

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

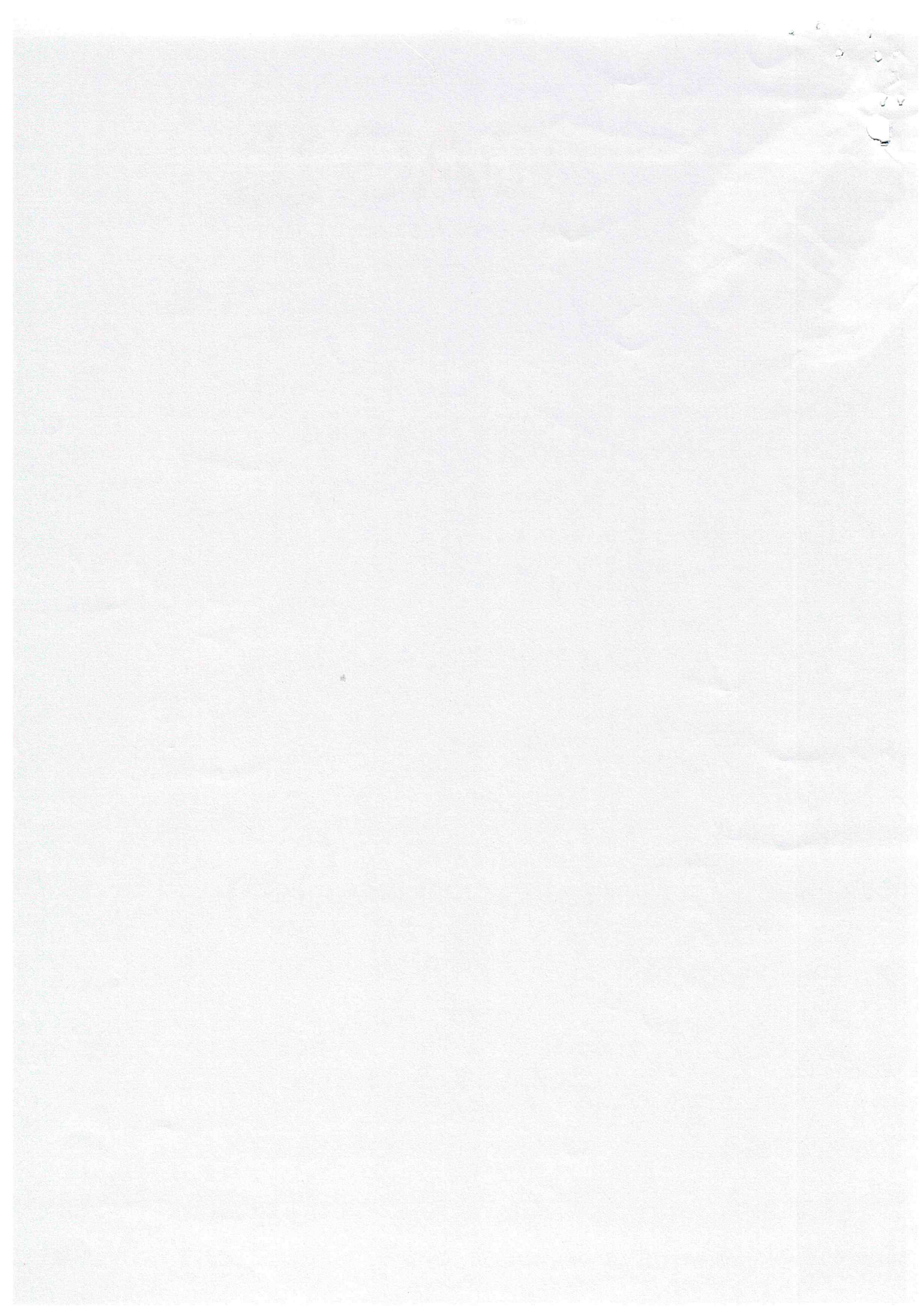
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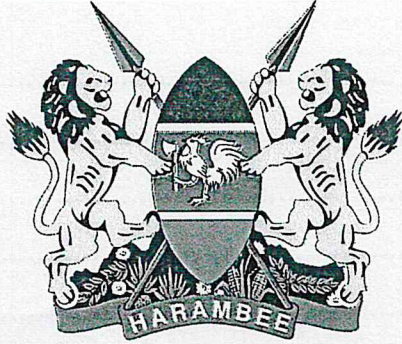
THE AUDITOR-GENERAL

ON

**KENYATTA INTERNATIONAL
CONVENTION CENTRE**

**FOR THE YEAR ENDED
30 JUNE, 2023**





**The Kenyatta International
Convention Centre**

Africa's Premier Meeting Venue

**THE KENYATTA INTERNATIONAL CONVENTION CENTER
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
30TH JUNE 2023**

Prepared in accordance with the Accrual Basis of Accounting Method under the
International Financial Reporting Standards (IFRS)

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1. KEY ENTITY INFORMATION & MANAGEMENT

Background information

The Corporation was established under the Tourism Act of 2011 that came into operation on 1st September 2012.

Principal Activities

The principal activities of the Corporation are to:

- a. Organize and host meetings and provide incentives for conferences and exhibitions at the Convention Centre;
- b. Develop and implement the national meetings, incentives for conferences and exhibitions strategy, in collaboration with the Tourism Board upon consultation with the relevant stakeholders;
- c. Market the Convention Centre, in collaboration with the Tourism Board; and
- d. Perform any other functions that are ancillary to the object and purpose for which the Convention Centre is established.

Corporate Headquarters: Kenyatta International Convention Centre,
P.O. Box 30746 - 00100
KICC Building
Harambee Avenue
Nairobi, KENYA

Corporate Contacts: Telephone: (254)-20-2247277, 3620000
Fax: (254)-20-310223
E-mail: info@kicc.co.ke.
Website: www.kicc.co.ke

Corporate Bankers: Kenya Commercial Bank
KICC Branch, Harambee Avenue
P.O. Box 46950-00100
City Square 00200
Nairobi, Kenya

Co-operative Bank of Kenya
City Hall Branch
P.O Box 44805-00100
Nairobi
Kenya





Independent Auditors:




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

Principal legal advisor:

The Attorney General,
State law Office & Department of Justice
P.O BOX 40112
City Square 00200
Harambee Avenue
Nairobi, Kenya

2. THE BOARD OF DIRECTORS






	<p>Hon Adelina Mwau, OGW.</p>	<p>Chairperson</p>	<ul style="list-style-type: none"> ▪ Masters in Development Studies ▪ Diploma in Adult Education ▪ Immediate former Deputy Governor, Makueni County ▪ Over 40 years in private and public service
	<p>Patricia Ondeng'</p>	<p>Ag. Chief Executive Officer/Secretary to the Board</p>	<ul style="list-style-type: none"> ▪ Master of Arts in Communication Corporate & Development Communication ▪ Bachelor's in Business and Office Management ▪ Certified International Public Relations ▪ Member PRSK ▪ Certified Professional Mediator ▪ Trained QMS Auditor ▪ Strategic Leadership Development Program ▪ Over 25 years working experience in Tourism industry in Communication and Marketing.
	<p>Angella Mueni</p>	<p>Independent Director</p>	<ul style="list-style-type: none"> ▪ Bachelor of Science in Statistics ▪ Diploma in Front office Operations and Management ▪ Former Secretary to Board, Machakos County ▪ Over 10 years work experience in administration
	<p>Catherine Ntinyari Kubania</p>	<p>Independent Director</p>	<ul style="list-style-type: none"> ▪ Bachelor of procurement and Supply chain management. ▪ Higher Diploma in Business Management and Administration. ▪ Diploma in international Business Communication. ▪ Certifacate in public Relations. ▪ Under-graduate, Bachelor of science; Environmental Studies. ▪ Over 15 yrs Experience in procurement, Sales & Marketing, Business Management & Administration. ▪ 8 yrs Experience in Hospitality and Event Orgernising. ▪ Founder-Green Circle Foundation (Climate change and Environmental Conservation Advocacy) ▪ Current Occupation; Climate Justice Advocacy.

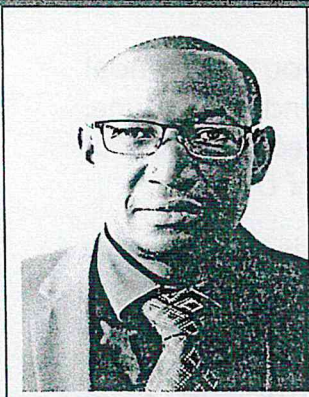
	Mgeni Hassan Mboti	Independent Director	<ul style="list-style-type: none"> ▪ Bachelors in Development Studies and Economics ▪ Diploma in Mass Communication and Media Relations
	Abdullahi Omar Borai	Independent Director	<ul style="list-style-type: none"> ▪ MBA Business Administration Marketing (Management) ▪ Bachelor of Arts Degree in Business Administration ▪ Advanced Diploma in Business studies
	Solomon Mugwe	Independent Director	<ul style="list-style-type: none"> • MBA in Strategic Management • CPA(K) • Member ICPAK • Over 35 years in senior management in the hospitality industry and private security services sector. • Over 25 years boardroom experience in the private sector
	John Chirchir	Chief Executive Officer - KTB	<ul style="list-style-type: none"> ▪
	Ms. Winnie Katanu Mwalimu	Representative Principal Secretary, National Treasury	<ul style="list-style-type: none"> ▪ MSc Economics ▪ BA (Hons) ▪ Member ESK ▪ Over 20 years' experience in Treasury/Financial Management, Procurement, Budgeting and Research. ▪ YOB 1971
	Bernard Kahuthia	Representative Principal Secretary – State Department for Tourism	<ul style="list-style-type: none"> ▪ International School of Tourism Sciences, Post Graduate Diploma in Specialization in Tourism ▪ Kenya Institute of Administration – Certificate in French Language ▪ Moi University, Nairobi Campus ▪ University of Nairobi –Bachelor of Arts ▪ Degree in Geography and Political Science

3. BOARD COMMITTEES

During the year under review, the board was not fully constituted and therefore, there were no board committees.

4. SENIOR MANAGEMENT TEAM

	<p>Patricia Ondeng'</p>	<p>Ag. Chief Executive Officer</p>	<ul style="list-style-type: none"> ▪ Master of Arts in Communication Corporate & Development Communication ▪ Bachelor's in Business and Office Management ▪ Certified International Public Relations ▪ Member PRSK ▪ Certified Professional Mediator ▪ Trained QMS Auditor ▪ Strategic Leadership Development Program ▪ Over 25 years working experience in Tourism industry in Communication and Marketing.
	<p>Mr. Geoffrey Thande</p>	<p>Director-Business Development</p>	<ul style="list-style-type: none"> ▪ MBA-International Business. ▪ BA-Economics. ▪ Over 17 Years' experience in Marketing, Strategy, Stakeholder Management, Product Development, Competitive Analysis and Customer Service ▪ YOB 1977
	<p>Gomeri Kombo</p>	<p>Director-Operations</p>	<ul style="list-style-type: none"> ▪ BA Hospitality Management ▪ Diploma in hotel management (Switzerland) ▪ Over 20 years' experience in hospitality industry ▪ YOB 1970
	<p>CS Janefrances Mutisya</p>	<p>Corporation Secretary-Director Legal Services</p>	<ul style="list-style-type: none"> ▪ LLM – Corporate Governance. ▪ LLB. ▪ Post Graduate Diploma (KSL). ▪ CPS (K). ▪ Proficiency Certificate in German. ▪ Accredited Governance and Legal Auditor. ▪ Member, ICS: LSK ▪ Over 20 years' experience in Legal practice and Corporate Law/Practice. ▪ YOB 1974.
	<p>Hashim Hamed</p>	<p>Director-Corporate Planning</p>	<ul style="list-style-type: none"> ▪ MBA Strategic Management ▪ Bachelor of Commerce (Finance) ▪ Diploma (French) ▪ Over 11 years' experience in Marketing and Strategy ▪ YOB 1983



CPA, CS
James
Mwaura

Director
Corporate
Services

-

- MBA Finance
- BBA (Accounting and Finance)
- LLB
- CPA (K)
- CPS (K)
- AKIB

Over 19 years' experience in Finance, Accounting, Banking, Administration & Corporate Governance in public and private sector

5. CHAIRPERSON'S STATEMENT

On behalf of the KICC Board of Directors, I am pleased to share with you the financial year 2022-2023 annual report and financial statement for the year ending 30 June, 2023. I joined the KICC family recently and I must admit that I am thrilled to be part of this family and more so honoured to be the chairperson of the Board of Directors.

I am glad to join the MICE tourism industry when the tourism sector is on a positive trajectory and its performance is steadily increasing after the set-back the industry experienced following the effects of COVID 19 Pandemic. It is indeed satisfying to note that there has been significant growth in the Industry with the Meetings, Incentives, Conferences and Exhibitions (MICE) Sector contributing 8.8% to Kenya's Gross Domestic Product (GDP) and generating approximately Kshs 1.05 billion in revenue as per the Kenya National Bureau of Statistics report of 2022.

The Global MICE market was also valued at Kshs 876.42 billion and is expected to have a compound annual growth rate of 7.5% from 2023 to 2024.

As a Corporation we recorded an increase of 36% in revenue during the financial year 2022-2023 from Kshs. 669,533,884.00 to Kshs. 909,877,688.00, and Kshs 423,480,684, from other incomes which constitute;

Casual Parking 3,482,400
Tower viewing 19,718,284
Other sources 280,000
GoK grant-Recurrent 400,000,000

KICC will continue to build on its impressive performance this year by executing more innovative business strategies.

The Centre will further develop and implement Corporate strategies geared towards growing the Convention Centre's MICE business. To achieve this, the Corporation with the support of His Excellency President William Ruto is undertaking major refurbishment of some of the conference facilities to modernize them, expand their functionalities as well as their aesthetic value.

On environmental sustainability, the Corporation planted 500 trees at Orange Primary School and Kisumu Convention Centre in Kisumu. This is also in adhering to the presidential directive that aims for 30% forest cover by planting 15 billion trees by 2032.

Finally, I express my gratitude to all the Board Members, the entire KICC fraternity, and the stakeholders for their overwhelming support and request for the same in the near future.

Thank you.

.....
Hon. Adelina Mwau, OGW
Chairperson of the Board of Directors
Kenyatta International Convention Centre

6. STATEMENT FROM THE CHIEF EXECUTIVE OFFICER

The financial year had a tremendous growth in the meetings industry post COVID 19. The sector had full resumption of face to face meetings. Recent 2022 Kenya National Bureau of Statistics (KNBS) report on performance of the sector has shown that Meetings, Incentives, Conferences and Exhibitions (MICE) industry in Kenya is recovering faster than the leisure sector Post-Covid 19.

The Corporation, in achieving its core mandate of promoting and marketing the destination and hosting meetings, conferences and Exhibitions, employed several marketing strategies to position the destination as preferred for conference tourism in the region.

KICC led several industry players from the private sector to market the Kenya in various international marketing shows like Meetings Africa, IMEX Germany among others. At the shows, several leads were identified and are being follow up for business closure.

The Centre further, in collaboration with local associations and organizations placed several bids to host international conferences and we are glad to announce that the destination won two bids. The International Association of Science Parks 2024 and World Federation of the Deaf International Conference in 2025.

On local marketing, the Corporation revived County MICE marketing and awareness creation dubbed 'MICE MASHINANI. The initiative is aimed at exploring the potential Kenya has on MICE. The product mapping has been done and activities are scheduled to begin in April 2024

The Corporation also undertook stakeholder management initiatives aimed at rebuilding KICC internal and external stakeholder relations. The Corporation undertook these deliberate steps to engage KICC stakeholders in a bid to improve relationship as well as form alliances and partnerships with the external stakeholders for MICE growth. Internally the Corporation engaged with staff to identify critical areas of improvement with a view of improving staff morale and work environment

Business Performance

During the year under review, The Corporation achieved a turnover of Kshs. 909.9 from sales and Kshs 435,480,684, from other incomes which constitute:

Casual Parking 3,482,400
Tower viewing 19,718,284
Other sources 280,000
GoK grant-Recurrent 400,000,000

This is in comparison to Kshs 669.5 Million from the previous financial year posting a profit Kshs. 82.2 Million after tax and achieved a Profit Before Tax of Kshs. 117.4 million.

During the period the Corporation continued to employ stringent measures in its operations as guided by the government directives.

KICC however maximized its revenue on other revenue streams like rent and leased parking. There has been remarkable improvement in parking revenue collections (from approximately Kshs 46,000 to Kshs 86,000 weekly). Tower viewing revenue has also improved.

Conference revenue went up 60% to Kshs. 181.3 Million, leased parking registered an increase of 3% increase to Kshs 193.5 million, Tower viewing was up by 73% from Kshs. 5.3 Million, and rent income was up by 4% to Kshs. 310.9 Million.

Modernization and upgrade of outdoor meeting room

During the period the Corporation undertook minor Centre facelift. The Corporation further mobilized for funds for the upgrade of the Centre to make it modern and competitive in the region. The major refurbishment of the facilities are starting in the new financial year.

Employee Productivity

The Corporation has continued to recognize the need for staff training and development. During the year, the Corporation carried out staff training and sensitization activities to increase capacity and performance.

Finally, I would like to thank all the KICC staff for their immersed contribution, handwork, dedication and focus on driving the Corporation's core mandate.


Patricia Ondeng'

Ag. Chief Executive Officer

7. CORPORATE GOVERNANCE STATEMENT

Corporate Governance relates to internal means by which Corporations are directed, controlled and held to account. This is done with a view to ensuring that, corporations attain their long-term value of shareholders while taking into consideration the interests of other stakeholders. The Governance structures of Corporations stipulates rules and procedures of certain organizations and at the same time identifies the manner of distribution of rights amongst different stakeholders such as Board of Directors, Managers, Shareholders, Creditors and Auditors. The Board of Directors of Kenyatta International Convention Centre is responsible for the Governance of the Corporation. While discharging its functions, it is accountable to shareholders and stakeholders in ensuring that it complies with all set regulations and business ethics. Similarly, the Board adheres to the generally accepted Corporate Governance procedures as stipulated in the existing Governances' Codes and also embraces the internationally accepted principles and best practices of Corporate Governance.

The Board of Directors

The Board of Directors Comprises of nine (9) Directors, six of which are independent non-executive Directors including the Chairman.

The Board of Directors directs the Corporation generally. Its basic role in directing the Corporation entails the formulation of the Corporation's Strategic Objectives, Policy Making, Supervision of Executive Management and Accountability to Stakeholders. The Directors entrench a wealth of experience, relevant expertise and knowledge, while deliberating on major issues pertaining to the organization. Except for direction and guidance in general Policy, the Board of Directors delegates the authority of day to day business operations of the organization to the Management through the Chief Executive Officer.

In discharging its onerous function, the Board of Directors is assisted by a Corporation Secretary who attends all Board meetings except the Audit Committee Meetings. The Corporation Secretary advises the Board in respect of Corporate Governance issues as well as legal and regulatory requirements pertaining to the Corporation.

Board Meetings

The Board holds regular meetings as provided by the Corporation's Board Calendar and as stipulated under the relevant statutes. Special meetings may however be convened when the Corporation deems it necessary to do so.

During the year under review, the Board held 3 special Board meeting and. In light of the fact that, KICC IS a State Corporation, the Inspector General of State Corporations is invited to attend the Corporation's Board meetings both Committees and Full Board Meetings as an ex-official. The Inspector General exercises an oversight and advisory role in such meetings in accordance with the State Corporations Act.

The Members, and membership to various Committees is as follows:-

No	Board Member	Scheduled Meetings	Special Meetings	Total
1	Hon. Adelina Mwau, OGW			
2	Angelline Mueni Mulinge	7	7	
3	Solomon Mugwe			
4	John Chirchir			
5	Abdullahi Omar Borai			
6	Bernard Kahuthia-Rep PS Tourism			
7	Winnie Mwalimu-Rep PS Treasury			
8	George Ombua			
9	Catherine Ntinyari			
10	Mgeni Mbotto Hassan			

Committees of the Board

During the year under review, the board was not fully constituted and therefore did not have the various committees prescribed under the state corporations Act, Tourism Act and the Mwongozo code of regulation.

Succession Plan

The Board members of the Convention Centre are appointed at different times such that, the respective expiry dates of their terms of office shall fall at different times.

Board Remuneration

The aggregate amount paid to Directors in terms of sitting allowances for services rendered during financial year 2022/2023 are disclosed in the Financial Statements under Note 27 (ii). Non-Executive Directors are paid sitting allowances for any meeting attended.

Risk Management and Internal Controls

The Corporation has defined procedures and financial controls to ensure its accounting information is complete and accurate. These include systems for obtaining approvals for all transactions and strict adherence to laws and regulations that have significant financial implications. The Board takes into consideration the results of work carried out to Audit and review the activities of the Corporation with a view to ascertaining the effectiveness of internal control systems. The Board also considers the Management accounts for each year, reports from each Board Committee, annual budgetary proposals, and strategic opportunities for the Corporation.

Information and Board Developments

The Board shall be supplied with detailed Board Papers and reports on business to be conducted at each meeting in advance. All Directors shall have access, advice and services of the Corporation Secretary. Where necessary the Directors may access external legal advice.

To update their skills and expertise in discharging board functions, directors are required to receive induction training on appointment. In addition, they are also required to attend trainings suited to their needs and expertise required to perform their duties regularly.

8. MANAGEMENT DISCUSSION AND ANALYSIS

SECTION A

KICC's operational and financial performance

Performance of KICC's Core mandates

- i. To facilitate the Modernization and Expansion of KICC; the Corporation is carrying out a review of its modernization master plan for the KICC facility which outlines projects to be implemented. During the period under review, KICC is undertaking a refurbishment of the Tsavo Ball room, repair of Amphi Theatre, ICT infrastructure and rehabilitation of water fountain
- i. MICE destination Marketing; In terms of participating in international exhibitions the Corporation participated in IMEX Frankfurt in May 2023, and Meetings Africa in Johannesburg in February 2022.
- i. Some of the successful bids undertaken are: -ICASA, 24th UNWTO Conference, International women engineers and Scientists 2023, SESTECH Technology Conference and Expo, 36th International Society for Music Education World conference 2024, INTERCOL congress 2025, IAS on HIV Science in 2023 and African Development Bank AGM.

Revenues

The Corporation's main revenue streams include; conference/exhibitions & events, rental income, parking fees, tower viewing and third-party revenues. In total, the Corporation's revenue for the year was Kshs. 933.4 Million this included, against a target of Kshs. 1,000.6 Million leading to unfavourable variance of Kshs. 67.3 Million. In comparison with the same financial year 2021/2022 the corporation reported revenue of Ksh. 676.6 Million.

During the year the Centre did not achieve its revenue targets on core mandates.

Expenses

The Corporation endeavored to spend within the budget limits. Total expenditure for the Year was Kshs.648.7 Million inclusive of General Provision for bad debts Kshs. 29.5 Million, depreciation and amortization amounting to Kshs. 58.09 Million. The total budget for the Year was Kshs.972.6 Million. There was favorable variance of Kshs.126.08 Million due to cost cutting measures and cost rationalization.

In comparison to last year, the Corporation total operating expenses for the Year ended 30th June 2022 was Kshs.564.2 Million.

Profit/Loss for the Period

Reported profit for the year (after depreciation but before tax at 30%) was Ksh. 82,2 Million.

SECTION B

KICCs compliance with statutory requirements

INTERNATIONAL STANDARDS

Our commitment to quality in our services and processes remain steadfast. Complying to the requirements of ISO 9001:2008 ensures that the Corporation not only retains its status as an ISO 9001:2008 certified institution but that continuous improvement, research and development and on-going review of processes is systematically done to ensure that our processes and strategies remain current and relevant in the ever-dynamic business environment. In the long run there is positive impact on revenue, quality, costs, and customer satisfaction.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

The ICT Department continued to collaborate with our business systems users in order to identify and exploit opportunities for utilizing technology solutions to solve business problems. Among the projects completed in the period under review include: Enterprise Resource Planning (ERP) integrating Finance, Stores and Marketing departments, installation of the internal audit software, and Data Storage offsite backup. ERP will be finalised through by legal department preparing and signing the contractual agreement. Data Storage offsite backup was done and is currently under support for the next 3years. The Corporation is also using the Integrated Financial Management Information System (IFMIS) for its procurement functions as per the Government requirement to all Government agencies.

SECTION C

Key projects and investment decisions KICC is planning/implementing

The outlook for the Meetings, Incentives, Conferences and Exhibitions (MICE) Industry remains robust and resilient. M.I.C.E is the fastest growing subsector of tourism. KICC has the right strategy, brand, resilience and people to take it to the next phase of growth. Some of the projects under or due for implementation as per the strategic plan 2018/2022 are:

- Refurbishment of Tsavo Ballroom and Amphi Theatre
- Rehabilitation of water fountain
- Upgrade of ICT infrastructure
- Improvement of meeting halls and facilities

SECTION D

Major risks facing KICC

The Corporation will continue to recognize risk Management as an integral part of the internal control systems. We will therefore continue to logically and systematically engage in the process of establishing, identifying, analysing, evaluating and communicating risks associated with any activities, functions or processes in a way that enables the Corporation to minimize losses and maximize opportunities while getting value for money committed.

Operational Risk

This is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation as well as lead to financial loss.

The controls that the Corporation has put in place to minimize the potential risks include:

- a) Effective duty segregation,
- b) Staff sensitization, training and capacity building
- c) Definition of authorization levels,
- d) Periodic risk assessment,
- e) Compliance and conformity with laid down policies and procedures and Acts governing operations
- f) Use of internal audit; and
- g) Adherence to systems of internal controls.

Credit and Liquidity risks

The corporation continues to put measures in place to minimize risk of non-recovery of debts owed by defunct Government Ministries and Departments that were merged.

In compliance with accounting principles, the management will continue to recognise provisions for bad and doubtful debts in its financial statements.

The corporation cash and cash equivalents as at the end of the Year was Kshs.128.1 Million held in our various bank accounts. Trade and other receivables balance were Kshs. 954.03 Million while trade and other payables balance were Kshs.751.6 Million

Legal risks

Due to 14 pending litigations/cases in court which are at various stages of litigation, the corporation is likely to incur costs with regard to legal costs, penalties and interests. This is purely dependent on the outcome i.e. whether it is unfavourable.

SECTION E

Material arrears in statutory/financial obligations

Trade and Other payables	153,805,053
Provisions for other pending bills	83,908,475
VAT Liability	31,296,960
Provisions for Upgrade Of ERP system	30,000,000
Provisions for gratuity	15,784,073
Provisions Salary Review	220,000,000
Provision for legal contingency	132,780,000
Provision for Telephone allowances	17,220,000
Accrued expenses	14,375,976
Corporation tax	35,213,374
	734,383,911

SECTION F

KICCs financial improbity and serious governance issues

Corporate Governance is the process by which Corporations are directed, controlled and held to account. The Board of Directors are responsible for the long-term strategic goals of the Corporation while being accountable to the shareholders for legal compliance and maintenance of the highest Corporate Governance and business ethics.

An independent Board manages the business of the Corporation. The Board is keen on reviewing the overall framework of the internal controls and the assessment of Management process and the adoption of the appropriate codes of ethics. It is also responsible for ensuring that the Corporation complies with the law and highest standards of Corporate and business ethics. The Board currently comprises members drawn from public and private sectors.

The Corporation is committed to fighting corruption and other social vices in the work place. The corporation has adopted the government's zero tolerance approach to corruption and it has put in place mechanisms to control corruption. In this regard a corruption prevention committee has already been put in place and integrity assurance officers trained.

9. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 83 of the Public Finance Management (PFM) Act, 2012, Section 14 of the State Corporation's Act requires the Directors to prepare financial statements which give a true and fair view of the state of affairs of the Corporation at the end of the financial year and the operating results of the corporation for the year. As the Directors of KICC we have ensured that the corporation keeps proper accounting records which disclose with reasonable accuracy the financial position of the corporation and of the results of its operations. We are also responsible for safeguarding the assets of the Corporation and preparation of the corporation's financial statements, which give a true and fair view of the state of affairs of the Corporation as at the end of the financial year 2022-2023 and of the result of its operations for the year then ended.

Our responsibility includes:

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


As Directors of KICC we accept responsibility for the Corporation's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS), and in the manner required by the Section 83 of the PFM Act, 2012 and the State Corporations Act. We the Directors are of the opinion that KICC's financial statements give a true and fair view of the Corporation's transactions during the financial year ended 30th June, 2022, and of the Corporation's financial position as at that date. We further confirm the completeness of the accounting records maintained for the Corporation, which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Kenyatta International Convention Centre's Financial Statements have been prepared in accordance with Section 83 of the PFM Act and were approved on 30 August, 2023.


.....
Patricia Ondeng'
Ag. Chief Executive officer


.....
CPA, CS James Mwaura
Director Corporate Service
ICPAK Member No. 14575

.....
Hon. Adelina Mwau, OGW
Chairperson
Board of Directors

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYATTA INTERNATIONAL CONVENTION CENTRE FOR THE YEAR ENDED 30 JUNE, 2023

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kenyatta International Convention Centre set out on pages 1 to 29, which comprise of the statement of financial

position as at 30 June, 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows, statement of comparison of budget and actual amounts for the year ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kenyatta International Convention Centre as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the Tourism Act, 2011 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Comparative Figures

The statement of financial position reflects comparative amounts which differs with the amounts reflected in the prior year audited statement of financial position as shown below:

Item	Financial Statements Comparative Amount (Kshs.)	Prior Year Audited Financial Statements Comparative Amount (Kshs.)	Variance (Kshs.)
Trade Receivables	820,136,325	903,242,704	(83,106,379)
Retained Earnings	55,330,340	59,249,255	(3,918,915)
Trade and Other Payables	999,485,847	1,077,132,879	(77,647,032)
Tax Payable	156,299,714	157,979,249	(1,679,535)

In the circumstances, the accuracy of comparative amounts could not be confirmed.

2. Unsupported Property, Plant and Equipment

As previously reported, the statement of financial position reflects property, plant and equipment totalling Kshs.4,013,298,206. The amount includes freehold land amounting to Kshs.2,296,000,000 as disclosed in Note 15 to the financial statements. As previously reported, the freehold land amount excludes land commonly referred to as COMESA parking area and the courtyard on which the first Kenya President's monument stands.

Further, a Restaurant has encroached on the land which has no title and is disputed between the Centre and the County Government of Nairobi.

In the circumstances, the accuracy and ownership of the freehold land amounting to Kshs.2,296,000,000 could not be confirmed.

3. Unsupported Intangible Asset

The statement of financial position reflects intangible assets totalling Kshs.30,843,892 as further disclosed in Note 16 to the financial statements. The amount includes Enterprise Resource Planning (ERP) upgrade amounting to Kshs.30,000,000 which was not supported.

In the circumstances, the accuracy of intangible asset totalling Kshs.30,843,892 could not be confirmed.

4. Long Outstanding Staff Car Loans

The statement of financial position reflects staff receivables due after one (1) year totalling Kshs.5,957,682 in respect of gross car loans and salary advance as disclosed in Note 19(c) to the financial statements. The amount includes car loans due from former employees amounting to Kshs.3,616,831 which have been outstanding for more than four (4) years.

Further, car loans and salary advances amounting to Kshs.665,240 have not been disclosed.

In the circumstances, the accuracy and recoverability of car loans and salary advance totalling Kshs.5,957,682 could not be confirmed.

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

Emphasis of Matter

Long Outstanding Trade and Other Payables

The statement of financial position reflects trade and other payables totalling Kshs.750,371,568. The amount includes trade payables amounting to Kshs.153,805,053 as disclosed in Note 25 to the financial statements. The trade payables amount includes Kshs.103,484,409 which has been outstanding for over eleven years.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance which have remained unresolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the 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 review so as to obtain limited assurance as to 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 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 of Conclusion

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

Responsibilities of Management and the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether

due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015. In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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 controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of

the internal controls would not necessarily disclose all matters in the internal controls 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 controls 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 controls 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 controls.
- 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 Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Centre to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Centre to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL


Nairobi

14 May, 2024

11. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2023

DESCRIPTION	NOTE	2022-2023	2021-2022
		30th June	30th June
		Kshs	Kshs
REVENUES			
Revenues	6	909,877,688	669,533,884
Cost of Sales	7	(487,624,521)	(76,802,027)
Gross Profit		422,253,167	592,731,857
Other Income			
Other Income	10	435,480,684	7,022,532
Total Revenues		857,733,851	599,754,389
OPERATING EXPENSES			
Administration Costs	12	1,541,052,904	503,323,479
Selling and Distribution Costs	13	7,022,617	1,821,839
Depreciation and amortization	11	67,217,849	59,064,535
Total Operating Expenses		1,615,293,370	564,209,853
Operating profit		(757,559,519)	35,544,535
Profit/ Loss before Taxation		(757,559,519)	35,544,535
Income Tax @30%	14	227,267,856	(10,663,361)
Profit/ Loss after Taxation		(530,291,663)	24,881,175

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kenyatta International Convention Centre's Financial Statements have been approved on, 30 August, 2023.



Patricia Ondeng'
Ag. Chief Executive officer



CPA, CS James Mwaura
Director Corporate Service
ICPAK Member No. 14575

.....
Hon. Adelina Mwau, OGW
Chairperson
Board of Directors

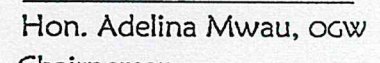
12. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2023

	Note	2022-2023 30th June 2023 Kshs	2021-2022 30th June 2022 Kshs
Non-Current Assets			
Property, plant and equipment	15	4,013,298,206	5,036,384,170
Intangible assets	16	30,843,892	12,312,683
Staff receivables due after one year	19c	5,957,682	7,478,900
Total Non-Current Assets		4,050,099,780	5,056,175,753
Current Assets			
Inventories	17	7,173,776	3,835,513
Trade and other receivables	18	946,328,252	820,136,325
Cash and bank balances	21	128,138,697	401,468,235
Staff Imprests	19c	2,049,704	384,400
Total Current Assets		1,083,690,429	1,225,824,473
TOTAL ASSETS		5,133,790,208	6,282,000,226
EQUITY AND LIABILITIES			
Capital and Reserves			
Capital Fund	22	3,933,446,000	3,933,446,000
Retained earnings	24	(616,497,543)	55,330,340
Revaluation Reserve	23	1,137,438,325	1,137,438,325
Capital and Reserves		4,454,386,782	5,126,214,664
Current Liabilities			
Trade and other payables	25	750,371,568	999,485,847
Tax Payable	20	(70,968,141)	156,299,714
Total Current Liabilities		679,403,426	1,155,785,561
TOTAL EQUITY AND LIABILITIES		5,133,790,208	6,282,000,226

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kenyatta International Convention Centre's Financial Statements have been approved on, 30 August, 2023


 Patricia Ondeng'
 Ag. Chief Executive Officer


 PA, CS James Mwaura
 Director Corporate Services
 ICPAK Member No 14575


 Hon. Adelina Mwau, OGW
 Chairperson,
 Board of Directors

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

STATEMENT OF CHANGES IN EQUITY & RESERVES FOR THE YEAR ENDED 30TH JUNE 2023

	Not e	Shareholders' Equity	Revenue Reserves/Retained Earnings	Revaluation Reserve	Revenue Reserves Restated	Total
		Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July, 2019	31	3,933,446,000	(35,840,738)	1,137,438,325	3,897,605,262	5,035,043,587
Net profit for the Year ended 30th June 2020		-	37,391,652	-	37,391,652	37,391,652
Prior year adjustment-Work In Progress		-	-	-	-	-
For the period ending 30th June, 2020	31	3,933,446,000	1,550,914	1,137,438,325	3,934,996,914	5,072,435,239
Net profit for the Quarter ending 30th June 2021		-	28,898,251	-	28,898,251	28,898,251
Prior year adjustments		-	-	-	-	-
For the period ending 30th June, 2021	31	3,933,446,000	30,449,165	1,137,438,325	3,973,289,351	5,101,333,490
Net profit for the Quarter ended 30th June 2022		-	24,881,175	-	24,881,175	24,881,175
Prior year adjustments		-	-	-	-	-
For the period ended 30th June, 2022	31	3,933,446,000	55,330,340	1,137,438,325	3,979,944,452	5,107,988,591
Net profit for the year ended 30th June 2023		-	(530,291,663)	-	(530,291,663)	(530,291,663)
Prior year adjustments		-	-	-	-	-
For the period ended 30th June, 2023	31	3,933,446,000	(474,961,324)	1,137,438,325	3,449,652,789	4,577,696,927

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kenyatta International Convention Centre's Financial Statements have been approved on, 30 August, 2023

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CPA, CS James Mwaura
Director Corporate Services
ICPAK Member No 14575

Hon. Adelina Mwau, OGW
Chairperson,
Board of Directors

13. STATEMENT OF CASH FLOWS AS AT 30TH JUNE 2023

	Note	As at 31st June 2023 Kshs	As at 30th June 2022 Kshs
OPERATING ACTIVITIES			
Cash generated from/ (used in) operations	26	(213,389,358)	19,167,981
Tax paid			
Net cash generated from/(used in) operating activities		<u>(213,389,358)</u>	<u>19,167,981</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	15	(59,940,180)	(48,596,261)
Net cash generated from/(used in) investing activities		<u>(59,940,180)</u>	<u>(48,596,261)</u>
FINANCING ACTIVITIES			
Interest income			
Net cash generated from/(used in) financing activities			
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		<u>(273,329,538)</u>	<u>(29,428,280)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<u>401,468,235</u>	<u>430,896,515</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u><u>128,138,697</u></u>	<u><u>401,468,235</u></u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kenyatta International Convention Centre's Financial Statements have been approved on, 30 August, 2023

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Chairperson
Board of Directors

14. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS AS AT 30TH JUNE 2023

DESCRIPTION	Actuals 2022-2023(A)	2022-2023 Budget (B)	VARIANCE C(A-B)	% Variance	REMARKS (FAVORABLE) U/(UNFAVORABLE)	WHOLE YEAR BUDGET	NOTES TO EXPLANATION OF VARIANCES
	KSHS	KSHS	KSHS	%		KSHS	
Rent Revenue	310,896,979	253,670,554	57,226,425	23%	F	253,670,554	a
Leased Parking Revenue	193,541,720	196,425,000	(2,883,280)	-1%	U	196,425,000	
Conference Revenue	181,333,671	234,695,845	(53,362,174)	-23%	U	234,695,845	b
Catering	129,795,813	148,960,461	(19,164,649)	-13%	U	148,960,461	
Equipment	94,309,504	149,896,147	(55,586,642)	-37%	U	149,896,147	
Casual Parking Revenue	3,482,400	3,000,000	482,400	16%	F	3,000,000	c
Tower Viewing Revenue	19,718,284	12,000,000	7,718,284	64%	F	12,000,000	
Other sources of revenue	280,000	2,000,000	(1,720,000)	-86%	U	2,000,000	
Tourism Fund-Recurrent grant	12,000,000	-	12,000,000	0%			
GoK Recurrent grant	400,000,000	-	400,000,000	0%			
Total Revenue	1,345,358,372	1,000,648,007	344,710,365			1,000,648,007	
ADMINISTRATION COSTS							
Electricity	50,316,940	51,600,000	(1,283,060)	-2%	F	51,600,000	d
Water & Conservancy	15,183,444	15,200,000	(16,556)	0%	F	15,200,000	
Postage and Courier	9,450	112,500	(103,050)	-92%	F	112,500	e
Telephone Expenses	1,942,350	3,060,000	(1,117,650)	-37%	F	3,060,000	f
E-Mail & Internet	1,468,540	2,442,000	(973,460)	-40%	U	2,442,000	
Transport Operating Expenses	4,749,408	3,600,000	1,149,408	32%	U	3,600,000	g
Travelling & Accommodation	62,041,234	5,340,000	56,701,234	1062%	U	5,340,000	
Printing, stationery and photocopying	9,759,300	6,000,000	3,759,300	63%	F	6,000,000	h
Staff training expenses	25,416,113	25,000,000	416,113	2%	F	25,000,000	i
Staff welfare & Uniform expenses	32,606,706	28,727,000	3,879,706	14%	F	28,727,000	
Business Promotion Expenses(Entertainment)	2,925,978	750,000	2,175,978	290%	U	750,000	j
General Insurance	15,236,507	15,487,772	(251,265)	-2%		15,487,772	
Bank charges and commissions	1,373,157	1,180,000	193,157	16%	F	1,180,000	k
Membership to professional bodies	499,518	5,004,230	(4,504,712)	-90%	F	5,004,230	l
Consultancy fees	195,947,871	13,268,680	182,679,191	1377%	F	13,268,680	
Legal fees, Land rates, Licenses & Subscriptions	76,955,480	24,438,912	52,516,568	215%	F	24,438,912	m

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

	374,404,245	34,050,000	340,354,245	1000%	F	34,050,000	n
Repairs and maintenance	3,323,667	25,331,000	(22,007,333)	-87%	F	25,331,000	o
Board Expenses	874,159,908	260,592,094	613,567,814		-	260,592,094	
OTHER OPERATING EXPENSES							
Contracted Services	73,150,359	82,300,000	(9,149,641)	-11%	F	82,300,000	p
Consumable Stores	3,754,411	6,500,000	(2,745,589)	-42%	F	6,500,000	
Research and development	-	11,500,000	(11,500,000)	-100%	F	11,500,000	q
Gift shop	-	-	-	0%	F	-	
Corporate Social Responsibility/Investment	-	1,500,000	(1,500,000)	-100%	F	1,500,000	
	76,904,770	101,800,000	(24,895,230)		-	101,800,000	
STAFF COSTS(PERSONNEL EMOLUMENTS)							
Salaries Wages & Leave Allowance	508,286,094	280,909,912	227,376,182	81%	F	280,909,911	
Medical Insurance	37,544,190	40,000,000	(2,455,810)	-6%	F	40,000,000	
Casual wages	693,077		693,077	0%	U		
Gratuity & Pension	9,328,582	21,613,520	(12,284,938)	-57%	F	21,613,520	
	555,851,943	342,523,432	213,328,511		-	342,523,431	
SELLING & DISTRIBUTION COST							
Third party costs	431,357,782	110,221,975	321,135,807	291%	U	110,221,975	r
MICE & Participation in Exhibition	56,266,739	40,000,000	16,266,739	41%	U	20,000,000	s
Production of Promotion Materials	5,769,648	11,500,000	(5,730,352)	-50%	F	11,500,000	t
Advertising & Publicity	1,252,969	13,600,000	(12,347,031)	-91%	F	13,600,000	
Provision for Depreciation	67,217,849	60,000,000	7,217,849	12%	F	60,000,000	
Provision for Audit fees	2,463,999	600,000	1,863,999	311%	U	-	
Provision for Provision for debts	29,267,884	-	29,267,884	0%		-	
Replacement & Renewal Items	2,404,400	31,800,000	(29,395,600)	-92%	U	31,800,000	
	596,001,270	267,721,975	328,279,295		-	247,121,975	
Total Expenses	2,102,917,891	972,637,501	1,130,280,390		-	952,037,500	
Re-Current surplus	(757,559,519)	28,010,507	- 785,570,026	-2805%	-	48,610,507	

15. EXPLANATION OF THE VARIANCES

a) Rent revenue

The favourable variances during the year was achieved by short term leases and timely billing and collection of revenue during the year.

b) Conference, catering and equipment revenue

During the year corporation did not meet the target for the above revenue due to fact few events were held during the year. This lead to under achievement

c) Casual parking and Tower viewing revenue

During the year there was increased in vehicles parked daily this lead increase in casual parking revenue. Helipad also received a lot visits, this lead to significant increase in revenue.

d) Electricity, Water & Conservancy

Consumption of electricity significantly reduced due to utilization of solar panel installed this led to a favourable variance of Kshs. 8,999,254. Water and conservancy on the other hand had favourable variance of Kshs 16,556 this is due to high sewerage charges.

e) Postage and courier

During the year the corporation opted to use email and internet services for it communication. This led to favourable variance of Kshs. 103,050 against a budget of Kshs. 112,500

f) Telephone expense, E-mail and Internet

During the year telephone expenses decline and there was a favourable variance of Kshs. 1,117,650. Email and internet expenses during year was Kshs. 1,468,540 against a budget of Kshs 2,442,000, there was higher utilization of internet services.

g) Travelling and accommodation.

The travelling accommodation had unfavourable variance of Kshs 56,701,234. This resulted from some of the staff travelling for various trainings during the year.

h) Printing, stationery and photocopying

Since the corporation opted to leasing printing and photocopying services, it resulted to a unfavourable variance of Kshs, 3,629,633 during the year.

i) Staff training expenses and Staff welfare & uniform expenses

During the period staff training was budgeted Kshs. 25,000,000.00 against actual expenditure of Kshs 23,162,393.00 this led to favourable variance Kshs. 1,837,607.00. Staff welfare & uniform expenses had a favourable variance of Kshs. 1,122,445.00.

j) **Business promotion expenses (Entertainment)**

During the year the corporation held several business promotion meeting this led to an actual expenditure of Kshs 2,925,978 against a budget of Kshs 750,000.00

k) **Bank Charges and Commission**

The above vote head was budgeted Kshs.1,180,000.00 the actual expenditure was Kshs. 1,373,157.00 this resulted to favourable variance of Kshs. 193,157.00 due to reduced number of bank transactions in and out of our bank accounts.

l) **Membership to professional bodies**

During the year corporation spent Kshs. 499,518 on subscription to various professional bodies for both staff and corporate. There was a favourable variance of Kshs. 4,504,712.00.

m) **Consultancy fees and Legal fees, land rates licenses & subscriptions**

In the year under review there was an expenditure of Kshs. 1,064,800.00 on consultancy service this resulted into a favourable variance of Kshs 12,203,880.00. There was favourable variance of Kshs 15,392,918.00 on legal fees, Land rates, Licenses and Subscriptions.

n) **Repairs and maintenance**

During the year there were no major repairs and maintenance in the corporation this resulted in favourable variance of Kshs 23,057,731.00.

o) **Board expenses**

During the year there was no board in place this led to an expenditure of Kshs. 3,352,581.00 against a budget of Kshs. 25,331,000.00 during the year. This resulted to favourable variance of Kshs. 21,978,419.00.

p) **Contracted services**

The above vote head was budgeted Kshs. 82,300,000.00 the actual expenditure was Kshs. 73,150,359.00 this resulted to favourable variance of Kshs. 9,149,641.00.

q) **Consumables stores, Research and development, Gift shop and Corporate social responsibility**

There was an expenditure of Kshs. 3,754,411.00 against a budget of Kshs. 6,500,000.00 this lead to favourable variance Kshs. 2,745,589.00 on consumables vote heads during the year. There were no expenditure on research and development which had an allocation of Kshs. 11,500,000.00 and Corporate social responsibility which had a budget of Kshs. 1,500,000.00.

r) **Third party costs**

This are costs directly relating to event/conferencing activities, during the year corporation endeavoured in providing equipment's during conferences and exhibition this led to an actual cost of Kshs. 142,212,550 against a of budget Kshs. 110,221,975. There was favourable variance of Kshs. 31,990,575.00.

s) **MICE & Participation in Exhibition and Production of Promotion Materials**

There were two international exhibitions and several local exhibition held during the year this led to an expenditure of Kshs. 56,266,739.00 against a budget of Kshs 40,000,000. There was an expenditure of Kshs. 5,769,648.00 on production of promotion materials during the year leading to a favourable variance of Kshs. 5,730,352.00

t) **Replacement and renewals**

During the year there were no major renewals and replacement this led to an expenditure of Kshs. 2,404,400 against a budget of Kshs. 31,800,000.00.

16. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

KICC is a State Corporation established under the Tourism Act, 2011.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a. Statement of compliance and basis of preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Corporation's accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Corporation and all values are rounded to the nearest thousand (Kshs'000).

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

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.

IAS 19, 'Employee benefits', was amended in June 2012. The impact on the Company will be as follows: to immediately recognize all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset).

17. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Amendments to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. The amendment is not mandatory for the company until 1 January 2014.

IFRS 12, 'Disclosure of interest in other entities' – includes the disclosure requirements for all forms of interest in other entities, including interest in subsidiaries, associates, joint arrangements, special purpose entities and other off-balance sheet vehicles.

a) Standards, amendments and interpretations to existing standards that are not yet effective and not early adopted by the Corporation.

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the company, except the following set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities, IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurements categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the Standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess IFRS 9's full impact.

IFRS 15, 'Revenue recognition' (effective annual periods beginning on or after 1 January 2018 and early adoption is permitted). Final standard issued on 28th May 2014 proposed a five-step approach;

1. Identity contract – new definitions and additional guidance on contract combination and modification.
2. Separate performance obligation – Performance obligation is accounted for separately if it is 'distinct'; a good/ service is distinct if the customer can benefit from the good/ service on its own and it is not highly dependent on or interrelated with other promised goods/ services in the contract.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Determine transaction price – variable consideration based on probability weighted or most likely amount but is constrained up to the amount that is probable of no significant reversal in the future; reflect time value when significant; credit risk as an expense in separate line on face and measured based on IFRS 9/IAS 39;

4. Allocate transaction price – Based on a relative selling price basis; “residual approach” only used when there is performance obligation with stand-alone price which is highly variable or uncertain.

5. Recognize revenue – Model now based on control, but risk and rewards remain an indicator; criteria for satisfied over time introduced.

b) Revenue recognition

Revenue is recognised to the extent that it is probable that future economic benefits will flow to the Corporation and the revenue can be reliably measured. Revenue is recognised at the fair value of consideration received or expected to be received in the ordinary course of the Corporation’s activities, net of value-added tax (VAT), where applicable, and when specific criteria have been met for each of the Corporation’s activities as described below.

i) Revenue from the sale of goods and services are recognised in the year in which the *entity* delivers services to the customer, the customer has accepted the services and collectability of the related receivables is reasonably assured. The key revenue streams include conference activities, rent income, leased and casual parking, tower viewing and third-party revenue.

ii) Grants from National Government are recognised in the year in which the Corporation actually receives such grants and its respective expenditure done.

iii) Finance income comprises interest receivable from bank deposits and investment in Fixed Deposit Reserves (FDRs), and is recognised in profit or loss on a time proportion basis using the effective interest rate method.

iv) Rental income is recognised in the income statement as it accrues using the effective lease agreements.

v) Other income is recognised as it accrues.

c) Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost less accumulated depreciation and impairment losses.

Certain categories of property, plant and equipment are subsequently carried at re-valued amounts, being their fair value at the date of re-evaluation less any subsequent accumulated.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation and impairment losses. Where re-measurement at re-valued amounts is desired, all items in an asset category are re-valued through periodic valuations carried out by independent external valuers.

Increases in the carrying amounts of assets arising from re-valuation are credited to other comprehensive income. Decreases that offset previous increases in the carrying amount of the same asset are charged against the revaluation reserve account; all other decreases are charged to profit or loss in the income statement.

Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from the disposal with the net carrying amount of the items, and are recognised in profit or loss in the income statement.

d) Depreciation and impairment of property, plant and equipment

Freehold land and capital work in progress are not depreciated. Capital work in progress relates mainly to the cost of on-going but incomplete works on buildings and other civil works and installations.

Depreciation on property, plant and equipment is recognised in the income statement on a reducing balance basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life. The annual rates in use are:

Class of Asset

Freehold Land	0.0%
Buildings and civil works	2.5 %
Furniture	12.5 %
Others (<i>Tools, Fire extinguishers, Laptop chains</i>)	12.5 %
Carpets	12.5 %
Office equipment	30.0 %
Motor Vehicles	25.0 %
CCTV Cameras	30.0 %
Software's	33.3 %
Plant and Equipment	12.5 %
Communication Equipment	12.5 %

A full year's depreciation charge is recognised both in the year of asset purchase and in the year of asset disposal.

e) Depreciation and impairment of property, plant and equipment

Items of property, plant and equipment are reviewed annually for impairment. Where the carrying amount of an asset is assessed as greater than its estimated recoverable amount, an Impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

f) Intangible assets

Intangible assets comprise purchased computer software licences, which are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful life of the intangible assets from the year that they are available for use, usually over three years.

g) Amortisation and impairment of intangible assets

Amortisation is calculated on the straight-line basis over the estimated useful life of computer software of three years.

All computer software is reviewed annually for impairment. Where the carrying amount of an intangible asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognised so that the asset is written down immediately to its estimated recoverable amount.

h) Trade and other receivables

Trade and other receivables are recognised at fair values less allowances for any uncollectible amounts. These are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end. In the year under review a 3% general provision has been made on total debtors. Bad debts are written off after all efforts of recovery have been exhausted and write off approved by Public investment committee of parliament..

i) Taxation

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted as at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

k) Trade and other payables

Trade and other payables are non-interest bearing and are carried at amortised cost, which is measured at the fair value of contractual value of the consideration to be paid in future in respect of goods and services supplied, whether billed to the corporation or not, less any payments made to the suppliers.

l) Retirement benefit obligations

The entity operates a defined contribution scheme for all full-time employees from July 1, 2013. The scheme is administered by Jubilee Insurance and is funded by contributions from both the company and its employees. The company also contributes to the statutory

National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's Obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs.200 per employee per month.

m) Provision for staff leave pay

Employees' entitlements to annual leave are recognised as they accrue at the employees. At provision is made for the estimated liability for annual leave at the reporting date.

n) Exchange rate differences

The accounting records are maintained in the functional currency of the primary economic environment in which the Corporation operates, Kenya Shillings. Transactions in foreign currencies during the year/period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Any foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

o) Comparative figures

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

p) 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 30th June 2021.

q) Provision for employee entitlement-Staff leave pay

Employee entitlement to annual leave are recognised and paid immediately within the financial year when they accrue.

Certain employees of the Corporation are entitled to service gratuity based on resignation or termination of employment based on 31% of their basic pay for the period of time worked for. The service gratuity is provided for in the financial statements as it accrues to each employee.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

The Corporation makes estimates and assumption concerning the future. The resulting accounting estimates will by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Income taxes

The Corporation is subject to various income taxes. Significant judgement is required in determining the Corporation's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognizes liabilities or anticipated tax audit issues based on

estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made.

Gratuity scheme obligations

The present value of the gratuity obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for gratuity include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of gratuity obligations.

The Corporation relies on an independent actuary to determine the appropriate discount rate at the end of the year. This is the interest rate that should be used to determine the present value of estimate future cash outflows expected to be required to settle the pension obligations.

4. FINANCIAL RISK MANAGEMENT

The corporation's activities expose it to a variety of financial risks including credit and liquidity risks and the effects of changes in foreign currency rates. The corporation's overall risk management programme focuses on unpredictability of changes in the operating environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

i) Foreign exchange risk

ii) The corporation receives payments from clients and makes payments in US Dollars. The corporation is therefore exposed to foreign exchange risk arising primarily with respect to the US dollar transactions.

Foreign exchange risk arises from future commercial transactions, recognized income, assets and liabilities.

iii) Interest rate risk

The corporation is exposed to interest rate risk as it holds short term bank deposits at fixed interest rates.

iv) Price risk

The corporation does not hold investments that would be subject to price risk hence this risk is not relevant

v) Credit risk

The corporation's credit risk is primarily attributable to its trade receivables.

vi) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors through the senior management of the corporation. Management has built an appropriate liquidity risk management framework for the management of the corporation's short, medium and long-term funding and liquidity management requirements. The corporation manages liquidity risk by maintaining banking facilities through continuous monitoring of forecast and actual cash flows.

NOTES TO THE FINANCIAL STATEMENTS (continued)

	Actual Un- Audited 2022- 2023	Actual Audited 2021-2022
6 REVENUE		
Conference	181,333,671	113,127,675
Rent	310,896,979	299,102,075
Leased Parking	193,541,720	187,458,973
Catering	129,795,813	30,159,041
Equipment	94,309,504	39,686,121
	909,877,688	669,533,884
7 COST OF SALES		
Third party outsourcing	431,357,782	44,331,824
MICE & Participation in exhibitions	56,266,739	32,470,203
	487,624,521	76,802,027
8 GRANTS FROM NATIONAL GOVERNMENT		
Recurrent grant received (Deferred Income)	-	400,000,000
	-	400,000,000
<i>The amount received from the Ministry of Tourism and Wildlife recognised as deferred income</i>		
10 Other Income		
Casual Parking	3,482,400	1,698,348
Tower viewing	19,718,284	5,300,074
Other sources	280,000	24,110
Tourism Fund-Recurrent	12,000,000	
GoK grant-Recurrent	400,000,000	
	435,480,684	7,022,532
11 Depreciation and Amortization		
Buildings & civil works	41,737,783	
Furniture & Fittings	2,713,403	
Office equipment	2,443,502	
Motor vehicle	4,932,500	
Plant & equipment	379,688	
Communication Equipment	2,268,726	
Amortization of Intangible Assets	3,618,791	
Prior year adjustment (Intangible Asset)	9,123,456	
	67,217,849	
12 ADMINISTRATION COSTS		
Staff costs (note 12b)	555,851,943	231,899,632
Directors emoluments	3,323,667	5,095,352
Electricity and water	65,500,384	54,385,208
Communication services and supplies(Postage,Telephone,Email&Internet)	3,420,340	2,606,176
Transportation, travelling and subsistence(Transport operating expenses,Travelling & Accomodation.)	66,790,642	32,444,814
Printing, stationery and photocopying	9,759,300	9,629,633
Staff training expenses	25,416,113	15,772,307

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

Hospitality supplies and services(Entertainment& Staff Welfare)	35,532,684	22,705,070
Insurance costs(general)	15,236,507	13,982,170
Bank charges and commissions	1,373,157	910,001
Auditors' fees	2,463,999	1,464,000
Consultancy fees	195,947,871	1,391,140
Legal fees, licence & rates	76,955,480	4,578,122
Repairs and maintenance	374,404,245	17,866,030
Other operating expenses(CSI,Mship to Prof bodies,Contracted Services,Consumables,R&D,Replacement and renewals)	79,808,688	63,228,783
Provision for bad debts	29,267,884	25,365,041
	1,541,052,904	503,323,479
12b Staff Costs		
Salaries and allowances of permanent employees	508,286,094	181,806,293
Gratuity, Pension and Retirement Benefits	9,328,582	10,096,011
Medical expenses	37,544,190	39,997,328
Casual	693,077	
	555,851,943	231,899,632
The average number of employees at the end of the year was:		
Permanent employees – Management	135	128
	135	128
13 SELLING AND DISTRIBUTION COSTS		
Advertising and publicity	1,252,969	697,759
Production of promotional materials	5,769,648	1,124,080
	7,022,617	1,821,839
14 INCOME TAX EXPENSE/(CREDIT)		
(a) Current taxation		
Current taxation based on the adjusted profit for the year at 30%	(227,267,856)	10,663,361
	(227,267,856)	10,663,361
17 INVENTORIES		
Technical Items	287,780	793,485
Housekeeping Items	282,381	1,428,100
ICT items	3,612,770	380,832
Stationery Items	1,220,195	818,194
Promotional Items	1,766,150	201,830
Consumables	4,500	213,072
Security Items	-	
	7,173,776	3,835,513
18 TRADE AND OTHER RECEIVABLES		
Net trade receivables (note 19a)	946,328,252	820,136,325

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

	Deposits and prepayments		
	Gross trade and other receivables	946,328,252	820,136,325
19a	TRADE RECEIVABLES		
	Trade receivables	975,596,136	845,501,366
	General provision for Bad Debts	(29,267,884)	(25,365,041)
	Net trade Receivables	946,328,252	820,136,325
19c	STAFF RECEIVABLES		
	Gross car loans & salary advance	5,957,682	7,478,900
	Staff Imprest	2,049,704	384,400
20	CORPORATION TAX LIABILITY		
	At beginning of the year	156,299,714	145,636,354
	Income tax charge for the year	(227,267,856)	10,663,361
	Income tax paid during the year		
	At end of the Year	(70,968,141)	156,299,714
21	CASH AND CASH EQUIVALENTS		
	BANK AND CASH BALANCES		
	BANK & BRANCH		
	Kenya Commercial Bank - KICC-Operations	33,241,896	20,532,834
	Kenya Commercial Bank - KICC-Development	3,707,447	1,912,010
	Kenya Commercial Bank - KICC-USD.558,995.84	78,259,418	16,247,951
	Co-operative Bank - CITYHALL-Operations	12,929,936	362,775,441
	Petty Cash		
	MPESA Control ACC		
	TOTAL CASH AND CASH EQUIVALENTS	128,138,697	401,468,235
	<i>[The bulk of the cash at bank was held at Cooperative Bank of Kenya and Kenya Commercial Bank, the Corporation's main bankers.]</i>		
22	CAPITAL FUND		
	Work in progress Investment (Refurbishment of Tsavo and Rehabilitation of Fountain)		
	Capital contribution	3,933,446,000	3,933,446,000
		3,933,446,000	3,933,446,000
	<i>The Corporation is a parastatI wholly(100%) owned by Government of Kenya,the Capital Reserve includes the original valuation of the Corpration and subsequent grants received from the Government.</i>		
23	REVALUATION RESERVE		
	Surplus on Revaluation of Property Plant & Equipment(PPE)	1,137,438,325	1,137,438,325
		1,137,438,325	1,137,438,325
24	RETAINED EARNINGS		
	<i>The retained earnings represent amounts utilised to finance the Corporation's business activities.</i>		
	At the beginning of the year	55,330,340	30,449,165
	Net Profit for the year	(530,291,663)	24,881,175
	Prior year adjustment (Custom duty)	(80,000,000)	

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

	Prior year adjustment (Pending bill not verified)	(61,536,219)	
	At the close of the year	(616,497,543)	55,330,340
25	TRADE AND OTHER PAYABLES		
	Trade payables	153,805,053	338,197,526
	Provisions for WTO pending bills	83,908,475	109,643,534
	Provisional for court yard renovation phase 1	52,411,665	52,411,665
	VAT Liability	31,296,960	76,463,003
	Income tax charge for the quarter	-	
	Other Payables-Deposits & Prepayments	-	
	Provisions for Upgrade Of ERP system	22,150,000	
	Provisions for gratuity	15,784,073	10,096,011
	Provisions Salary Review	308,502,480	
	Provision for legal contingency	67,909,486	
	Accrued expenses	14,603,376	12,674,108
	Deffered Income (note 8)	-	400,000,000
		750,371,568	999,485,847
26	NOTES TO THE STATEMENT OF CASHFLOWS		
	(a) Reconciliation of operating profit/ (loss) to Cash generated from/ (used in) operations		
	Operating profit/ (loss)	(757,559,519)	35,544,535
	Depreciation and amortization	67,217,849	59,064,535
	Prior year adjustment on WIP	857,117,999	
	Operating profit/ (loss) before working capital changes	166,776,329	94,609,071
	(Increase)/decrease in Inventories	(3,338,263)	(2,277,115)
	(Increase)/decrease in trade and other receivables	(126,191,927)	(394,051)
	Increase/ (decrease) in trade and other payables	(249,114,279)	(73,582,066)
	Increase/ (decrease) in staff advances and loans	(1,521,218)	812,143
	Cash generated from/ (used in) operations	(213,389,358)	19,167,981
	(b) Analysis of cash and cash equivalents		
	Cash at bank	128,138,697	401,468,235
	Balance at end of the year	128,138,697	401,468,235
27	RELATED PARTY TRANSACTIONS DISCLOSURES		
	<i>The Corporation is wholly owned and controlled by the Government of Kenya through the Ministry of Tourism; there are no other companies which are related to the Corporation.</i>		
	The following transactions were carried out with related parties:		100,000,000
	i) Key management compensation		
	Salaries and other short-term employment benefits	555,851,943	231,899,632
	ii) Directors' remuneration		
	The Board of Directors remuneration for last twelve (12) months	3,352,581	5,095,352
	(iii) Employees		
	<i>The Corporation provides certain qualifying employees with car loans on terms more favourable than available in the market. The benefit obtained by staff is subjected to income tax as required under the Kenya Income Tax Act.</i>	135	135

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 PROPERTY, PLANT AND EQUIPMENTS (PPE)

DETAILS	Freehold land KSHs	Buildings & civil works KSHs	Furniture & Fittings KSHs	Office equipment KSHs	Motor vehicle KSHs	Plant & equipment KSHs	Communication Equipment KSHs	Capital work in progress KSHs	Total KSHs
COST OR VALUATION									
At July, 2019 (Cost)	1,000,000,000	1,662,051,927	108,558,625	14,165,000	13,015,000	33,980,625	166,647,400	1,033,111,344	4,031,529,921
Additional									
Capital Revaluation Reserve	1,296,000,000	2,748,073	(87,907,134)	(7,791,160)	6,715,000	(31,258,125)	(149,015,465)	84,231,140	1,113,722,329
At 30th June 2020 at Valuation	2,296,000,000	1,664,800,000	20,651,491	6,373,840	19,730,000	2,722,500	17,631,935	1,117,342,484	5,145,252,250
DEPRECIATION									
At July 2019	-	-	-	-	-	-	-	-	-
Charge for the Year	-	41,620,000	2,580,213	1,912,155	4,932,500	340,313	2,203,467	-	53,588,648
Prior year adjustment									
At 30th June 2020	-	41,620,000	2,580,213	1,912,155	4,932,500	340,313	2,203,467	-	53,588,648
At July, 2019 at Valuation	2,296,000,000	1,664,800,000	20,651,491	6,373,840	19,730,000	2,722,500	17,631,935	1,117,342,484	5,145,252,250
At 30th June 2020	2,296,000,000	1,623,180,000	18,071,278	4,461,685	14,797,500	2,382,187	15,428,468	1,117,342,484	5,091,663,602
Balance As at 30th September 2020	2,296,000,000	1,623,180,000	18,071,278	4,461,685	14,797,500	2,382,187	15,428,468	1,117,342,484	5,091,663,602
DEPRECIATION									
At Sept 2020	-	-	-	-	-	-	-	-	-
Depreciation for the quarter ending 30th Sept 2020	-	10,490,521	650,651	481,969	1,243,260	85,777	555,527	-	13,507,705
Accumulated Dep as at 30th Sept 2020	-	52,110,521	3,230,864	2,394,124	6,175,760	426,090	2,758,994	-	67,096,353
At July, 2019 at Valuation	2,296,000,000	1,664,800,000	20,651,491	6,373,840	19,730,000	2,722,500	17,631,935	1,117,342,484	5,145,252,250
Net book value as at 30th Sept 2020	2,296,000,000	1,612,689,479	17,420,627	3,979,716	13,554,240	2,296,410	14,872,941	1,117,342,484	5,078,155,897
Balance As at 30th September 2020	2,296,000,000	1,612,689,479	17,420,627	3,979,716	13,554,240	2,296,410	14,872,941	1,117,342,484	5,078,155,897
Additional	-	-	639,038	148,000	-	-	-	-	787,038
Transfer from WIP-Prior year adjustment	-	-	-	-	-	-	-	-	-
DEPRECIATION									
As at 31st Dec 2020	-	10,490,521	650,651	481,969	1,243,260	85,777	555,527	-	13,507,705
Depreciation for the quarter ending 31st Dec 2020	-	62,601,041	3,881,515	2,876,093	7,419,021	511,868	3,314,521	-	80,604,059
Accumulated Dep as at 31st Dec 2020	-	1,602,198,959	17,409,014	3,645,747	12,310,979	2,210,632	14,317,414	1,117,342,484	5,065,435,229
NET BOOK VALUE AS AT 31ST DEC 2020	2,296,000,000	1,602,198,959	17,409,014	3,645,747	12,310,979	2,210,632	14,317,414	1,117,342,484	5,065,435,229
Additional	-	-	-	935,000	-	-	-	-	935,000

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

Transfer from WIP-Prior year adjustment																							
DEPRECIATION																							
As at 31st March 2021																							
Depreciation for the quarter ending 31st Mar 2021																							13,288,669
Accumulated Dep as at 31st March 2021																							93,892,728
NET BOOK VALUE AS AT 31st Mar 2020	2,296,000,000	1,591,936,493	16,772,522	4,039,132	11,094,747	9,865,000	2,041,874	13,215,430	1,117,342,484														5,053,081,560
Additional																							
Transfer from WIP-Prior year adjustment																							3,460,828
DEPRECIATION																							
As at 30th June 2021																							
Depreciation for the quarter ending 30th June 2021																							13,529,285
Accumulated Dep as at 30th June 2021																							107,422,013
NET BOOK VALUE AS AT 30th JUNE 2021	2,296,000,000	1,584,934,307	16,128,909	3,485,098	9,865,000	2,041,874	13,215,430	1,117,342,484															5,043,013,102
Additional																							
Transfer from WIP-Prior year adjustment																							
DEPRECIATION																							
As at 30th Sept 2021																							
Depreciation for the quarter ending 30th Sept 2021																							13,512,303
Accumulated Dep as at 30th June 2021																							120,934,317
NET BOOK VALUE AS AT 30th Sept 2021	2,296,000,000	1,574,443,786	15,478,258	3,003,129	8,621,740	1,956,097	12,655,305	1,117,342,484															5,028,215,046
Additional																							
Transfer from WIP-Prior year adjustment																							
DEPRECIATION																							
As at 30th Sept 2021																							
Depreciation for the quarter ending 31st Dec 2021																							13,516,350
Accumulated Dep as at 31st December 2021																							134,450,667
NET BOOK VALUE AS AT 31st Dec 2021	2,296,000,000	1,563,953,266	14,827,607	2,521,160	7,378,479	1,870,320	12,182,512	1,117,342,484															5,014,698,696
Additional																							
Transfer from WIP-Prior year adjustment																							
DEPRECIATION																							
As at 31st March 2022																							
Depreciation for the quarter ending 31st March 2022																							13,230,007
Accumulated Dep as at 31st March 2022																							147,680,674
NET BOOK VALUE AS AT 31st March 2022	2,296,000,000	1,553,690,800	14,191,115	2,049,670	6,162,247	1,786,407	11,623,098	1,117,342,484															5,001,468,689
Additional																							
Transfer from WIP-Prior year adjustment																							48,596,261

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

DEPRECIATION												
As at 31st March 2022												
Depreciation for the quarter ending 30th June 2022	-	10,680,220	643,612.68	476,731	1,229,747	84,845	565,623	-	-	-	-	13,680,779
Accumulated Dep as at 30th June 2022	-	125,250,248	7,743,026	5,883,901	14,797,500	1,020,938	6,665,840	-	-	-	-	161,361,453
NET BOOK VALUE AS AT 30th June 2022	2,296,000,000	1,591,606,841	13,547,503	1,572,939	4,932,500	1,701,562	11,057,475	1,117,342,484	-	-	-	5,036,384,170
Additional	-	5,362,680.00	-	-	-	-	-	-	-	-	-	5,362,680
Transfer from WIP-Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	-
DEPRECIATION												
As at 30th Sept 2022												
Depreciation for the quarter ending 30th Sept 2022	-	10,557,554	650,651	481,969	1,243,260	85,777	571,842	-	-	-	-	13,591,054
Accumulated Dep as at 30th Sept 2022	-	135,807,802	8,393,677	6,365,870	16,040,760	1,106,716	7,237,682	-	-	-	-	174,952,508
NET BOOK VALUE AS AT 30th Sept 2022	2,296,000,000	1,586,411,967	12,896,851	1,090,970	3,689,240	1,615,784	10,485,632	1,117,342,484	-	-	-	5,028,155,796
Additional	-	8,120,000.00	-	-	-	-	-	-	-	-	-	8,120,000
Transfer from WIP-Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	-
DEPRECIATION												
As at 31st Dec 2022												
Depreciation for the quarter ending 31st Dec 2022	-	10,541,270.55	650,644.62	481,969	1,243,260	85,777	571,847	-	-	-	-	13,574,769
Accumulated Dep as at 30th Sept 2022	-	146,349,073	9,044,322	6,847,839	17,284,021	1,192,493	7,809,529	-	-	-	-	188,527,276
NET BOOK VALUE AS AT 31st Dec 2022	2,296,000,000	1,591,840,696	12,246,207	609,001	2,445,979	1,530,007	9,913,786	1,117,342,484	-	-	-	5,022,701,028
Additional	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from WIP-Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	-
DEPRECIATION												
As at 31st March 2023												
Depreciation for the quarter ending 31st March 2023	-	10,262,465.76	636,492	481,969	1,216,233	83,913	559,414	-	-	-	-	13,240,486
Accumulated Dep as at 31st March 2023	-	156,611,538	9,680,814	7,329,808	18,500,253	1,276,406	8,368,943	-	-	-	-	201,767,762
NET BOOK VALUE AS AT 31st March 2023	2,296,000,000	1,581,578,230	11,609,715	127,032	1,229,747	1,446,094	9,354,372	1,117,342,484	-	-	-	5,018,687,674
WIP (Refurbishment of Tsavo and Rehabilitation of Fountain)	-	-	-	-	-	-	-	-	-	-	-	-
Upgrade of ERP system	-	-	4,850,000	10,498,000	-	1,109,500	-	-	-	-	-	16,457,500
Additional	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from WIP-Prior year adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Erroneous Repairs and maintenance included as WIP	-	-	-	-	-	-	-	(363,411,976)	-	-	-	(363,411,976)
Erroneous printing and Stationery included as WIP	-	-	-	-	-	-	-	(7,424,000)	-	-	-	(7,424,000)
Erroneous Third Party expenses included as WIP	-	-	-	-	-	-	-	(291,398,952)	-	-	-	(291,398,952)
Erroneous Consultancy expenses included as WIP	-	-	-	-	-	-	-	(194,883,071)	-	-	-	(194,883,071)
Erroneous inclusion of payment for ERP system included as WIP	-	-	-	-	-	-	-	(9,123,456)	-	-	-	(9,123,456)
Erroneous inclusion of payment for KRA included	-	-	-	-	-	-	-	(80,000,000)	-	-	-	(80,000,000)

Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

as WIP													
Erroneous inclusion of pending bill not verified included as WIP												(61,536,219)	(61,536,219)
Prior year adjustment on assets	57,131,942	6,813,760	1,260,000									(65,205,702)	
DEPRECIATION													
As at 30th June 2023													
Depreciation for the quarter ending 3 2023	-	775,616	997,595	1,229,746	124,220	565,623						14,069,294	
Accumulated Dep as at 31st March 2023	-	17,270,189	8,327,403	19,730,000	1,400,626	8,934,566						279,782,758	
NET BOOK VALUE AS AT 30th June 2023	2,296,000,000	1,628,333,679	10,887,437	0	2,431,374	8,788,748	44,359,108					4,013,298,206	

NOTE NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
16 INTANGIBLE ASSET AND SOFTWARE

DETAILS	Softwares
	Kshs
COST OR VALUATION	
At July, 2019 (Cost)	13,068,509
Additions	
Capital Revaluation Reserve	23,715,995
At 30th June 2020 at Valuation	36,784,504
AMORTIZATION	
At July 2019	
Charge for the Year	12,088,335
Prior year adjustment	
At 30th June 2020	12,088,335
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
At 30th June 2020	24,696,169
AMORTIZATION	
As at Sept 2020	
Amortization for the quarter ending 30th Sept 2020	2,057,808
Prior year adjustment	
Accumulated Amortization as at 30th Sept 2020	14,146,143
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 30th Sept 2020	22,638,361
AMORTIZATION	
As at Dec 2020	
Amortization for the quarter ending 31st Dec 2020	1,886,341
Prior year adjustment	
Accumulated Amortization as at 31st Dec 2020	16,032,484
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 31st December 2020	20,752,020
AMORTIZATION	
As at March 2021	
Amortization for the quarter ending 31st March 2021	1,729,162
Prior year adjustment	
Accumulated Amortization as at 31st March 2021	17,761,646
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 31st March 2021	19,022,858
AMORTIZATION	
As at June 2021	
Amortization for the quarter ending 30th June 2021	1,585,080
Prior year adjustment	
Accumulated Amortization as at 30th June 2021	19,346,726
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 30th June 2021	17,437,778
AMORTIZATION	
As at Sept 2021	

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Amortization for the quarter ending 30th June 2021	1,453,00
Prior year adjustment	
Accumulated Amortization as at 30th Sept 2021	20,799,729
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 30th Sept 2021	15,984,775
As at Dec 2021	
Amortization for the quarter ending 30th June 2021	1,331,931
Prior year adjustment	
Accumulated Amortization as at 30th Dec 2021	22,131,660
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 31st Dec 2021	14,652,844
As at March 2022	
Amortization for the quarter ending 31st March 2022	1,220,948
Prior year adjustment	
Accumulated Amortization as at 31st March 2022	23,352,608
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 31st March 2022	13,431,896
As at June 2022	
Amortization for the quarter ending 30th June 2022	1,119,213
Prior year adjustment	
Accumulated Amortization as at 30th June 2022	24,471,821
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 30th June 2022	12,312,683
As at Sept 2022	
Amortization for the quarter ending 30th Sept 2022	1,025,954
Prior year adjustment	
Accumulated Amortization as at 30th Sept 2022	25,497,775
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 30th Sept 2022	11,286,729
As at Dec 2022	
Amortization for the quarter ending 31st Dec 2022	940,467
Prior year adjustment	
Accumulated Amortization as at 31st Dec 2022	26,438,242
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 31st Dec 2022	10,346,262
As at March 2023	
Amortization for the quarter ending 31st March 2023	862,102
Prior year adjustment	
Accumulated Amortization as at 31st March 2023	27,300,344
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 31st March 2023	9,484,160
As at June 2023	
Amortization for the quarter ending 30th June 2023	790,268
Prior year adjustment	
Accumulated Amortization as at 31st March 2023	28,090,612
Upgrade of ERP (WIP)	22,150,000
NET BOOK VALUE	
At July, 2019 at Valuation	36,784,504
Net book value as at 30th June 2023	30,843,892

18. DISCLOSURE:

Name of the Valuing Firm: SYAGGA AND ASSOCIATES LIMITED-RESEARCH & DEVELOPMENT CONSULTANTS

Qualifications: Prof Maurice Syagga PhD.MISK, Registered and Licensed Valuer.

Revaluation basis applied: For book purposes at market value, and the insurable value for insurance purposes.

Date of Valuation: 15th December 2017

CONTIGENCIES

i) World Trade Organization Conference (2015)

Kenya won the bid to host the 10th World Trade Organization (WTO) Ministerial Conference held from 15th to 18th December 2015. An Inter-Ministerial Organization Committee was established to coordinate all the activities geared towards successful hosting of the Conference. Several WTO related projects were initiated and procured without following laid out procurement procedures and regulations. The Corporation had recognized a provision of Kshs.431Million as potential liabilities in its books. After verification of accruing pending bills by office of Auditor General, Kshs.198.4Million has been settled based on the recommendation by Office of the Auditor General.

Out of the verified outstanding pending bill; there was payment a payment of Kshs 25.7 Million during the year. The Corporation continues to carry a further provision of Kshs 83.9 Million on WTO related pending bills in its books.

PENDING BILLS -2015(VERIFIED & RECOMMENDED FOR PAYMENT BY KENAO)		
NO.	NAME OF SUPPLIER	AMOUNT
1	Tintin Restaurant	23,487,374
2	Safaripark Hotel & Casino	21,147,262
3	Sage Media	20,000,000
4	Radar Security Services Limited	18,270,078
5	Bella Kitchen	9,012,478
6	Viable Deco	6,813,760
7	Express Automation	6,000,800
8	Combiat Agencies	5,400,000
9	Silverpearl Creations	5,204,393
10	Thames Electrical	5,020,178
11	Nordica Logistics	4,500,000
12	Capital Group Limited 98.4 FM	4,126,600
13	Pillar Audio Visual Services Limited	3,436,540
14	Mema Trader Company Limited	3,244,899
15	Classique Concepts	3,001,920
16	Conference Caterers	2,992,166
17	Elzika Enterprises	2,438,100
18	House 7 Degrees	2,436,240
19	Hathaway General Merchants	2,067,300
20	Shwester Supplies Limited	2,066,873
21	Repcon Group Limited	1,970,000
22	Sukali & Associates Company	1,950,000
23	Mansard Contractors	1,942,850
24	Punja Supplies Limited	1,928,562

PENDING BILLS -2015(VERIFIED & RECOMMENDED FOR PAYMENT BY KENAO)		
NO.	NAME OF SUPPLIER	AMOUNT
25	Skyvin Limited	1,926,800
26	Milda Agencies	1,870,881
27	Moment Contractors Limited	1,654,900
28	Tango Logistics	1,605,500
29	Bluryl Media Limited	1,357,200
30	Africa Metal Detectors	1,183,200
31	Proximus Company Limited	1,149,960
32	Opticom Kenya Limited	1,095,602
33	Joel E.D Nyaseme and Associates	986,000
34	Ravina Agencies Limited	981,000
35	Nuritek	750,000
36	Marsland Services	542,920
37	Compassy Trading Company Limited	496,500
38	Sap International Company Limited	495,000
39	Creative Consolidated Systems	485,000
40	Candoors Business Services	477,365
41	Dew Capital Investments Ltd	471,225
42	Fairdeal Superstores Ltd	449,995
43	Artoffice Furniture Limited	434,800
44	Philiki Enterprises	431,740
45	Maline General Supplies	412,500
46	Kenfront Consortium	400,500
47	Aguilla Ventures Limited	397,285
48	Prifannic Creations Limited	390,000
49	Sajucy Company Limited	381,000
50	Tamata Supplies	338,305
51	Chana Construction	247,500
52	Fachimo Florist	201,000
53	Rescuemed Supplies	175,392
54	Aristoc Ltd	164,220
55	Unique loo	142,912
56	Albin Enterprises Limited	107,600
57	Becitech Technologies	96,940
58	Advision Limited	92,220
59	Jaruh Supplies	52,500
60	Security Group Limited	14,616
	Total	180,918,452
	Amount paid during the quarter	
1	Safaripark Hotel & Casino	3,216,645
2	Safaripark Hotel & Casino	21,147,262
3	Thames Electrical	5,204,393
	Total	29,568,300
	Balance as 30th September 2021	151,350,152
1	Radar Security Services Limited	18,270,078
2	Pillar Audio Visual Services Limited	3,436,540
		21,706,618
	Balance as 31st Decemberr 2021	129,643,534
	Balance as 31st March 2022	129,643,534
1	Sage Media	20,000,000
	Balance as 30th June 2022	109,643,534

The Kenyatta International Convention Centre Financial Statements for the year ended 30th June 2023

PENDING BILLS -2015(VERIFIED & RECOMMENDED FOR PAYMENT BY KENAO)		
NO.	NAME OF SUPPLIER	AMOUNT
1	Bella Kitchens & Interiors Ltd	9,012,478.00
2	Combiat Agencies	5,400,000.00
3	Maline General Supplies	412,500.00
4	Proximus co. Ltd	1,149,960.00
5	Punja Supplies	1,928,562.00
6	Schwester Supplies Limited	2,066,873.00
7	Sukali & Associates	1,950,000.00
8	Tamata Suppliers Limited	338,305.00
9	Tango Logistics	1,605,500.00
	Balance as 31st Dec 2022	85,779,356.00
1	Milda Agencies	1,870,881.00
	Balance as 30th March 2023	83,908,475.00
	Balance as 30th June 2023	83,908,475.00

ii) Tax Liability

Tax liability is Kshs.222.8 Million made up of corporate tax of Kshs.191.5 Million and VAT liability of Kshs. 31.3 Million. The corporation remains committed to settling pending tax liabilities as and when funds are available. Due to cash flow constraints, the Corporation continues to implement the payment of instalment plan of approximately Kshs.5 Million per Month. During the year Corporation managed to pay Ksh.45.2 Million on VAT arrears.

iii). Pending Litigation

The Corporation has 15(Fifteen) Cases pending in different Courts i.e. Employment and Labour Relations Court, land Matters, Commercial Matters, Judicial Review Matters and Tenancy/ Landlord disputes. Depending on the outcome of the cases the total contingent liabilities arising from the same is approximately 450 (Four Hundred and Fifty) Million.

19. AUDIT RECOMMENDATIONS

Reference No on the external audit report	Issue/Observations from Auditor	Management Comments	Focal Point Person to resolve the issue	Status (Resolved /Not resolved)	Time frame
1.1	Lack of title to COMESA, courtyard Land, Garden square restaurant	The Corporation is in talk with the relevant Government agencies with an aim of getting title for the said pieces of land.	CEO	Not resolved	On going
2.1	Long outstanding debts	Given that most of the KICC sales are on credit, the debt portfolio has increased in tandem with the increase in sales. However, management is in the process of contracting the services of debt collectors to assist in debt recovery.	CEO	Not Resolved	On going
3.0	Outstanding debts for staff who left the organization	Demand notices to former members of staff to clear outstanding debts. So far 2 former members of staff have fully paid up their debts	CEO	Not resolved	On going
4.0	Flawed procurement process- (WTO) Conference	Special audit for WTO projects was undertaken by KENAO and resultant bills recommended for payment settled.	CEO	Not Resolved	On going

Patricia Ondeng'
Ag. Chief Executive Officer

CPA, CS. James Mwaura
Director Corporate Services
ICPAK Member No. 14575

Hon. Adelina Mwau, OGW
Chairperson
Board of Directors