-21	FT21040YGZGT	17,128,459	-	3,430,170,818
10-Feb-21	FT21041VGPJC	20,684,074	-	3,450,854,893
11-Feb-21	FT21042LFI XY	18,473,309	-	3,469,328,202
12-Feb-21	FT21043S4M0B	20,460,333	-	3,489,788,535
15-Feb-21	FT210465QW95	21,657,110	-	3,511,445,645
16-Feb-21	FT21047CLXGJ	21,050,126	-	3,532,495,771
17-Feb-21	FT21048FWOPR	17,911,522	-	3,550,407,293
18-Feb-21	FT21049QW0ML	16,635,722	-	3,567,043,015
19-Feb-21	FT21050J5XLZ	17,561,792	-	3,584,604,807
22-Feb-21	FT21053KCC4J	16,313,448	-	3,600,918,255
23-Feb-21	FT2105402KN3	16,663,284	-	3,617,581,538
24-Feb-21	FT21055TBXDC	18,457,550	-	3,636,039,089
25-Feb-21	FT210569YNKR	22,613,498	-	3,658,652,587
26-Feb-21	FT21057VFT3S	24,915,262	-	3,683,567,849
1-Mar-21	FT21060X3ZWW	17,574,339	-	3,701,142,187
2-Mar-21	FT21061Q7283	21,350,194	-	3,722,492,381
3-Mar-21	FT21062GMQB4	15,824,211	-	3,738,316,592
4-Mar-21	FT21063V751K	14,384,461	-	3,752,701,053
5-Mar-21	FT210647XCIP	14,430,604	-	3,767,131,657
8-Mar-21	FT210670YH97	17,706,302	-	3,784,837,959

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9-Mar-21	FT21068DTCHS	14,366,719	-	3,799,204,678
10-Mar-21	FT21069L46LJ	21,775,810	-	3,820,980,488
11-Mar-21	FT21070Y1DN1	14,885,297	-	3,835,865,785
12-Mar-21	FT210714BM5L	12,443,849	-	3,848,309,634
15-Mar-21	FT2107445FG0	14,132,446	-	3,862,442,079
16-Mar-21	FT21075CNJIX	23,224,053	-	3,885,666,132
17-Mar-21	FT210763F4FY	21,040,860	-	3,906,706,992
18-Mar-21	FT21077QRBKY	28,952,631	-	3,935,659,622
19-Mar-21	FT21078WKDHM	22,309,862	-	3,957,969,484
22-Mar-21	FT21081YQW6S	14,190,861	-	3,972,160,345
23-Mar-21	FT21082072TG	14,824,871	-	3,986,985,217
23-Mar-21	FT21082VX7BD	-	572,669,291	3,414,315,926
24-Mar-21	FT21083RT9DK	21,774,638	-	3,436,090,563
25-Mar-21	FT21084N2DK7	22,716,381	-	3,458,806,944
26-Mar-21	FT210855ZG2L	18,603,778	-	3,477,410,722
29-Mar-21	FT21088HC48M	19,071,269	-	3,496,481,990
30-Mar-21	FT210897GYSQ	21,784,412	-	3,518,266,402
31-Mar-21	FT21090X3H39	28,940,848	-	3,547,207,250
1-Apr-21	FT2109168K5V	21,548,803	-	3,568,756,053
6-Apr-21	FT21096PKCKH	20,357,348	-	3,589,113,402
7-Apr-21	FT21097S117M	19,222,616	-	3,608,336,018
8-Apr-21	FT21098JN0BC	21,577,692	-	3,629,913,710
9-Apr-21	FT21099Q65VM	20,286,610	-	3,650,200,320

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12-Apr-21	FT21102K0Z72	26,261,713	-	3,676,462,033
13-Apr-21	FT21103805L8	23,934,457	-	3,700,396,490
14-Apr-21	FT21104ZPXBM	23,101,185	-	3,723,497,675
15-Apr-21	FT21105VHXH3	21,097,001	-	3,744,594,676
16-Apr-21	FT211068KLLN	17,685,386	-	3,762,280,062
19-Apr-21	FT21109TK50R	11,250,091	-	3,773,530,153
20-Apr-21	FT21110CKT67	19,154,873	-	3,792,685,026
21-Apr-21	FT21111WPQC5	18,847,860	-	3,811,532,886
22-Apr-21	FT211127HDJ4	13,938,581	-	3,825,471,467
23-Apr-21	FT21113FVK0Q	22,355,625	-	3,847,827,091
26-Apr-21	FT21116QKP8G	21,618,254	-	3,869,445,345
27-Apr-21	FT211175MHOW	23,968,521	-	3,893,413,866
28-Apr-21	FT21118PMRRJ	19,554,759	-	3,912,968,625
29-Apr-21	FT21119X838F	17,725,590	-	3,930,694,215
30-Apr-21	FT21120MY3VX	21,641,926	-	3,952,336,141
3-May-21	FT21123KLN7W	19,158,347	-	3,971,494,488
4-May-21	FT21124YLBCX	12,268,953	-	3,983,763,440
5-May-21	FT21125BS3RD	12,596,435	-	3,996,359,876
6-May-21	FT21126WGVYR	11,137,310	-	4,007,497,186
6-May-21	FT21126TCLRL	-	1,249,941,189	2,757,555,997
7-May-21	FT211271BN2J	13,055,088	-	2,770,611,085
10-May-21	FT211308YLHP	18,807,262	-	2,789,418,348
11-May-21	FT21131XW6L4	16,300,287	-	2,805,718,634

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12-May-21	FT21132JJQJX	26,922,712	-	2,832,641,346
13-May-21	FT21133GVDJJ	22,526,747	-	2,855,168,093
17-May-21	FT21137VTNSP	20,723,059	-	2,875,891,152
18-May-21	FT21138T567C	20,986,185	-	2,896,877,338
19-May-21	FT211396MXH8	23,408,690	-	2,920,286,028
20-May-21	FT211407VDKH	20,609,727	-	2,940,895,755
21-May-21	FT21141RPJV5	19,847,706	-	2,960,743,461
24-May-21	FT21144K3COB	13,873,672	-	2,974,617,133
25-May-21	FT21145Z5HM3	19,329,809	-	2,993,946,942
26-May-21	FT21146P63YW	18,843,944	-	3,012,790,886
27-May-21	FT21147CZ05H	16,780,218	-	3,029,571,104
28-May-21	FT2114853SJT	16,614,350	-	3,046,185,454
31-May-21	FT21151PR75Z	15,615,678	-	3,061,801,132
2-Jun-21	FT21153YZSLN	18,451,388	-	3,080,252,519
3-Jun-21	FT21154DT1YM	25,250,539	-	3,105,503,058
4-Jun-21	FT21155TYK9K	18,988,179	-	3,124,491,237
4-Jun-21	FT21155DTLB3	-	1,082,484,438	2,042,006,799
7-Jun-21	FT2115850P2Y	14,087,799	-	2,056,094,598
8-Jun-21	FT21159DG1KR	20,431,009	-	2,076,525,607
9-Jun-21	FT211603XSBL	22,974,106	-	2,099,499,714
10-Jun-21	FT21161K6F9P	16,612,490	-	2,116,112,204
11-Jun-21	FT211622DHNH	15,507,280	-	2,131,619,484
14-Jun-21	FT21165WS645	16,022,819	-	2,147,642,303

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15-Jun-21	FT21166DMMFM	8,986,447	-	2,156,628,749
16-Jun-21	FT211678HT1J	19,032,385	-	2,175,661,134
17-Jun-21	FT21168XDPT	18,172,292	-	2,193,833,426
18-Jun-21	FT211691LLDS	22,452,125	-	2,216,285,551
21-Jun-21	FT21172LQB7	19,029,491	-	2,235,315,042
22-Jun-21	FT21173FFLR6	22,814,845	-	2,258,129,886
23-Jun-21	FT21174KSBY	20,537,560	-	2,278,667,446
24-Jun-21	FT21175FOM5S	16,093,068	-	2,294,760,514
25-Jun-21	FT21176TG7HW	14,572,373	-	2,309,332,887
28-Jun-21	FT211797WL2Q	14,687,826	-	2,324,020,713
29-Jun-21	FT21180Q6RZ	20,056,107	-	2,344,076,820
29-Jun-21	FT21180L585X	-	744,586	2,343,332,234
29-Jun-21	FT211803HH6M	-	65,956,547	2,277,375,687
30-Jun-21	FT2118133JOL	20,841,425	-	<b>2,298,217,113</b>
	<b>TOTALS</b>	<b>4,411,770,592</b>	<b>4,906,730,229</b>	



**Appendix IV: Analysis of Subscriptions Paid in the Year**

Analyzed in the below appendix are the subscriptions paid to the African union and international organisations in the financial year

S/NO	PA NO.	PAYEE	AMOUNT
1	124968	COMMONWEALTH FOUNDATION	2,613,600
2	125024	AFRICAN UNION COMMISSION	216,963,264
3	124970	AFRCA CENTRE FOR DISEASE CONTROL AND PREVENTION	110,000,000
4	124971	THE COMMONWEALTH FUND FOR TECHNICAL COOPERATION	56,264,700
5	124972	AFRICAN CAPACITY DEVELOPMENT & RESEARCH INSTITUTE	427,350
6	124978	UNESCO-INTERNATIONAL FUND FOR CULTURAL DIVERSITY	90,944
7	124979	INTERGOVERNMENTAL STANDING COMMITTEE ON SHIPPINGS	47,019,504
8	124980	WORLD ORGANISATION FOR ANIMAL HEALTH	3,960,000
9	124981	SOUTHERN & EASTERN AFRICA CONSORTIUM FOR MONITORING EDUCATION QUALITY (SEACMEQ)	4,759,552
10	124982	INTERGOVERNMENTAL AUTHORITY ON DEVELOPMENT (IGAD)	249,713,184
11	124983	REGIONAL CENTRE ON SMALL ARMS & LIGHT WEAPONS	65,239,216
12	124984	WORLD HEALTH ORG. FRAMEWORK CONVENTION ON TOBACCO CONTROL	306,880
13	124985	EAST CENTRAL AND SOUTHERN AFRICA HEALTH COMMUNITY	20,097,840
14	124986	WORLD HEALTH ORGANISATION	25,723,040
15	124987	AFRICAN MINERALS AND GEOSCIENCES CENTRE (AMGC)	7,544,250
16	124988	COMPREHENSIVE NUCLEAR TEST BAN TREATY ORGANIZATION	1,851,258

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17	124989	COMPREHENSIVE NUCLEAR TEST BAN TREATY ORGANIZATION	1,812,600
18	124990	EAST AFRICAN COMMUNITY SECRETARIAT	867,581,883
19	124991	LAKE VICTORIA FISHERIES ORGANIZATION	53,990,835
20	125002	ASSET MANAGEMENT ACADEMY	810,000
21	125009	NILE BASIN INITIATIVE SECRETARIAT	34,534,720
22	125011	INTER UNIVERSITY COUNCIL FOR EAST AFRICA	73,443,150
23	125016	THE COMMONWEALTH SECRETARIAT	13,384,713
24	125015	GLOBAL ALLIANCE OF NATIONAL HUMAN RIGHTS INSTITUTIONS	50,000
25	125017	THE COMMONWEALTH YOUTH PROGRAMME	2,516,148
26	125019	UN-HABIATAT	11,200,000
27	125020	UNESCO	9,055,312
28	125021	INTERNATIONAL LABOUR ORGANISATION	30,860,040
29	125022	AFRICAN ASSOCIATION OF PRIVATE EMPLOYMENT SERVICES	607,695
30	125023	ORGANISATION OF AFRICAN TRADE UNION UNITY	22,400,000
31	125028	INTERNATIONAL OMBUDSMAN INSTITUTE	112,500
32	125502	AFRICA ORG. OF SUPREME AUDIT INSTITUTION ENGLISH SPEAKING (AFROSAI-E)	948,640
33	125501	WORLD METEOROLOGICAL ORGANISATION	1,697,353
34	125503	MICROECONOMIC AND FINANCIAL MANAGEMENT INSTITUTE OF EASTERN AND SOUTHERN AFRICA	47,823,544
35	125510	AFRICAN ASSOCIATION OF PRIVATE EMPLOYMENT SERVICES	613,170
36	125511	ASSOCIATION FOR STRENGTHENING AGRICULTURE RESEARCH IN EASTERN AND CENTRAL AFRICA	17,920,000
37	125512	UNITED NATIONS DEVELOPMENT ORGANIZATION	3,890,250

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38	125515	INDIAN OCEAN TUNA COMMISSION	2,688,000
39	125529	UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (MINURSO)	313,349
40	125531	UNITED NATIONS MULTIDIMENSIONAL INTEGRATED STABILISATION MISSION IN THE CENTRAL AFRICAN REPUBLIC	5,057,360
41	125532	UN MULTIDIMENSIONAL INTEGRATED STABILIZATION MISSION IN MALI (MINUSMA)	6,777,062
42	125533	UNITED NATIONS ORGANIZATION STABILIZATION MISSION IN THE DRC (MONUSCO)	3,174,283
43	125534	AFRICA UNION - UN HYBRID OPERATION IN DARFUR (UNAMID)	1,231,587
44	125535	UNITED NATIONS DISENGAGEMENT OBSERVER FORCE (UNDOF)	735,743
45	125536	UN PEACE KEEPING FORCE IN CYPRUS (UNFICYP)	86,445
46	125537	UN INTERIM FORCE FOR LEBANON (UNFILL)	2,640,584
47	125538	UN INTERIM FORCE FOR ABYEI (UNISFA)	2,211,523
48	125539	UN INTERIM ADMINISTRATION MISSION IN KOSOVO (UNMIK)	206,903
49	125540	UN MISSION IN SOUTH SUDAN (UNMISS)	4,704,868
50	125541	UN MISSION SUPPORT OFFICE IN SOMALIA (UNSOS)	2,196,494
51	125543	THE GROUP OF 77 EXECUTIVE SECRETARIAT	1,493,463
52	125544	AFRICAN ASIAN RURAL DEVELOPMENT ORGANIZATIONS	1,695,000
53	125545	AFRICAN CAPACITY DEVELOPMENT & RESEARCH INSTITUTE	435,050
54	125548	INTERNATIONAL MARITIME ORGANISATION	852,296
55	125549	UNESCO-WORLD HERITAGE FUND FOR THE PROTECTION OF THE WORLD CULTURAL AND NATURAL HERITAGE	91,756
56	125550	INDIAN OCEAN TUNA COMMISSION (IOTC)	7,736,997

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57	125702	INTERNATIONAL WHALING COMMISSION	4,834,281
58	125704	EAST AND SOUTHERN AFRICAN ASSOCIATION OF ACCOUNTANTS GENERAL (ESAAG)	2,855,000
59	125705	UN AFRICAN INSTITUTE FOR THE PREVENTION OF CRIME AND THE TREATMENT OF OFFENDERS (UNAFRI)	21,594,102
60	125707	INTERNATIONAL UNION FOR CONSERVATION OF NATURE AND NATURAL RESOURCES (IUCN)	2,017,650
61	125711	DESERT LOCUST CONTROL ORGANISATION FOR EAST AFRICA (DLCO-EA)	43,952,083
62	125712	INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS (UPOV)	1,394,640
63	125713	UNITED NATIONS INDUSTRIAL DEVELOPMENT ORG. (UNIDO)	3,139,705
64	125717	UNDP REPRESENTATIVE IN KENYA	1,130,000
65	125718	AFRICAN CAPACITY BUILDING FOUNDATION	45,200,000
66	125719	INTERNATIONAL ORGANIZATION FOR MIGRATION (IOM)	1,514,240
67	125730	INTERGOVERNMENTAL GROUP OF TWENTY FOUR (G-24)	2,825,000
68	125731	ORGANIZATION OF AFRICAN CARIBBEAN AND PACIFIC STATES	29,850,540
69	125728	INTERNATIONAL CONFERENCE OF THE GREAT LAKES REGION	94,483,453
70	125729	AFRICAN UNION UNITED NATIONS HYBRID OPERATION IN DARFUR	1,076,860
71	125733	INTERNATIONAL COMMITTEE OF THE RED CROSS (ICRC)	7,251,000
72	125734	THE NORTHERN CORRIDOR TRANSIT & TRANSPORT AUTHORITY	137,883,612
73	125735	UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)	25,885,963
74	125736	AFRICAN OMBUDSMAN AND MEDIATORS ASSOCIATION (AOMA)	113,000
75	125737	AFRICAN OMBUDSMAN INSTITUTE (IOI)	112,500
76	125738	PARTNERS IN POPULATION AND DEVELOPMENT (PPD)	

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			2,260,000
77	125747	INTERNATIONAL RED LOCUST CONTROL ORG. FOR CENTRAL AND SOUTHERN AFRICA	18,182,491
78	125748	COLLABORATIVE AFRICA BUDGET REFORM INITIATIVE (CABRI)	5,650,000
79	125750	UNITED NATIONS ENVIRONMENT PROGRAMME (CITIES)	449,062
80	125851	RAMSAR CONVENTION ON WETLANDS	293,750
81	125852	WESTERN INDIAN OCEAN MARINE SCIENCE ASSOCIATION	58,500
82			
83	125853	UNITED NATION ENVIRONMENT PROGRAMME (CMS)	540,140
84	125854	UNITED NATIONS ENVIRONMENT PROGRAMME (AEWA)	900,000
85	126164	COMMONWEALTH FOUNDATION	965,487
86	126163	AFRICAN UNION COMMISSION	655,000,000
87	125885	UNESCO	9,171,645
88	125884	INTERNATIONAL UNION FOR CONSERVATION OF NATURAL RESOURCES	2,017,600
89	125888	WORLD TRADE ORGANISATION	16,011,450
90	124982	INTERGOVERNMENTAL AUTHORITY ON DEVELOPMENT (IGAD)	43,127,015
91	125893	INTERGOVERNMENTAL AUTHORITY ON DEVELOPMENT (IGAD)	337,594,458
92	125895	INTERNATIONAL TRIBUNAL FOR THE LAW OF THE SEA	971,820
93	125897	INTERNATIONAL CRIMINAL POLICE ORGANIZATION	11,931,147
94	125897	PYRETHRUM JOINT VENTURE US TASK FORCE	2,150,188
95	126152	INTERGOVERNMENTAL GROUP OF TWENTY FOUR (G-24)	2,825,000
96	126153	INTERNATIONAL WHALING COMMISSION	61,872

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97	126162	INTERNATIONAL BAMBOO AND RATTAN ORGANISATION	565,000
98	125886	UNESCO	91,756
99	126175	UNESCO - INTERNATIONAL FUND FOR CULTURAL DIVERSITY	91,756
100	126176	UNITED NATIONS INDUSTRIAL DEVELOPMENT	652,830
101	126071	UNEP	744,586
102	126189	ORGANISATION OF AFRICAN, CARIBBEAN AND PACIFIC STATES	56,500,000
103	126190	LUSAKA AGREEMENT TASK FORCE	8,711,961
104	125862	INTERNATIONAL SEABED AUTHORITY	271,125
105	125861	COMMONWEALTH OF LEARNING	5,085,559
106	125863	AFRICAN MINERALS AND GEOSCIENCES CENTRE	3,609,004
107	125864	COLLABORATIVE AFRICA BUDGET REFORM INITIATIVE	5,650,000
108	125855	UNITED CITIES AND LOCAL GOVERNMENTS OF AFRICA	228,000,000
109	125856	REGIONAL CENTRE FOR MAPPING OF RESOURCES FOR DEVELOPMENT	3,259,613
110	125880	EAST AFRICAN COMMUNITY SECRETARIAT	448,607,051
111	125749	AFRICAN DEVELOPMENT BANK	535,711,346
112	125747	INTERNATIONAL RED LOCUST CONTROL ORG. FOR CENTRAL & S. AFRICA	19,182,491
113	126162	INTERNATIONAL BAMBOO AND RATTAN ORGANISATION	565,000
		<b>TOTAL</b>	<b>4,906,730,229</b>

**Appendix V: Reconciliation of Budget Against Financial Performance**

**Reconciliation Of Surplus**

**Kshs**

Surplus/deficit as per financial performance	<b>(494,959,637)</b>
Rolled over resources	2,793,176,749
Surplus as per Budget Report	<b>2,298,217,112</b>

