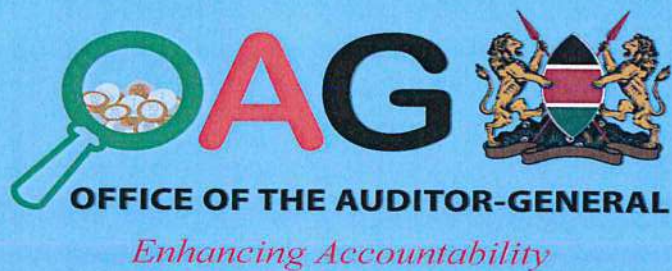


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

**NAIROBI CENTRE FOR INTERNATIONAL
ARBITRATION**

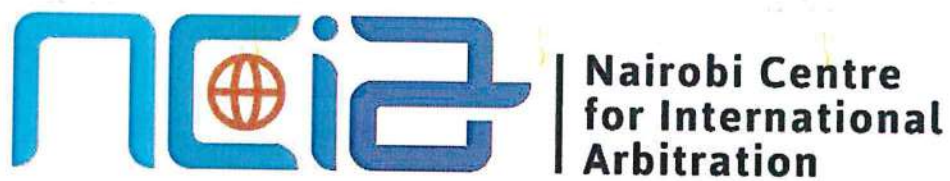
**FOR THE YEAR ENDED
30 JUNE, 2022**



**ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2022**

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for International
Arbitration



**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2022**

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

**Nairobi Centre for International Arbitration
Annual Reports and Financial Statements
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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Nairobi Centre for International Arbitration (NCIA) is a state corporation established by an Act of Parliament vide NCIA Act No. 26 of 2013 as a Centre for promotion of international commercial arbitration and other forms of dispute resolution mechanisms. The Centre offers a neutral venue for the conduct of international arbitration with commitment to providing institutional support to the arbitral process. In addition, the Centre caters for domestic arbitration and other forms of dispute resolution such as mediation.

The Vision of NCIA is: *"The Premier Centre of Choice for Alternative Dispute Resolution"*. The Mission is: *"To be recognized as a Centre for International Commercial Arbitration and Alternative Dispute Resolution through provision of quality and innovative processes"*. The Core Values are: Fairness and Impartiality; Confidentiality; Integrity; and Efficiency and Effectiveness.

(b) Principal Activities

The principal activity/mission of the **Nairobi Centre for International Arbitration** is to;

- (a) promote, facilitate and encourage the conduct of international commercial arbitration in accordance with this Act;
- (b) administer domestic and international arbitrations as well as alternative dispute resolution techniques under its auspices;
- (c) ensure that arbitration is reserved as the dispute ' resolution process of choice;
- (d) develop rules encompassing conciliation and mediation processes;
- (e) organize international conferences, seminars and training programs for arbitrators and scholars;
- (f) coordinate and facilitate, in collaboration with other lead agencies and non-State actors, the formulation of national policies, laws and plans of action on alternative dispute resolution and facilitate their implementation, enforcement, continuous review, monitoring and evaluation;
- (g) maintain proactive co-operation with other regional and international institutions in areas relevant to achieving the Centre's objectives;
- (h) in collaboration with other public and private agencies, facilitate, conduct, promote and coordinate research and dissemination of findings on data on arbitration and serve as repository of such data;
- (i) establish a comprehensive library specializing in arbitration and alternative dispute resolution;
- (j) provide ad hoc arbitration by facilitating the parties with necessary technical and administrative assistance at the behest of the parties;
- (k) provide advice and assistance for the enforcement and translation of arbitral awards;
- (l) provide procedural and technical advice to disputants;

- (m) provide training and accreditation for mediators and arbitrators;
- (n) educate the public on arbitration as well as other alternative dispute resolution mechanisms;
- (o) enter into strategic agreements with other regional and international bodies for purposes of securing technical assistance to enable the Centre achieve its objectives;
- (p) provide facilities for hearing, transcription and other technological services; and
- (q) manage and apply the Fund In accordance with the provisions of this Act; and perform such other functions as may be conferred on it by this Act or any other written law.

(c) Key Management

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

1. Board of Directors

The Board of Directors is composed of professionals. The directors are accomplished practitioners with multiple skills that assure the proper functioning and administration of the Centre. They are as listed below:

S/No.	Director	Designation
1.	Jacqueline Oyuyo Githinji	Chairperson
2.	Lawrence Waigi Kamau	Member
3.	Pauline Mcharo	Member
4.	James Muruthi Kihara	Member
5.	Judith Omange	Member
6.	Ashif Kassam	Member
7.	Samuel Mbiriri Nderitu	Member
8.	Aisha Abdallah	Member
9.	Judith Omange	Member
10.	Kananu Mutea	Member
11.	L. Muiruri Ngugi	Secretary

2. Accounting officer/ Chief Executive Officer

The Accounting Officer of the Centre is Mr. L. Muiruri Ngugi who is the Registrar and Chief Executive Officer.

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3. Management

Daily management of NCIA is tasked to the Registrar/CEO and a team of professionals who head various departments and units at the Centre. They are as listed below:

S/No.	Name	Designation
1.	L. Muiruri Ngugi	Registrar/CEO
2.	Millicent Shitakha	Manager Business Development
3.	Victor Ogunyo	Manager Corporate Support Services
4.	Angelica Kimani	Principal Internal Auditor
5.	Alex Mwaniki	Senior Case Counsel

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

S/No.	Name	Designation
1.	L. Muiruri Ngugi	Registrar/CEO
2.	Millicent Shitakha	Manager Business Development
3.	Victor Ogunyo	Manager Corporate Support Services
4.	Judith Agala	Principal HR & Administration Officer
5.	David Wambua	Principal Communication & Marketing Officer
6.	Diana Njeru	Senior Finance/Accounts Officer
7.	Alex Mwaniki	Senior Case Counsel
8.	Arnold Ndukuyu	Senior ICT Officer
9.	Anne Kago	Senior Supply Chain Management Officer
10.	Irene Nyamasi	Senior Corporate Strategy Officer
11.	Lorna Kerubo	Capacity Building Officer

(e) Fiduciary Oversight Arrangements

In discharging its mandate, the Centre under the leadership of the Registrar/CEO establishes such committees as are necessary for the performance of its duties. In the 2021-2022 financial year the following committees were constituted to undertake specific functions as indicated:

1. Budget Implementation Committee

This committee was formed pursuant to the Public Finance Management (PFM) Act 2012 and the Public Finance Management (PFM) Regulations 2015 to give suggestions, modifications and recommendations on budget processes; to review quarterly budget reports and make recommendations before submission to management; to develop and implement strategies that improve efficiency and achieve budgetary goals; and to ensure full compliance with National Treasury circulars and other government regulations on budgeting.

In the financial year ended 30th June 2022 the membership of this committee was as indicated below:

S/No.	Name	Role
1.	Victor Ogunyo	Chairperson
2.	Moses owili	Secretary
3.	Millicent Shitakha	Member
4.	Judith Agala	Member
5.	David Wambua	Member
6.	Alex Mwaniki	Member
7.	Angelica Kimani	Member
8.	Arnold Ndukuyu	Member
9.	Anne Kago	Member
10.	Irene Nyamasi	Member
11.	Lorna Kerubo	Member
12.	Sarah Omete	Secretariat
13.	Charles Lutta	Secretariat

2. Human Resource Management Advisory Committee

This committee was established under Section 2.14.1 of the NCIA Human Resource Policies and Procedures Manual to advise the Registrar/CEO on issues relating to human resource management and development. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No.	Name	Role
1.	Victor Ogunyo	Chairperson
2.	Judith Agala	Secretary
3.	Alex Mwaniki	Member
4.	Millicent Shitakha	Member
5.	Arnold Ndukuyu	Member
6.	Anne Kago	Member
7.	Diana Njeru	Member

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3. Strategic Planning Monitoring and Evaluation Committee

This committee was established to develop the Centre's annual work plan, oversee implementation of the strategic plan and report quarterly to the Board on the progress of the strategic plan implementation. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No.	Name	Role
1.	L. Muiruri Ngugi	Chairperson
2.	Irene Nyamasi	Secretary
3.	Millicent Shitakha	Member
4.	Victor Ogunyo	Member
5.	Judith Agala	Member
6.	David Wambua	Member
7.	Arnold Ndukuyu	Member
8.	Anne Kago	Member
9.	Lorna Kerubo	Member
10.	Alex Mwaniki	Member

4. Performance Contract Committee

This committee was established to prepare, periodically monitor and report to the Board on the implementation of the 2021/2022 Centre's Performance Contract. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No.	Name	Role
1.	Millicent Shitakha	Chairperson
2.	Irene Nyamasi	Secretary
3.	Victor Ogunyo	Member
4.	Dickson Toroitich	Member
5.	David Wambua	Member
6.	Alex Mwaniki	Member
7.	Arnold Ndukuyu	Member
8.	Anne Kago	Member
9.	Lorna Kerubo	Member

5. Public Complaints Committee

This committee was established in accordance with the Commission on Administrative Justice Act 2011 with the mandate to promote the sensitization of staff and other stakeholders on complaints handling; receive, process and oversee the resolution of complaints; coordinate complaints handling activities in the organization; and ensure compliance with the guidelines of the Commission on resolution of public complaints, as may be issued from time to time. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No.	Name	Role
1.	David Wambua	Chairperson
2.	Sarah Mutheu	Secretary
3.	Lorna Kerubo	Member
4.	Alex Mwaniki	Member
5.	Victor Oketch	Member
6.	Victor Rutto	Member
7.	Moses Owili	Member

6. Corporate Social Responsibility Committee

This committee was established with the mandate to define the Centre's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations; develop and recommend for acceptance by the board policies on all key areas of Corporate Social Responsibility; develop and support the activities necessary to convert Corporate Social Responsibility policies into an effective plan for implementation across the Centre and to agree a programme of specific Corporate Social Responsibility activities; and ensure that appropriate communications policies are in place and working effectively to build and protect the Centre's reputation both internally and externally. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No.	Name	Role
1.	David Wambua	Chairperson
2.	Mary Machani	Secretary
3.	Victor Oketch	Member
4.	Alex Mwaniki	Member
5.	Anne Kago	Member
6.	Sarah Mutheu	Member

7. Evaluation Committee

This committee was constituted in accordance with the Public Procurement and Asset Disposal Act, 2015 and the Public Procurement and Disposal Regulations, 2006 with the mandate to carry out evaluation of bids and advise the Registrar/CEO on the matter. During the financial year ended 30th June 2022 members of the committee were as indicated below:

S/No.	Name	Role
1.	Irene Nyamasi	Chairperson
2.	Victor Rutto	Secretary
3.	Arnold Ndukuyu	Member
4.	Victor Oketch	Member
5.	Sarah Mutheu	Member

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8. Risk Management Committee

This committee was established in accordance with Section 2.2.3 of the Risk Management Policy. The Committee provides oversight and direction to the risk management processes within the Centre and makes its reports and recommendations to the Board through the Board's Audit, Risk and Governance Committee. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No.	Name	Role
1.	L. Muiruri Ngugi	Chairperson
2.	Angelica Kimani	Secretary
3.	Victor Ogunyo	Member
4.	Millicent Shitakha	Member
5.	Arnold Ndukuyu	Member
6.	Anne Kago	Member
7.	Alex Mwaniki	Member
8.	Dickson Toroitich	Member
9.	Moses Owili	Member

9. Ethics and Integrity Committee

This committee was established to steer and coordinate corruption prevention efforts in the Centre. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No	Name	Role
1.	L. Muiruri Ngugi	Chairperson
2.	Millicent Shitakha	Member
3.	Victor Ogunyo	Member
4.	Dickson Toroitich	Member
5.	Arnold Ndukuyu	Member
6.	Anne Kago	Member
7.	Alex Mwaniki	Member
8.	Angelica Kimani	Secretary
9.	Diana Njeru	Member

10. Disposal Committee

This committee was established to deal with matters of asset disposal as stipulated under Section 163 (1) of the Public Procurement and Asset Disposal Act, 2015 to verify assets for disposal, determine market value of items for disposal, set up reserve price, verify

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justification and procedure for disposal and carry out asset disposal in accordance with statute. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No	Name	Role
1.	Arnold Ndukuyu	Chairperson
2.	Victor Rutto	Secretary
3.	Victor Oketch	Member
4.	Victoria Kigen	Member

11. Information Communication and Technology Steering Committee

This committee was established pursuant to Section 6 of the ICTA Governance Standard to ensure that NCIA derives value from its Information Technology investment, assist to define the IT mission and goals aligned with the strategic direction of NCIA; authorize and direct the development of the services and operation plans. During the financial year ended 30th June 2022 the following were the members of this committee:

S/No	Name	Role
1.	L. Muiruri Ngugi	Chairperson
2.	Victor Ogunyo	Co-Chairperson
3.	Arnold Ndukuyu	Secretary
4.	Irene Nyamasi	Member
5.	Diana Njeru	Member
6.	Dickson Toroitich	Member
7.	Anne Kago	Member
8.	Alex Mwaniki	Member

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(f) Entity Headquarters

Nairobi Centre for International Arbitration
8th Floor, Co-operative Bank Building
Haile Selassie Avenue
Nairobi, Kenya

(g) Entity Contacts

Nairobi Centre for International Arbitration
P.O. Box 548-00200
Nairobi, Kenya
Office Telephone: (254) 2224029/2240377
Office Mobile: (254) 771293055
E-mail: info@ncia.or.ke
Website: www.ncia.or.ke

(h) Entity Bankers

KCB Group Limited
Kenyatta International Convention Centre Branch
P. O. Box 48400-00100
Nairobi, Kenya

(i) Independent Auditors

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



(j) Principal Legal Adviser



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

2. THE BOARD OF DIRECTORS



Director	Director's Particulars
<p>1. Jacqueline Oyuyo Githinji - Chairperson</p> 	<p>Ms. Jacqueline Oyuyo Githinji (DoB: 16/10/1975) is the Chairperson of the Board of Directors. She is the Managing Partner at Umsizi LLP, a firm of Advocates, Corporate Secretaries, Arbitrators and Mediators.</p> <p>She has considerable experience in board range of commercial and corporate advisory matters gained in her close to 20 years legal experience.</p> <p>Kenya's third female Chartered Arbitrator, she is a Fellow of the Chartered Institute of Arbitrators and a Certified and Court-Accredited Mediator.</p> <p>She holds an MBA in Global Technology Management and serves as Non-Executive Director on various Boards, notably the Nairobi Centre for International Arbitration (NCIA).</p>
<p>2. Samuel Mbiriri Nderitu – Member</p> 	<p>Mr. Samuel Nderitu (DoB: 03/02/1979) is the <i>Chairperson of the Finance and Administration Committee</i>. He is an advocate in the Kenyan Bar and holds a Diploma in International Commercial Arbitration and Domestic Arbitration from CIArb London, among other qualifications.</p> <p>He is a Fellow of the Chartered Institute of Arbitrators, CIArb, London, Fellow of the Malaysian Institute of Arbitrators (FMIArb) and a fellow of the Arbitrators' and Mediators Institute of New Zealand (FAMINZ).</p> <p>He is the immediate past Chairman of CIArb (Kenya Branch), a Director of the National Committee, International Chamber of Commerce (ICC), Kenya, an accredited Mediator by CIArb and the Mediation Accreditation Committee (MAC) of the Judiciary, Kenya.</p>

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Director	Director's Particulars
<p>3. Kananu Mutea – Member</p> 	<p>Ms. Kananu Mutea (DoB: 09/02/1982) is the <i>Chairperson of the Business Development Committee</i>. She is the Head of Dispute Resolution at Gikera & Vadgama Advocates, with experience in arbitration and mediation. She has work experience at top tier firms in London and Nairobi.</p> <p>She is an active member of the Chartered Institute of Arbitrators - Kenya Branch and the Law Society of Kenya, Nairobi Branch. Through her participation she has delivered demonstrable output in improvement of policy and legislation.</p> <p>Ms Mutea holds an LLB from Nagpur University, India. She has trained in leadership and mediation from Strathmore Business School and is certified as an arbitrator, as a member of the Chartered Institute of Arbitrators, Kenya Branch.</p>
<p>4. Aisha Abdallah – Member</p> 	<p>Ms. Aisha Abdallah (DoB: 19/07/1975) is the <i>Chairperson of the Audit, Risk and Governance Committee</i>. She heads the Disputes Resolution department at Anjarwalla & Khanna. Her practice focuses on commercial litigation, with a particular emphasis on fraud, economic crime and disputes over land, the environment and natural resources.</p> <p>She has dual qualification as an Advocate of the High Court of Kenya and Solicitor of England and Wales.</p> <p>She was appointed to the MARC Court in 2017. She is also a member of the Africa Users Group for the Singapore International Arbitration Centre, member of International Association for Defence Counsel, African Arbitration Association and Delos Dispute Resolution Board of Advisors.</p>



Director	Director's Particulars
<p>5. Lawrence Waigi Kamau - Member</p> 	<p>Mr. Lawrence Kamau (DoB: 04/05/1973) is a Deputy Chief State Counsel at the Office of the Attorney General and Department of Justice and currently heading the Commercial & Arbitration Division, Civil Litigation Department.</p> <p>He was previously the Regional Head of the Malindi County State Law Office (in charge of Kilifi, Tana River and Lamu County) as well as the Head of the Supreme Court and Court of Appeals Section within the Civil Litigation Department representing the Government of Kenya in high profile and complex litigation.</p> <p>In the course of service, he has been deployed as the Deputy Director Host Country and Consular Affairs at the Ministry of Foreign Affairs in charge of drafting host country agreements from 2008 to 2010.</p>
<p>6. James Muruthi Kihara – Member</p> 	<p>Mr. James Kihara (DoB : 31/01/1970) is the Managing Partner at Kihara & Wyne Advocates. He has represented corporate clients in complex litigation and arbitrations.</p> <p>He has in the past worked with the National Legal Aid Service under the Department of Justice and as Corporation Secretary in several state agencies.</p> <p>He is the current Chairperson of the Public Private Partnerships Petition Committee and a former Chairman of the Chartered Institute of Arbitrators - Kenya Branch.</p> <p>He is a Chartered Arbitrator, an Accredited Mediator, a Certified Governance Auditor and a Certified PPP Specialist. He holds an LL.M in Corporate Governance.</p>



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Director	Director's Particulars
<p>7. Pauline Mcharo – Member</p> 	<p>Ms. Pauline Mcharo (DoB: 24/06/1977) is the Deputy Chief State Counsel, International Law Division, at the Office of the Attorney General and Department of Justice.</p> <p>She represents the Government of Kenya in international investment and commercial disputes and assists in resolution of Territorial disputes.</p> <p>She holds an LL.M in International Law (Graduate Institute, Geneva), LL.M in International Trade and Investment Law in Africa (University of Pretoria) and LLB. (University of Nairobi).</p>
<p>8. Ashif Kassam, OGW – Member</p> 	<p>Mr. Ashif Kassam (DoB: 23/11/1968) has been in the accountancy profession since 1994 and specialises in audit and assurance, transaction advisory, tax, strategy, corporate restructuring, governance and family business consulting, helping organisations create and deliver value.</p> <p>He is the Executive Chairman of RSM Eastern Africa LLP, a firm he founded in 2004.</p> <p>He is a fellow member of the Institute of Certified Public Accountants of Kenya (ICPAK), a fellow member of Association of Chartered Certified Accountants, UK (ACCA), a practicing member of Institute of Certified Public Accountants of Uganda (ICPAU), a member of the National Board of Accountants and Auditors in Tanzania (NBAA) and a member of Chartered Institute of Arbitrators, UK (MCI Arb).</p>


Director	Director's Particulars
<p>9. Judith Omange – Member</p> 	<p>Ms. Judith Omange (DoB: 04/07/1973) is the Registrar of the High Court. She is a law graduate from the University of Nairobi with training on Judicial Administration, Case Management, Alternative Dispute Resolution and Juvenile Delinquent Treatment Course in UNAFEI, Japan</p> <p>Prior to her appointment as Registrar; Judith served as a Deputy Registrar in the Family Division and magistrate in the Nairobi Children’s Court where she oversaw the implementation of the Children Act.</p> <p>As the Registrar of the High Court, Judith is responsible for the day to day administration of thirty-nine (39) High Court stations.</p>
<p>10. Lawrence M. Ngugi – Board Secretary</p> 	<p>Mr. Lawrence Ngugi is the Registrar/CEO of NCIA and the Board Secretary. He is an arbitrator and accredited mediator, member of ICCA, member to the UNCITRAL Working Group II Arbitration & Conciliation and UNCITRAL Working Group III Online Dispute Resolution.</p> <p>He is the current President of China-Africa Joint Arbitration Centre (CAJAC).</p> <p>He holds a BA (Hons.) Econ, LLB and MA International Studies. He also holds a post graduate Diploma in Law from Kenya School of Law. He is admitted to practice as an Advocate of the High Court of Kenya and a Certified Public Secretary.</p>

3. MANAGEMENT TEAM

Name	Particulars
<p>1. L. Muiruri Ngugi</p>  <p>MA (International Studies), BA (Hons) Econ., LLB, PGD (Law), CS</p>	<p>Mr. L. Muiruri Ngugi is the Registrar/CEO of NCIA and the Accounting Officer.</p> <p>He leads the Secretariat of the Centre, is responsible for the day to day management of affairs and staff of the Centre.</p> <p>In relation to proceedings at the Centre, he acts in accordance with instructions of the Court and accepts, transmits, service and keeps custody of documents in accordance with NCIA Rules.</p>
<p>2. Millicent Musanga Shitakha</p>  <p>MBA (Finance), BA (Economics)</p>	<p>Ms. Millicent Shitakha is the Manager Business Development Department at NCIA.</p> <p>She oversees the Corporate Strategy Unit, the Capacity Building Unit, the Communication and Marketing Unit and the Client Relations Unit.</p> <p>She is responsible for developing and implementing the Strategic plan, Resource mobilization Strategy, Communication, marketing and capacity building strategies and action plans.</p>

Name	Particulars
<p>3. Victor A. O. Ogunyo</p>  <p><i>MBA (Strategic Management), B.Com (Accounting and Business Administration & Management), HD-HRM, CPA</i></p>	<p>Mr. Victor Ogunyo is the Manager Corporate Support Services Department at NCIA.</p> <p>He oversees the Human Resource Management and Administration Unit, the Legal Affairs Unit, the Finance and Accounts Unit, the Supply Chain Management Unit and the Information Communication and Technology Unit.</p> <p>He is responsible for ensuring accountability and prudent management of resources and compliance with principles and values of good governance, transparency ethics and integrity.</p>
<p>4. Angelica Kimani</p>  <p><i>MBA, B.Com. (Finance), CPA, CIA</i></p>	<p>Ms. Angelica Kimani is the Principal Internal Auditor and Secretary to the Audit, Risk and Governance Board Committee.</p> <p>She oversees the Internal Audit, Risk Management and Governance functions at the Centre.</p>

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Name	Particulars
<p>5. Alex Mwaniki, OGW</p>  <p><i>LLB (Hons), PGD (Law)</i></p>	<p>Mr. Alex Mwaniki, OGW is the Senior Case Counsel in the Case Management Department at NCIA.</p> <p>He oversees the Case Administration Unit, the Case Quality Assurance and Advisory Unit and the Records Management Unit.</p> <p>He is responsible for administration of the registry and cases registered by the Centre and ensuring compliance by parties of the relevant laws, rules and other applicable case management protocols.</p>

4. CHAIRPERSON'S STATEMENT



**Jacqueline Oyuyo Githinji
Chairperson NCIA Board**

The Nairobi Centre for International Arbitration (NCIA) is honoured to publish the 2021/2022 Annual Report and Financial Statements. The Annual Report and Financial Statements have been prepared in line with Section 20 of the NCIA Act, 2013.

The 2021/2022 Annual Report and Financial Statements highlight key initiatives undertaken by the Centre towards promotion of international commercial arbitration and other alternative forms of dispute resolution. It documents the initiatives and statistical information towards the attainment of our mission to be recognized as a Centre for International Commercial Arbitration and Alternative Dispute Resolution (ADR) through provision of quality and innovative processes. This has largely been done through four (4) strategic themes of promotion and administration of ADR; training and quality assurance; partnerships and collaboration; and organizational capacity development.

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I am pleased to report that the financial year 2021/2022 was a period NCIA witnessed strategic milestones especially in the process of developing a National ADR Policy which shall provide a framework through which national actors and the country can coordinate efforts to deliver and improve access to justice efficiently and uphold the rule of law. Towards this end, the Centre managed to present the Expert Draft National ADR Policy to the Office of the Attorney General and developed Draft Bills to that effect. NCIA participated in ADR research exercise to ascertain public awareness levels, perception, and uptake of ADR in Kakamega, Kisumu, Nakuru, Kisii, Isiolo, Meru, Nyeri, Mombasa, Voi, Wote and Machakos.

In the year under review, the Centre participated in seven (7) International Arbitration and Dispute Resolution (ADR) events through online and physical engagements.

In the year under review, the Centre registered twelve (12) arbitration disputes and six (6) mediation disputes for administration and continued to administer eight (8) ongoing arbitration disputes. The Centre concluded four (4) arbitration and six (6) mediation disputes registered for administration in the year under review. In the same period, the Centre admitted four (4) arbitrators to the NCIA Panel List of arbitrators and four (4) mediators to the NCIA Panel List of Mediators. The Centre also published four (4) research papers. In the same period, the Centre developed an Arbitration Curriculum and Mediation Curriculum for practitioners.

Challenges Encountered

The Centre faced a few challenges during the year under review that hindered it from fully achieving all planned activities. Key among them include budgetary constraints occasioned by budget cuts and lack of public awareness and appreciation of structured ADR. The existing COVID19 pandemic also had an impact on the Centre implementing some of its planned activities in the period under review.

Way Forward

In the coming year, the Centre will focus primarily on implementing the key areas as identified in the NCIA Strategic Plan including developing and publishing Revised Rules on Arbitration and Mediation and implementing the Capacity Building Curriculum on ADR mechanisms

We acknowledge support from the Government of Kenya, the Judiciary and other partners and hope that our journey towards offering alternative dispute resolution services will be sustained for the benefit of generations to come. Indeed, the achievements outlined above would not have been possible without the innovation, resourcefulness, commitment, and hard work of the Secretariat. In this regard, I express gratitude to the Centre's Registrar/CEO, Mr. Lawrence M. Ngugi and the entire staff for work well done in 2021/2022 Financial Year and appreciate their efforts in supporting the vision of the Board and the Centre. I would also like to thank my fellow Board members for their unwavering support, commitment, dedication and sacrifice. I wish to acknowledge each Board member for their individual contributions and efforts made during the financial year 2021/2022.

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In conclusion, I wish on behalf of the Board of Directors, to express our gratitude for the honour granted to us in service to the people of the great Nation of Kenya in our capacity as members of the Board of NCIA. We are confident that the Centre, its partners and the people of Kenya will continue working closely with us to realize our vision of being the Premier Centre of Choice for Alternative Dispute Resolution.

Thank you and may God bless You.



Jacqueline Oyuyo Githinji

CHAIRPERSON

BOARD OF DIRECTORS, NAIROBI CENTRE FOR INTERNATIONAL ARBITRATION

4A. TAARIFA YA MWENYEKITI



Jacqueline Oyuyo Githinji
Mwenyekiti Bodi ya NCIA

Kituo cha Usuluhishi wa Kimataifa cha Nairobi (NCIA) kinaheshimiwa kuchapisha Ripoti ya Mwaka 2021/2022 na Taarifa za Fedha. Ripoti ya Mwaka na Taarifa za Fedha zimeandaliwa kwa kuzingatia kifungu cha 20 cha Sheria ya NCIA, 2013.

Ripoti ya Mwaka wa 2021/2022 na Taarifa za Fedha zinaonyesha mipango muhimu iliyofanywa na Kituo kuelekea kukuza usuluhishi wa kibiashara wa kimataifa na aina nyingine mbadala za utatuzi wa migogoro. Inaandika mipango na taarifa za takwimu kuelekea kufikia dhamira yetu ya kutambuliwa kama Kituo cha Kimataifa cha Usuluhishi wa Kibiashara na Utatuzi wa Migogoro Mbadala (ADR) kupitia utoaji wa michakato bora na ya ubunifu. Hii kwa kiasi kikubwa imefanyika kupitia mada nne (4) za kimkakati za kukuza na kusimamia ADR; mafunzo na uhakikisho wa ubora; ushirikiano na kolabo; na maendeleo ya uwezo wa shirika.

Nimefurahi kutoa taarifa kuwa mwaka wa fedha 2021/2022 ulikuwa ni kipindi ambacho NCIA ilishuhudia hatua za kimkakati hasa katika mchakato wa kuandaa Sera ya Taifa ya ADR ambayo itatoa mfumo ambao watendaji wa kitaifa na nchi wanaweza kuratibu juhudi za kutoa na kuboresha upatikanaji wa haki kwa ufanisi na kuzingatia utawala wa sheria. Kuelekea mwisho huu, Kituo kilifanikiwa kuwasilisha Sera ya Taifa ya ADR ya Mtaalam kwa Ofisi ya Mwanasheria Mkuu wa Serikali na kutengeneza Rasimu ya Miswada. NCIA ilishiriki katika zoezi la utafiti wa ADR ili kujua viwango vya uhamasishaji wa umma, mtazamo, na uchukuaji wa ADR huko Kakamega, Kisumu, Nakuru, Kisii, Isiolo, Meru, Nyeri, Mombasa, Voi, Wote na Machakos.

Katika mwaka uliofanyiwa mapitio, Kituo kilishiriki katika matukio saba (7) ya Usuluhishi wa Kimataifa na Utatuzi wa Migogoro (ADR) kupitia ushiriki wa mtandaoni na mikutano ya ana kwa ana.

Katika mwaka uliofanyiwa mapitio, Kituo kilisajili migogoro kumi na mbili (12) ya usuluhishi na migogoro sita (6) ya usuluhishi kwa utawala na kuendelea kusimamia migogoro minane (8) ya usuluhishi inayoendelea. Kituo kilihitimisha usuluhishi nne (4) na upatanishi sita (6) iliyosajiliwa kwa ajili ya utawala katika mwaka unaokaguliwa. Katika kipindi hicho, Kituo kilichapisha wasuluhishi wanne (4) kwenye Orodha ya Jopo la NCIA la wasuluhishi na wapatanishi wanne (4) kwenye Orodha ya Jopo la NCIA la Wapatanishi. Kituo hicho pia kilichapisha karatasi nne (4) za utafiti. Katika kipindi hicho, Kituo kiliandaa Mtaala wa Usuluhishi na Mtaala wa Upatanishi kwa watendaji.

Changamoto Zilizokabiliwa

Kituo hicho kilikabiliwa na changamoto chache katika kipindi cha mwaka mmoja chini ya ukaguzi ambazo zilikizuia kufanikisha kikamilifu shughuli zote zilizopangwa. Muhimu miongoni mwao ni pamoja na vikwazo vya kibajeti vinavyosababishwa na kupunguzwa kwa bajeti na ukosefu wa ufahamu wa umma na kuthamini ADR iliyoundwa. Janga la COVID19 lililopo pia lilikuwa na athari kwa Kituo hicho kutekeleza baadhi ya shughuli zake zilizopangwa katika kipindi kilichofanyiwa ukaguzi.

Katika Siku Zijazo

Katika mwaka ujao, Kituo kitazingatia hasa utekelezaji wa maeneo muhimu kama yalivyoainishwa katika Mpango Mkakati wa NCIA ikiwa ni pamoja na kuandaa na kuchapisha Kanuni zilizorekebishwa juu ya Usuluhishi na Upatanishi na kutekeleza Mtaala wa Kujenga Uwezo kwenye mifumo ya ADR.

Tunatambua msaada kutoka kwa Serikali ya Kenya, Mahakama na washirika wengine na tunatumai kuwa safari yetu ya kutoa huduma mbadala za utatuzi wa migogoro itaendelezwa kwa manufaa ya vizazi vijavyo. Hakika, mafanikio yaliyoainishwa hapo juu yasingewezekana bila ubunifu, rasilimali, kujituma na kufanya kazi kwa bidii ya Sekretarieti. Katika suala hili, natoa shukrani kwa Msajili/Mkurugenzi Mtendaji wa Kituo hicho, Mheshimiwa Lawrence M Ngugi na

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wafanyakazi wote kwa kazi nzuri iliyofanywa katika Mwaka wa Fedha wa 2021/2022 na kuthamini juhudi zao katika kuunga mkono maono ya Bodi na Kituo. Napenda pia kuwashukuru Wajumbe wenzangu wa Bodi kwa msaada wao usioyumba, na wa kujitolea. Napenda kumtambua kila Mjumbe wa Bodi kwa michango na jitihada zake binafsi zilizofanywa katika mwaka wa fedha 2021/2022.

Kwa kumaliza, napenda kwa niaba ya Bodi ya Wakurugenzi, kutoa shukrani zetu kwa heshima tuliropewa katika kuwatumikia wananchi wa Taifa kubwa la Kenya kwa uwezo wetu kama wajumbe wa Bodi ya NCIA. Tuna uhakika kwamba Kituo, washirika wake na watu wa Kenya wataendelea kufanya kazi kwa karibu nasi ili kutimiza maono yetu ya kuwa kituo cha kwanza cha Uchaguzi wa Utatuzi wa Migogoro Mbadala.

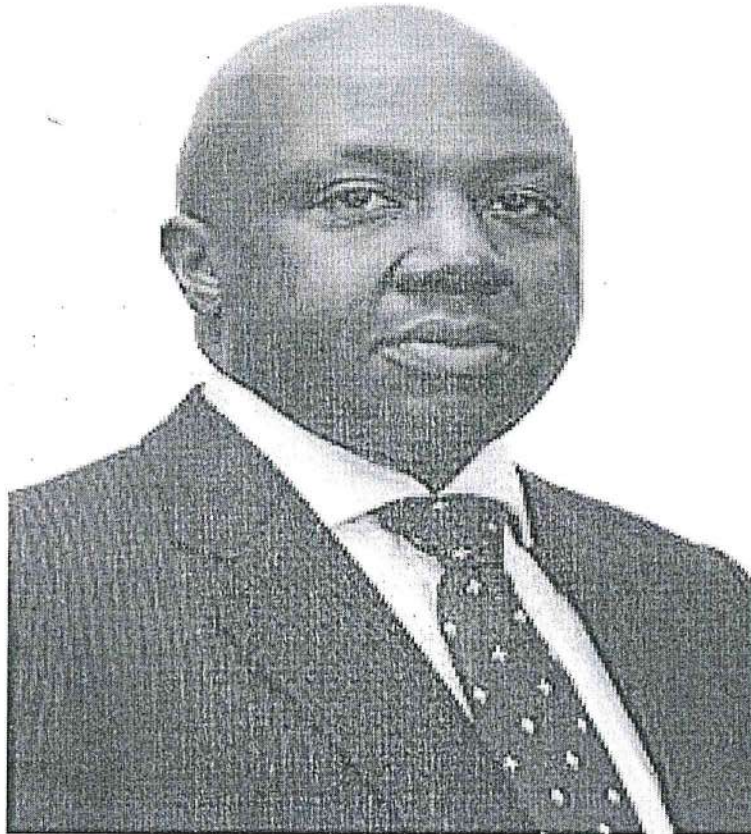
Asante na Mungu awabariki.



Jacqueline Oyuyo Githinji
Mwenyekiti

BODI YA WAKURUGENZI, KITUO CHA NAIROBI CHA USULUHISHI WA KIMATAIFA

5. REPORT OF THE CHIEF EXECUTIVE OFFICER



Mr. L. Muiruri Ngugi
NCIA Registrar/CEO

I am delighted at the publication of the Centre's 2021/2022 Annual Report and Financial Statements. The Centre draws its mandate and functions from the NCIA Act 2013. The Act also inform its establishment, structure and operations. The Annual Report and Financial Statements details activities, performance and interventions of the Centre during the year under review. It also looks at the achievements, challenges and options for addressing them. It also elucidates the resources, both capital and human, which were at the Centre's disposal. Further, the Annual Report and Financial Statements document the progress made by the Centre in promotion of international commercial arbitration and other alternative forms of dispute resolution.

Promotion and Administration of ADR

NCIA is the first institution of its kind in Kenya to offer institution-administered ADR process. The Centre developed and implemented a Case Management System that ensures efficiency and the provision of quality and innovative services. As the lead agency in ADR, NCIA is mandated by statute to formulate national policies, laws and plans of action on ADR and ensure their implementation. To this end, NCIA participated in a research exercise to ascertain public awareness levels, perception and uptake of ADR in Kakamega, Kisumu, Nakuru, Kisii, Isiolo, Meru, Nyeri, Mombasa, Voi, Wote and Machakos. In the FY 2021-2022, the Centre managed to present the Draft National ADR Policy and Draft Bills to the Hon. Attorney General.

Training and Quality Assurance

Training and quality assurance ensure that the Centre aids in promoting the practice of International Commercial Arbitration and increase confidence in ADR processes. In the FY 2021/2022, the Centre developed the International Commercial & Investment Arbitration Curriculum. In addition, accreditation was conducted for both Arbitrators and Mediators who sought approval to be enlisted in the NCIA Panel List of Arbitrators and the NCIA Panel List of Mediators as part of quality assurance. The Centre also created awareness on the availability and use of ADR services by developing mechanisms for public engagement, strategic county visits and through targeted engagements with select stakeholders. With an enlightened public, the Centre envisages increased use of ADR processes.

Partnerships and Collaborations

To ensure recognition of NCIA as the preferred Centre for International Commercial Arbitration and Alternative Dispute Resolution, the Centre maintained a proactive co-operation with regional and international institutions in areas relevant to achieving its objectives. To achieve the strategy, the Centre held webinars on emerging trends on ADR processes, participated in various international conferences for purposes of securing technical assistance, exchange programmes, conferences and training programs for ADR practitioners and scholars. In FY 2021-2022, the Centre had fruitful engagements with different stakeholders.

Organizational Capacity Development

The Centre strengthened its human resource capacity by recruiting a principal Human resource and administration officer and a finance and accounts officer to complement the existing skilled and competent secretariat that aid the Registrar/CEO in the day to day running of activities. In order to improve staff skills and competence, the Centre has put in place staff training and development programs. These programs enable staff to pursue both academic and professional qualifications locally and internationally. The Centre's financial mobilization was also strengthened through compliance with all statutory obligations and continuous reporting to relevant authorities. Information Communication Technology (ICT) as one of emerging trends was

also strengthened with the continued implementation of the Microsoft Dynamics Navision (NAV) Enterprise Resource Planning System and an online performance management system.

Challenges Encountered

The Centre faced a few challenges during the year under review that hindered it from fully achieving all planned activities. Key among them include:

- Budgetary constraints occasioned by budget cuts;
- Lack of public awareness and appreciation of structured ADR.

Way Forward

In the coming year, the Centre will focus primarily on implementing the key areas as identified in the NCIA Strategic Plan, Annual Work Plan and the Performance Contract. The Centre plans to conduct the following activities in the coming financial year:

- Developed Strategic Plan for 2023-2027;
- Realize the National ADR policy;
- Develop rules for the Arbitral Court;
- Constitute the Arbitral Court;
- Publish and circulate simplified user guidelines/handbook on ADR;
- Initiate and undertake research in ADR emerging areas and trends;
- Implement the Capacity Building Curriculum on ADR mechanisms;
- Identify institutions/individuals for strategic partnership;
- Accreditation and induction of practitioners;
- Conduct ADR open days and clinics; and
- Organize seminars, workshops and training programs on ADR.

While the year 2021/2022 was not without its challenges, the Management and Staff of NCIA continued to successfully implement its mandate and to advance its goals and objectives set in the NCIA Strategic Plan and approved by the Board of Directors. The Board indeed provided strategic direction, leadership and oversight to the Secretariat in the execution of the planned programmes and activities. To meet this enormous task, the Centre received grants from the Government of Kenya totalling to Kshs.129.84 Million during the year under review.

The Secretariat will continue to ensure effective implementation of the programmes of the Centre including supporting the work of the Board of Directors and the various Board Committees. We will remain dedicated and committed to achieving the Centre's vision of being the Premier Centre of Choice for Alternative Dispute Resolution and its Mission of being recognized as a Centre for International Commercial Arbitration and Alternative Dispute Resolution through provision of quality and innovative processes.

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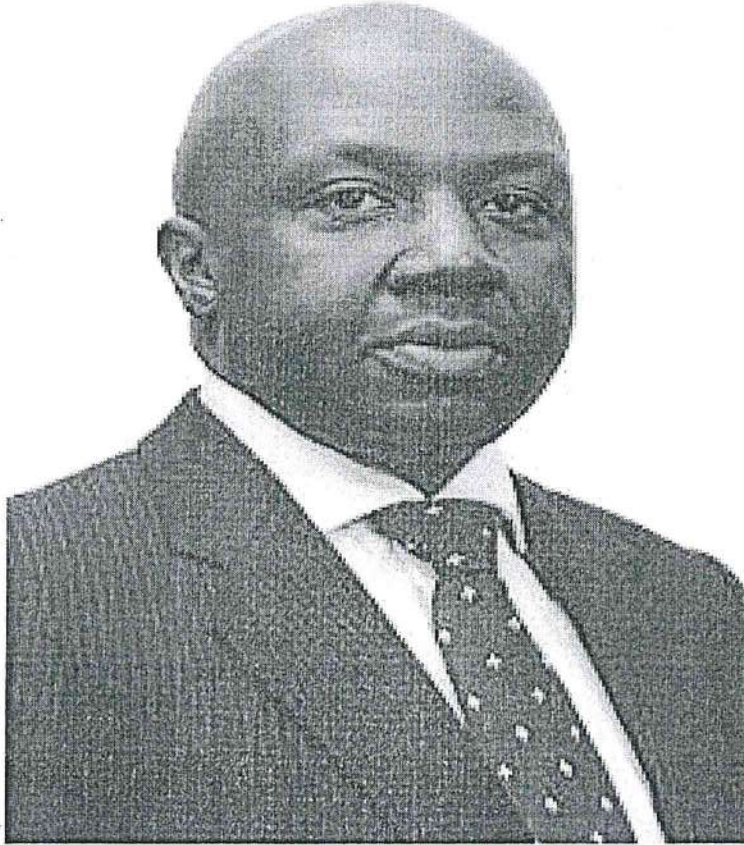
Way Forward.

In conclusion, I would like to appreciate the efforts made by the staff of NCIA in realizing the aforementioned achievements, without which the Centre could not have successfully fulfilled its mandate as outlined in the NCIA Act 2013. I also wish, on behalf of the Secretariat, to thank the Board of Directors for their continued support and leadership towards the accomplishment of the Centre's goals this year.

Thank you and may God abundantly bless you.


**L. Muiruri Ngugi
REGISTRAR/CEO
NAIROBI CENTRE FOR INTERNATIONAL ARBITRATION**

5A. RIPOTI YA AFISA MKUU MTENDAJI



Bw. L. Muiruri Ngugi
Msajili/Afisa Mkuu Mtendaji wa NCIA

Nimefurahishwa na uchapishaji wa Ripoti ya Mwaka na Taarifa za Fedha wa 2021/2022. Kituo hiki kinatekeleza mamlaka na majukumu yake kutoka kwa Sheria ya NCIA ya mwaka 2013. Sheria pia inafahamisha uanzishwaji, muundo na uendeshaji wake. Ripoti ya Mwaka na Taarifa za Fedha zinaelezea shughuli, utendaji na uingiliaji wa Kituo katika mwaka unaofanyiwa ukaguzi. Pia inaangalia mafanikio, changamoto na chaguzi za kukabiliana nazo. Pia inatathmini rasilimali za mitaji na wafanyi kazi, ambazo zilikuwa katika kituo hicho. Aidha, Ripoti ya Mwaka na Taarifa za Fedha zinaandika maendeleo yaliyofikiwa na Kituo hicho katika kukuza usuluhishi wa kibiashara wa kimataifa na aina nyingine mbadala za utafuzi wa migogoro.

Uendelezaji na Utawala wa ADR

NCIA ni taasisi ya kwanza ya aina yake nchini Kenya kutoa mchakato wa ADR unaosimamiwa na taasisi. Kituo kiliandaa na kutekeleza Mfumo wa Usimamizi wa Kesi unaohakikisha ufanisi na utoaji wa huduma bora na za ubunifu. Kama shirika linaloongoza katika ADR, NCIA imepewa mamlaka na sheria ya kuunda sera za kitaifa, sheria na mipango ya utekelezaji juu ya ADR na

kuhakikisha utekelezaji wake. Kufikia mwisho huu, NCIA ilishiriki katika zoezi la utafiti ili kubaini viwango vya uhamasishaji wa umma, mtazamo na uchukuaji wa ADR huko Kakamega, Kisumu, Nakuru, Kisii, Isiolo, Meru, Nyeri, Mombasa, Voi, Wote na Machakos. Katika mwaka wa fedha wa 2021/2022, Kituo kilifanikiwa kuwasilisha Rasimu ya Sera ya Taifa ya ADR na Rasimu ya Miswada kwa Mheshimiwa Mwanasheria Mkuu wa Serikali.

Mafunzo na Uhakikisho wa Ubora

Mafunzo na uhakikisho wa ubora huhakikisha kuwa Kituo kinasaidia katika kukuza mazoezi ya Usuluhishi wa Kimataifa wa Kibiashara na kuongeza imani katika michakato ya ADR. Katika mwaka wa fedha 2021/2022, Kituo kiliandaa Mtaala wa Kimataifa wa Usuluhishi wa Kibiashara na Uwekezaji. Kwa kuongezea, idhini ilifanywa kwa wahariri wa Wasuluhishi na Wapatanishi walioomba kibali cha kuorodheshwa katika Orodha ya Jopo la NCIA la Wasuluhishi na Orodha ya Jopo la NCIA la Wapatanishi kama sehemu ya uhakikisho wa ubora. Kituo pia kilijenga ufahamu juu ya upatikanaji na matumizi ya huduma za ADR kwa kuandaa mbinu za ushirikishwaji wa umma, ziara za kimkakati za kaunti na kupitia ushirikiano uliolengwa na wadau waliochaguliwa. Kwa kuizingatia umma ulioelimika, Kituo kinatarajia kuongezeka kwa matumizi ya michakato ya ADR.

Ushirikiano na Kolabo

Ili kuhakikisha kutambuliwa kwa NCIA kama Kituo kinachopendekezwa cha Usuluhishi wa Kimataifa na wa Kibiashara na Utatuzi wa Migogoro Mbadala, Kituo hicho kilidumisha ushirikiano madhubuti na taasisi za kikanda na kimataifa katika maeneo yanayohusika kufikia malengo yake. Ili kufikia mkakati huo, Kituo kilifanya mikutano ya mtandao juu ya mwenendo unaojitokeza juu ya michakato ya ADR, ilishiriki katika mikutano mbalimbali ya kimataifa kwa madhumuni ya kupata msaada wa kiufundi, mipango ya kubadilishana, mikutano na programu za mafunzo kwa watendaji na wasomi wa ADR. Katika mwaka wa fedha 2021/2022, Kituo kilikuwa na ushirikiano wenye matunda na wadau mbalimbali.

Maendeleo ya Uwezo wa Shirika

Kituo kiliimarisha uwezo wake wa rasilimali kwa kuajiri afisa mkuu wa rasilimali na utawala na afisa wa fedha na hesabu ili kuimarisha sekretarieti yenye ujuzi na uwezo iliyopo ambayo inamsaidia Msajili/Mkurugenzi Mtendaji katika uendeshaji wa shughuli za kila siku. Ili kuboresha ujuzi na umahiri wa watumishi, Kituo kimeweka programu za mafunzo na maendeleo ya watumishi. Programu hizi zinawezesha wafanyakazi kufuata sifa za kitaaluma ndani na kimataifa. Uhamasishaji wa kifedha wa Kituo pia uliimarishwa kwa kufuata majukumu yote ya kisheria na utoaji wa taarifa endelevu kwa mamlaka husika. Teknolojia ya Mawasiliano ya Habari (ICT) kama moja ya mwenendo unaojitokeza, pia iliimarishwa na utekelezaji unaoendelea wa Mfumo wa Mipango ya Rasilimali ya Biashara ya Microsoft Dynamics Navision (NAV) na mfumo wa usimamizi wa utendaji mtandaoni.

Changamoto zilizojitokeza

Kituo hicho kilikabiliwa na changamoto chache katika kipindi cha mwaka mmoja chini ya ukaguzi ambazo zilikizuia kufanikisha kikamilifu shughuli zote zilizopangwa. Muhimu kati yao ni pamoja na:

- Vikwazo vya kibajeti vinavyosababishwa na ufinyu wa bajeti;
- Ukosefu wa ufahamu wa umma na kuthamini ADR iliyoundwa.

Katika Siku Zijazo

Katika mwaka ujao, Kituo kitazingatia hasa utekelezaji wa maeneo muhimu kama yalivyoainishwa katika Mpango Mkakati wa NCIA, Mpango wa Kazi wa Mwaka na Mkataba wa Utendaji. Kituo kina mpango wa kufanya shughuli zifuatazo katika mwaka ujao wa fedha:

- Kuandaa Mpango Mkakati wa mwaka 2023-2027;
- Tambua sera ya Taifa ya ADR;
- Kuandaa kanuni za Mahakama ya Usuluhishi;
- Kuunda Mahakama ya Usuluhishi;
- Kuchapisha na kusambaza miongozo / kitabu kilichorahisishwa cha mtumiaji kwenye ADR;
- Kuanzisha na kufanya utafiti katika maeneo na mwenendo unaojitokeza wa ADR;
- Kutekeleza mtaala wa Kujenga Uwezo juu ya taratibu za ADR;
- Kutambua taasisi/watu binafsi kwa ushirikiano wa kimkakati;
- Vibali na uingizaji wa watendaji;
- Fanya siku za wazi za ADR na kliniki;
- Kuandaa semina, warsha na programu za mafunzo juu ya ADR.

Mwaka wa 2021/2022 ulikuwa na changamoto zake. Menejimenti na Wafanyakazi wa NCIA waliendelea kutekeleza majukumu yake kwa ufanisi na kuendeleza malengo yake yaliyowekwa katika Mpango Mkakati wa NCIA na kupitishwa na Bodi ya Wakurugenzi. Kwa kweli Bodi ilitoa mwelekeo wa kimkakati, uongozi na usimamizi kwa Sekretarieti katika utekelezaji wa mipango na shughuli zilizopangwa. Ili kutimiza jukumu hili kubwa, Kituo kilipokea misaada kutoka kwa Serikali ya Kenya jumla ya Milioni Kshs. 129.84 84 wakati wa mwaka uliofanyiwa ukaguzi.

Sekretarieti itaendelea kuhakikisha utekelezaji mzuri wa mipango ya Kituo hicho ikiwa ni pamoja na kusaidia kazi za Bodi ya Wakurugenzi na Kamati mbalimbali za Bodi. Tutaendelea kujitolea kufikia maono ya Kituo, cha kuwa Kituo cha Uchaguzi cha Utatuzi wa Migogoro Mbadala na dhamira yake ya kutambuliwa kama Kituo cha Kimataifa cha Usuluhishi wa Kibiashara na Utatuzi wa Migogoro Mbadala kupitia utoaji wa michakato bora na ya ubunifu.

Katika Siku Zijazo

Kwa kumalizia, napenda kuthamini juhudi zilizofanywa na wafanyakazi wa NCIA katika kutambua mafanikio yaliyotajwa hapo juu, bila hivyo Kituo kisingeweza kutimiza majukumu yake kama ilivyoainishwa katika Sheria ya NCIA ya mwaka 2013. Aidha, napenda, kwa niaba ya Sekretarieti,

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kuishukuru Bodi ya Wakurugenzi kwa kuendelea kuunga mkono, na uongozi katika kufanikisha malengo ya Kituo hiki mwaka huu.

Asante na Mungu awa bariki kwa wingi.



L. Muiruri Ngugi

Msajili/Afisa Mkuu Mtendaji

KITUO CHA NAIROBI CHA USULUHISHI WA KIMATAIFA

6. STATEMENT OF NAIROBI CENTRE FOR INTERNATIONAL ARBITRATION PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2021/2022

Nairobi Centre for International Arbitration has four (4) strategic pillars and objectives within its Strategic Plan for the period 2017/2018 - 2021/2022. These strategic pillars are as follows:

- Pillar 1: Promotion and administration of ADR;
- Pillar 2: Training and Quality Assurance;
- Pillar 3: Partnerships and Collaboration; and
- Pillar 4: Organizational Capacity Development.

The Centre develops its annual work plan based on the above four (4) pillars. Assessment of the Centre's performance against its annual work plan is done on a quarterly basis. The Centre achieved its performance targets set for the FY 2021/2022 period for its four (4) strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar 1: Promoting and Administration of Alternative Dispute Resolution (ADR) processes	To streamline and manage ADR processes.	Database of ADR practitioners	Maintain database of accredited ADR practitioners	Accreditation requests received, processed and considered by the Board.
		Two (2) Research Papers	Adopt and promote best practices on ADR	1 research paper on court intervention in arbitration in Kenya. 1 research paper on confidentiality in arbitration vis-à-vis right of access to information: Case study – Paragon vs Njeri Kariuki.
		Rules for the Arbitral Court	Develop rules for the Arbitral Court	Draft rules for the Arbitral Court developed.
		CAJAC Rules	Harmonization of CAJAC	Revised CAJAC Constitution and CAJAC Rules developed and ratified by all CAJAC Centres.
	To be the Focal Point	Database of key resource persons	Identify key resource persons	Database updated

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Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
	for leadership, best practices, research, support and training in ADR	Published Research Papers	Initiate and promote research in ADR emerging areas and trends	Research undertaken, research papers prepared and published.
	To administer disputes	Annual Caseload Report	Administration of Arbitrations and Mediations registered at the Centre	<u>Arbitration</u> 12 registration requests received and processed. 8 disputes ongoing 4 disputes completed <u>Mediation</u> 6 registration requests received and processed 5 dispute completed during this period
Pillar 2: Training, quality assurance and awareness creation on Alternative Dispute Resolution (ADR) processes and services	To develop and implement a training programme on ADR processes	Training curriculum	Develop training curriculum in ADR	Curriculum in International Commercial & Investment Arbitration developed Lawyering in ADR Training Program developed
		2021/22 FY Training Calendar	Development of the 2021/22 FY Training Calendar	Training Calendar developed and approved.
		8 ADR Trainings conducted	Conduct continuous skills development and upgrading	9 Trainings held in accordance with the approved training calendar
		Updated list of trained practitioners	Maintain a list of trained practitioners	The database is updated.

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Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
	To build consumer confidence on ADR	NCIA Journal	Collate and publish articles on ADR	NCIA Journal published
	To promote the use of ADR processes	Dispute Management Plan Document	Develop the Dispute Management Plan for both levels of Government	Draft Dispute Management Plan developed
		ADR Webinar Reports	Conduct four (4) webinars	Four (4) webinars conducted
		5 operational information platforms	Maintain information platforms	Information platforms maintained
		CSR activity	Implement the Corporate Social Responsibility (CSR) Policy	A tree planting activity in partnership with NEMA was planned and executed
Pillar 3: Partnerships and collaborations	To align NCIA with international best practice	MoU implementation reports	Implement framework for cooperation	MoUs implemented
Pillar 4: Organizational capacity development	To strengthen institutional capacity of the Centre for quality delivery of services.	M&E Framework	Implement Monitoring and Evaluation (M&E) framework for Strategic Plan	Monitored implementation of the Strategic Plan through the quarterly work plan reports
		2021/22 FY Performance Contract	Implement Performance Contracting (PC) Guidelines	2021/22 FY PC vetted, signed and implemented.

7. CORPORATE GOVERNANCE STATEMENT

The Board is committed to ensuring that the Centre's obligations, roles and responsibilities to its various stakeholders are fulfilled through its corporate governance practices. The Members and the Management undertake to perform their duties with impartiality, honesty, transparency and accountability, professionalism, integrity, care and due diligence and to act in good faith to the best interests of the public. The Board is committed to ensuring that the Centre complies with all applicable laws and statutes.

The NCIA Board

The NCIA Board is established under Section 6 of the NCIA Act No. 26 of 2013 and comprise of a non-executive Chairperson appointed by the President on the recommendation of the Cabinet Secretary; the Attorney General or his representative; the Principal Secretary in the ministry for the time being responsible for matters relating to finance or his representative; Chief Registrar of the High Court or his representative; three members, not being public officers, nominated by domestic arbitration bodies within the East African region, appointed by the Cabinet Secretary; One person each nominated by the following bodies: the Kenya National Chamber of Commerce & Industry, the Law Society of Kenya, the Kenya Association of Manufacturers and the Chartered Institute of Arbitrations Kenya Branch. The Registrar/CEO is an ex-officio Member and Secretary of the Board.

The Role of the Board

Members of the Board are responsible for the overall management of the Centre. In addition, the Members are responsible for drawing up strategies for the long-term success of the Centre as well as carrying out the fiduciary duty of monitoring and overseeing the activities of the Management. To actualize the aforementioned, the Board Members meet regularly to make determinations/decisions. The Board provides the Strategic direction of the Centre and overseeing the Centre's compliance with statutory and regulatory obligations. The Chairperson is primarily responsible for providing leadership to the Board including Chairing of Board meetings. The Chairperson also ensures that the Board is supplied with timely and sufficient information to enable it to discharge its duties effectively. The Registrar/Chief Executive Officer is the Board Secretary.

Board Charter

The Board Charter is a commitment by the Directors to discharge the Mandate of the Centre. It outlines the rules that guide them and does not in any way purport to replace or supersede any laws and regulations that guide the operations of the Centre.

Committees of the Board

The Board has four (4) standing Committees established with formal written terms of reference and which observe the same rules of conduct and procedure as the full Board. These Committees are as follows:

1. Business Development Committee

The Committee's responsibilities are as follows:

- Advise the Board on the Centre's proposal for strategies on corporate marketing, communication and capacity development.
- Review the Centre's proposal for corporate image building and branding and make recommendations to the Board as necessary.
- Review the Centre's proposal for collaboration and cooperation frameworks and make recommendations to the Board as necessary.
- Advise the Board on resource mobilization strategies for funded projects and programmes for marketing and capacity development.
- Advise the Board on the Centre's proposal for training policy, recognition and accreditation of training programs and service providers.
- Advise the Board on the Centre's proposal for communication policy, protocols and guidelines on handling client information and feedback and complaints mechanism.
- Review the Annual work plans and performance of the Business Development Department make appropriate recommendations to the Board and ensure action points identified are implemented.
- Establish the content and process for the development of the five-year Strategic Plan providing for the full participation of members of the Board.
- Report to the Board on a regular basis on the committee's activities.
- Perform any such other function as the Board may from time to time assign to the Committee.

The membership of the Committee in 2021/2022 was as follows:

S/No.	Director	Designation
1.	Kananu Mutea	Chairperson
2.	Pauline Mcharo	Member
3.	Lawrence Waigi Kamau	Member
4.	James M. Kihara	Member
5.	Millicent Shitakha	Secretary

2. Legislative Review and Accreditation Committee

The Committee's responsibilities are as follows:

- Review rules, procedures and guidelines for conduct of Alternative Dispute Resolution processes under the auspices of the Centre and make recommendations to the Board as necessary.
- Advise and recommend strategies to the Board to ensure Alternative Dispute Resolution processes adopted by the Centre are responsive to global trends and developments.
- Review criteria and procedure for accreditation and removal of practitioners listed on the Centre's panel and make recommendations to the Board as necessary.
- Exercise general oversight on processes for accreditation and removal of practitioners listed on the Centre's panel and recommend to the Board a framework for monitoring and evaluation.
- Review and advise the Board on the Centre's proposal for recognition of institutions for purposes of equivalence accreditation of practitioners to the Centre's list.
- Review standards and code of Conduct for practitioners appointed to undertake the role of neutrals or representatives of parties in disputes referred for resolution under the rules of the Centre and make recommendations to the Board as necessary.
- Review and advise the Board on proposals for formulation, implementation, and enforcement, continuous review of a National Policy, laws and plans of action on Alternative Dispute Resolution.
- Review the Annual work plans and performance of the Case Management Department make appropriate recommendations to the Board and ensure action points identified are implemented.
- Report to the Board on a regular basis on the committee's activities.
- Perform any such other function as the Board may from time to time assign to the Committee.

The membership of the Committee in 2020/2021 was as follows:

S/No.	Director	Designation
1.	James Muruthi Kihara	Chairperson
2.	Judith Omange	Member
3.	Aisha Abdallah	Member
4.	Samuel Mbiriri Nderitu	Member
5.	Alex Mwaniki	Secretary

3. Finance and Administration Committee

The Committee's responsibilities are as follows:

- Review the Centre's proposal for Annual Estimates of revenue and expenditure and make recommendations to the Board.
- Review the Annual Financial Statements for the Centre and make recommendations to the Board as necessary.
- Review on a quarterly basis the period management accounts of the Centre and make any necessary recommendations to Board.
- Ensure that the books and records of accounts and income of the Centre are maintained, and the expenditure and assets of the Centre are prudently managed and properly recorded.
- Review and advise the Board on the Annual plans for procurement of goods, works and services and disposal of assets by the Centre in accordance with the Public Procurement and Disposal laws and regulations.
- Advise the Board in relation to the Centre's policies, procedures, guidelines, manuals and other process for internal management of affairs and staff of the Centre.
- Advise the Board in relation to Board affairs and welfare.
- Review the Annual work plans and performance of the Corporate Support Services Department make appropriate recommendations to the Board and ensure action points identified are implemented.
- Liaise with other Committees of Board as may be required and where appropriate advise Board, the Audit, Risk and Governance Committee and other Committees of the Centre as appropriate.
- Report to the Board on a regular basis on the committee's activities.
- Perform any such other function as the Board may from time to time assign to the Committee.

The membership of the Committee in 2021/2022 was as follows:

S/No.	Director	Designation
1.	Samuel Mbiriri Nderitu	Chairperson
2.	Ashif Kassam	Member
3.	Lawrence Waigi Kamau	Member
4.	Pauline Mcharo	Member
5.	Judith Omange	Member
6.	Victor Ogunyo	Secretary

4. Audit, Risk and Governance Committee

The Committee's responsibilities are as follows:

- Evaluate adequacy of management procedures regarding issues relating to risk management, control and governance and advise the Board as necessary.
- Review the internal and external audit findings and recommendations including Public Accounts and Public Investment Committee' recommendations and propose corrective and preventive action where necessary.
- Review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans, code of conduct and ethics and advise the Board as necessary.
- Initiate special audit or investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Chief Executive Officer.
- Review the Annual work plans and performance of the Internal Audit Unit make appropriate recommendations to the Board and ensure action points identified are implemented.
- Liaise with other Committees of Board as may be required and where appropriate advise the Board and other Committees of the Centre as appropriate.
- Report to the Board on a regular basis on the committee's activities.
- Perform any such other function as the Board may from time to time assign to the Committee.

The membership of the Committee in 2021/2022 was as follows:

S/No.	Director	Designation
1.	Aisha Abdallah	Chairperson
2.	Kananu Mutea	Member
3.	Pauline Mcharo	Member
4.	Lawrence Waigi	Member
5.	Angelica Kimani	Secretary

Board/Board Committee Meetings

During the year 2021/2022 the Board held three (3) regular meetings. There were other meetings during the year as need arose. These included meetings where members were engaged with various stakeholders including the Office of the Attorney General and Department of Justice, the Law Society of Kenya, the Judiciary of Kenya among others.

Board/Board Committee Meetings

The summary of number of Board and Board Committee meetings held is presented below:

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No.	Board / Board Committee	No. of Meetings Held
1.	Regular Board Meeting	3
2.	Audit, Risk and Governance	2
3.	Finance and Administration Committee	4
4.	Legislative Review and Accreditation Committee	2
5.	Business Development Committee	4
6.	Other meetings	14

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Board/Board Committee Meetings

The summary of attendance of Board and Board Committee meetings by members is presented below:

Particulars	Category	Regular Board	ARG Committee	F&A Committee	LRA Committee	BD Committee	Other Meetings
Jacqueline Oyuyo Githinji	Chairperson	3	-	-	-	-	11
Aisha Abdallah	Member	1	2	-	2	-	11
Ashif Kassam	Member	2	-	4	-	-	5
James M Kihara	Member	3	-	-	2	1	8
Judith Omange	Member	3	-	1	1	-	8
Kananu Mutea	Member	3	2	-	-	2	11
Lawrence Waigi Kamau	Member	3	2	3	-	1	13
Pauline Mcharo	Member	-	1	2	-	3	7
Peter Mwangi	Member	1	-	-	-	-	4
Samuel Nderitu	Member	3	-	4	1	-	11
Christine Agimba	Co-opted Member	-	-	-	-	-	1
Dr Ernest Alela	Co-opted Member	-	-	-	-	-	1
Humphrey Njoroge Muhiu	Co-opted Member	-	-	-	-	-	1

Board Training

During the year 2021/2022 Board Induction was conducted facilitated by the Centre, National Treasury & Planning and the Office of the Attorney General and Department of Justice and nine (9) board members namely Jacqueline Oyuyo Githinji, Aisha Abdallah, Lawrence Waigi Kamau, Kananu Mutea, Samuel Nderitu, Ashif Kassam, James Muruthi Kihara, Judith Omenge and Pauline Mcharo attended.

Two (2) other board members namely Aisha Abdallah and Pauline Mcharo attended board induction workshop organized and facilitated by the State Corporations Advisory Committee.

Board Performance Results

In the year under review, performance of the board was measured by officers drawn from State Corporation Advisory Committee. The board evaluation exercise was conducted on 25th July 2022. Evaluation results awaiting.

Conflict of Interest

During the year ended 30th June 2022 there was no conflict of interest reported by members of the board in the conduct of their functions. As required, before commencement of each meeting held, every board member was given an opportunity to declare any conflict of interest in the matters for consideration.

Remuneration

Payment of Honoraria and allowances to the Chairperson and other allowances to the other members of the Board were made in accordance with Guidelines on Terms and Conditions of Service for State Corporations' Chief Executive Officers, Chairmen and Board Members, Management Staff and unionisable Staff. The total expenses incurred in relation to Board activities was Kshs. 6,951,636.

Removal from Office

Section 2 of the Schedule to the NCIA Act 2013 provides for the instances in which a board member, other than an ex-official member would leave office. These instances include the following:

- a) at any time resign from office by notice in writing to the Cabinet Secretary;
- b) be removed from office by the Cabinet Secretary on recommendation of the Board if the member –
 - i. has been absent from three consecutive meetings of the Board without its permission;

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- ii. is adjudged bankrupt or enters into a composition or scheme of arrangement with his creditors;
- iii. is convicted of a corruption or economic crime or other criminal offence involving dishonesty, fraud or moral turpitude or any other criminal offence under any law punishable with imprisonment that amounts to a felony under the Laws of Kenya;
- iv. is of unsound mind or is incapacitated by prolonged physical or mental illness for a period exceeding six months; or
- v. is otherwise unable or unfit to discharge his functions.

8. MANAGEMENT DISCUSSION AND ANALYSIS

SECTION A

The Centre's Operational Performance

The Centre is implementing its 5-year Strategic Plan (2017-2022) whose pillars are: Promotion and Administration of Alternative Dispute Resolution (ADR); Training and Quality assurance; Partnerships and Collaboration; and Organizational Capacity Development. In 2021/2022 the Centre implemented the following key activities:

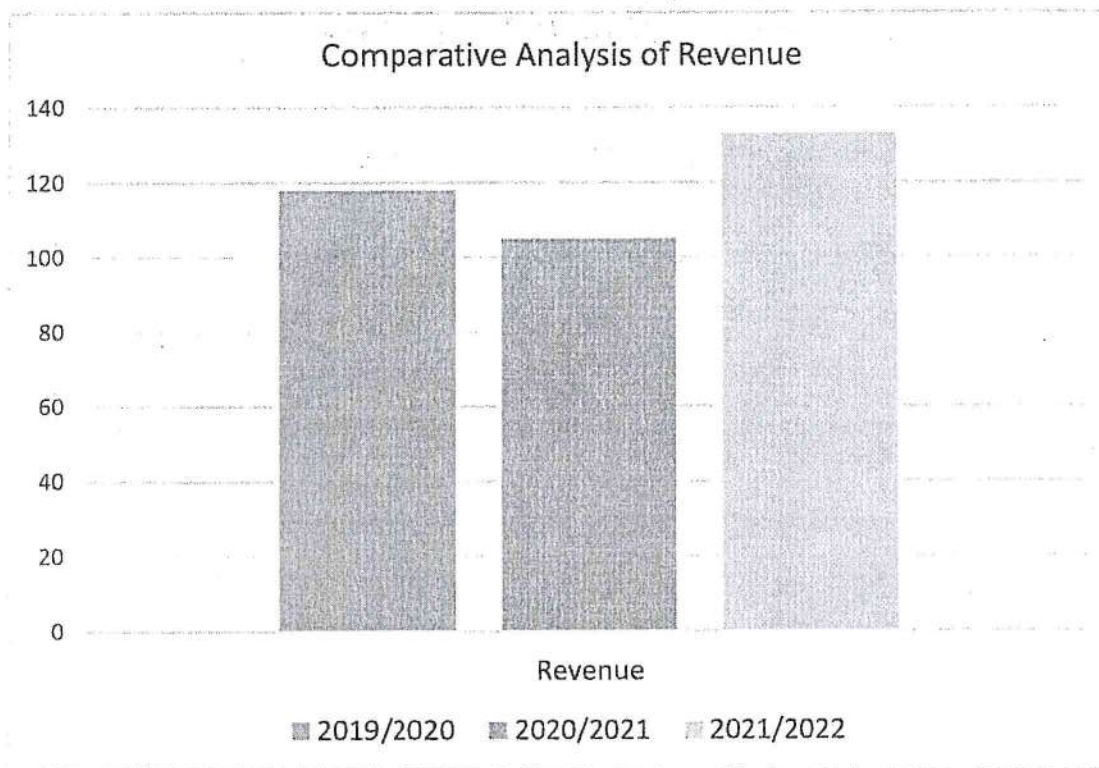
- Recruitment of Principal Human Resource & Administration Officer and Finance/Accounts Officer to address the gaps in the Units.
- Registered eighteen (18) new disputes for administration in accordance with the NCIA Arbitration Rules 2015 (Revised 2019) and NCIA Mediation Rules, 2015.
- Continued to administer nine (9) ongoing disputes registered for administration in accordance with the NCIA Arbitration Rules 2015 (Revised 2019) and NCIA Mediation Rules, 2015.
- Concluded nine (9) disputes administration in accordance with the NCIA Arbitration Rules 2015 (Revised 2019) and NCIA Mediation Rules, 2015.
- Developed and published user-simplified guidelines for Mediation.
- Formulated and developed the National ADR Policy.
- Submitted the Expert National ADR Policy Paper to the Attorney General.
- Carried out research on level of awareness, perception and degree of uptake of ADR mechanisms in Kenya.
- Published two (2) research papers on ADR emerging areas and trends.
- Enlisted four (4) practitioners to the NCIA Arbitrator Panel.
- Enlisted four (4) practitioners to the NCIA Mediator Panel.
- Developed and circulated the 2021-2022 Financial Year training calendar.
- Signed Memorandum of Understanding with the Law Society of Kenya.
- Participated in local, regional and international conferences in ADR which were hosted virtually.
- Trained 69 ADR practitioners.
- Engaged seven (7) interns with the support of the Public Service Commission.

- Engaged four (4) attaches for their university industrial attachment programme.

The Centre's Financial Performance

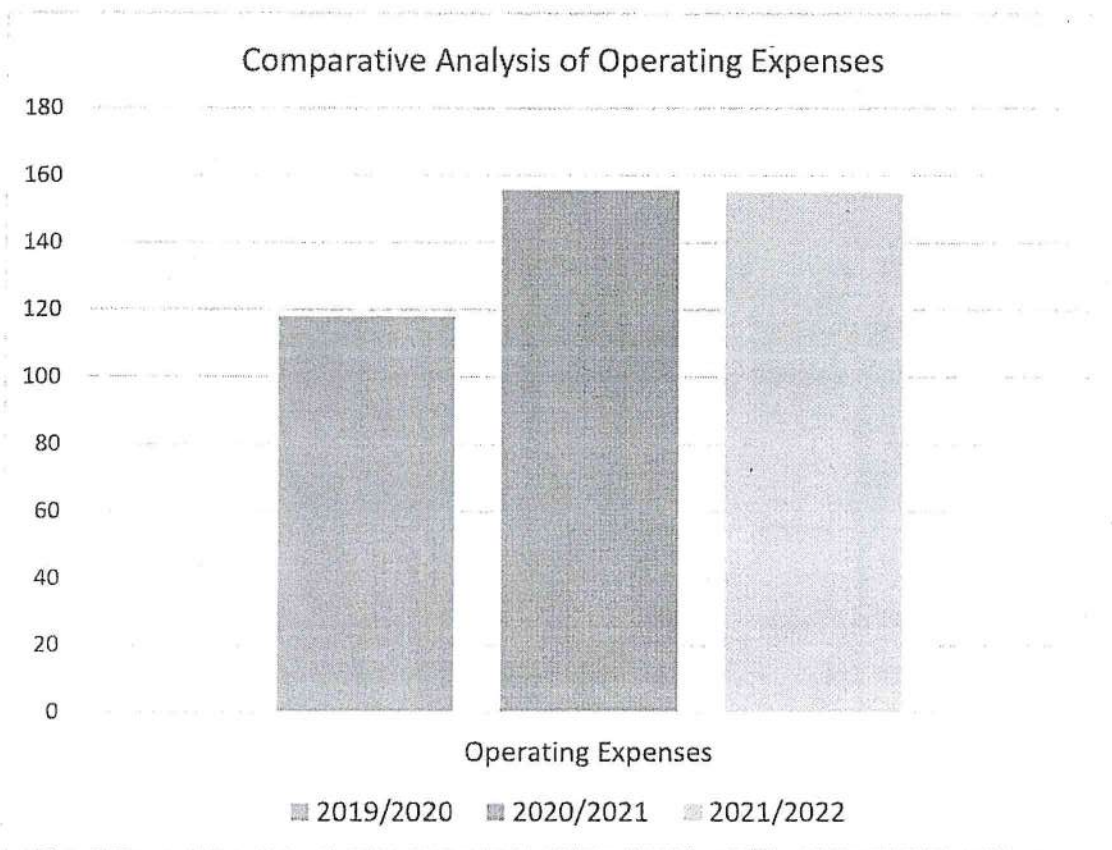
Comparative analysis of revenue received in the last three (3) years is as indicated in the graph below.

- FY 2019/2020 revenue was Kshs. 118,118,016.
- FY 2020/2021 revenue was Kshs. 105,404,617.
- FY 2021/2022 revenue was Kshs. 133,467,858.



Comparative analysis of operating expenses in the last three (3) years is as indicated in the graph below.

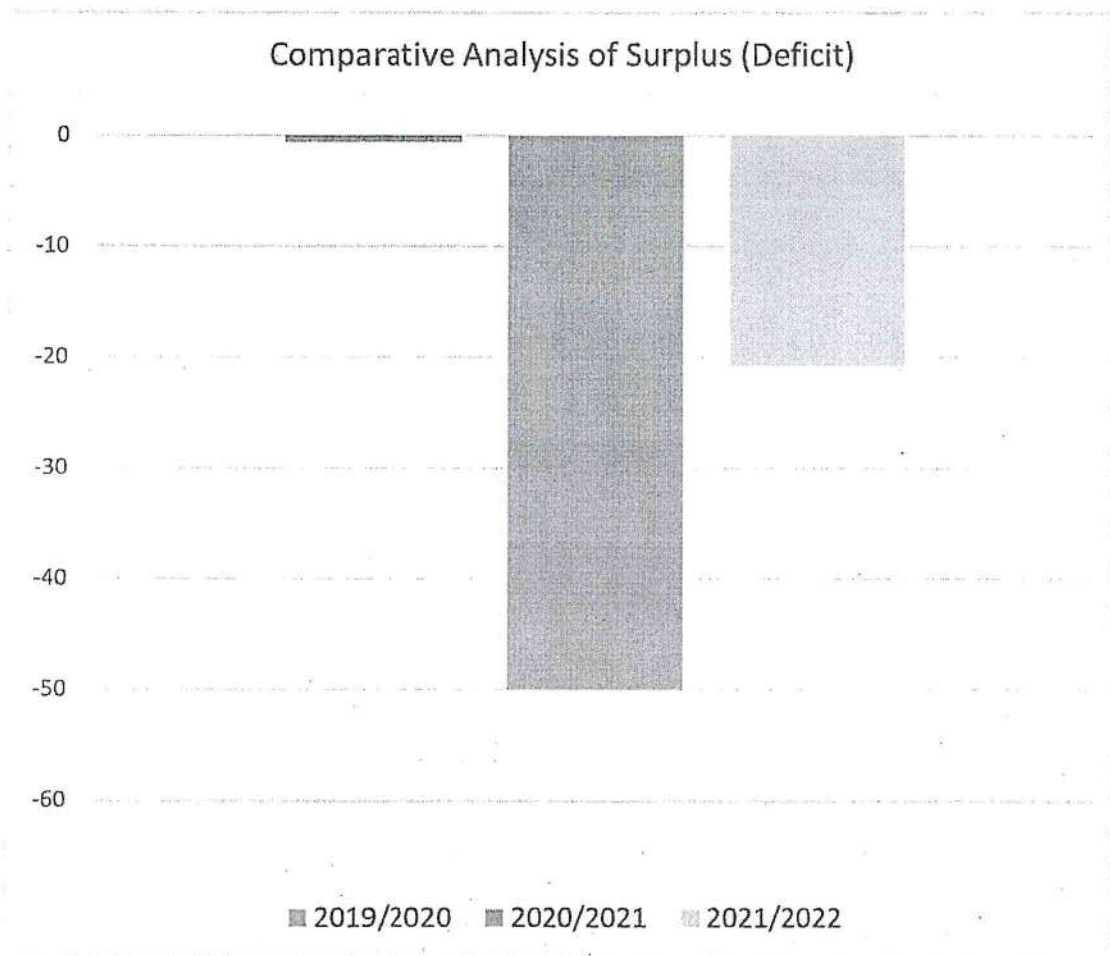
- FY 2019/2020 operating expenses was **Kshs. 118,945,673.**
- FY 2020/2021 operating expenses was **Kshs. 155,716,525.**
- FY 2021/2022 operating expenses was **Kshs. 155,186,288.**



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Comparative analysis of surplus (deficit) in the last three (3) years is as indicated in the graph below.

- FY 2019/2020 the deficit was **Ksh. 592,994.**
- FY 2020/2021 the deficit was **Ksh. 50,225,762.**
- FY 2021/2022 the deficit was **Ksh. 20,855,913.**



SECTION B

Centre's Compliance with Statutory Requirements

The Centre files tax returns to Kenya Revenue Authority (KRA) and other statutory remittances to National Social Security Fund (NSSF), National Hospital Insurance Fund (NHIF) and Higher Education Loans Board (HELB) and National Industrial Training Authority (NITA).

There is no exposure to litigation recorded for the year under review.

SECTION C

Key Projects and Investment decisions NCIA is planning/implementing

The Centre is implementing its Strategic Plan and programmes are implemented in accordance with Annual Work Plans and Budgets drawn from the plan. Key projects are geared towards facilitating delivery of the Centre's mandate of providing efficient and affordable hearing facilities for disputants in line with the National Government strategic objectives and policies as outlined in the Medium-Term Plan III of the Vision 2030 and aligned to the President's Big Four Agenda. Other planned activities for implementation include:

- Improve professional competence and capacity of NCIA staff through training and development in Arbitration and Mediation Course;
- Disseminate and create awareness on NCIA institutional Rules on Arbitration and Mediation;
- Undertake training programmes on ADR to enhance capacity in international commercial arbitration and investment dispute settlement;
- Coordinate formulation of a National ADR Policy and Action Plan;
- Coordinate review and harmonization of legislation on Arbitration and other ADR mechanisms;
- Develop Strategic Partnerships by identifying thematic areas for collaboration; and
- Identify key regional and global strategic partnerships and negotiation of appropriate memoranda of understanding.

SECTION D

Major Risks facing NCIA

The key risks facing the Centre include:

i. Market Risks;

- Low awareness and uptake of Alternative Dispute Resolution services.
- Competition from established centres and institutions.
- Negative perception of lack of neutrality.

SECTION E

Material Arrears in Statutory/Financial Obligations

The centre does not have loan default, tax default, outstanding staff and pension obligations/actuarial deficit on pension schemes, non-payment of dividends and loan redemption to the National Exchequer.

SECTION F

The Centre's Financial Probity and Serious Governance Issues

There is no financial improbity reported by the Internal Audit Unit, the Board Audit Risk and Governance Committee, External auditors, or other National Government Agencies providing oversight.

There are no governance issues among Board Members and Management including conflict of interest. The Conflict-of-Interest Register is maintained to record all declared conflicts of interest among Board Members and Staff.

SECTION G

Pictorial – 1



The Chair of the NCIA Journal Editorial Board Ms. Kananu Mutea (left) flanked by the Centre Registrar/CEO Mr. L. Muiruri Ngugi and the Board Chairperson Ms. Jacqueline Oyuyo Githinji during the launch of the inaugural NCIA Journal.

Pictorial – 2



NCIA accredited trainer Ms. Gladys Wamaitha (seated 3rd left) with participants after a mediation training session.

Pictorial – 3



The ADR Policy National Steering Committee with the Honorable Attorney General Justice (Rtd) Kihara Kariuki when they presented the National ADR Policy at his office. On his immediate right is NCIA Chairperson Ms. Jacqueline Oyuyo Githinji.

Pictorial – 4



The Honorable Chief Justice Martha Koome (front center) with NCIA Board members pose for a photograph after a meeting at the Supreme Court building. On her left is the NCIA Board Chairperson Ms. Jacqueline Oyuyo Githinji and the Registrar/CEO Mr. L. Muiruri Ngugi.

Pictorial – 5



Participants during a training session at the Centre.

Pictorial – 6



Law Society of Kenya (LSK) Council Members pose for a group photo upon conclusion of their courtesy call. Seated from left is Mr. L. Muiruri Ngugi (Registrar/CEO), Ms. Jacqueline Oyuyo Githinji (NCIA Chairperson), Mr. Eric Theuri (LSK President), Ms. Faith Odhiambo (LSK Vice President) and Ms. Florence Muturi (LSK Ag.CEO).

Pictorial – 7



NCIA and KEPSA teams after a meeting to discuss possible areas of partnership. From Left: Alex Mwaniki - OGW, Joyner Okonjo, L. Muiruri Ngugi (Registrar/CEO), Harrison Ngatia, Patrick Wandare and David Wambua.

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Nairobi Centre for International Arbitration exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

Nairobi Centre for International Arbitration (NCIA) recognizes its obligations to act responsibly, ethically and with integrity in its interactions with all stakeholders be they employees, customers, suppliers, neighbours and the environment as a whole.

Responsibility areas of focus include promotion of alternative dispute resolution, promotion of education, protection of the environment and promotion of gender equity and inclusiveness.

To this end:

1. The Centre has in place policies that clarify its commitment to negating its impact on the environment;
2. The Centre carried out regular risk assessments to guarantee the wellbeing of employees, clients and visitors, in accordance with Occupational Health and Safety regulations;
3. The Centre actively manages its reputation, and drives best practice, through the application of prudent public procurement practices as outlined in the Public Procurement and Asset Disposal Act 2015;
4. The Centre is an Equal Opportunities Employer which promotes diversity and does not differentiate on grounds of gender, ethnicity, religion, race, or physical ability;
5. The Centre actively contributes to social and environmental initiatives in the Republic of Kenya through donation of time and funds. During the financial year 2021-2022 the Centre participated in a tree planting exercise at Ondiri wetlands located in Kikuyu Town;
6. The Centre commits to being open and transparent in the interest of promoting best practice.

It is important to our employees to work for a socially responsible organization and our approach therefore reflects our people. We recognize that our activities as a Centre have an impact on our communities and the public. We are committed to not only managing that impact but also using the public resources and donor funds we have been entrusted with in making a real and sustainable difference.

To this end:

1. The Centre is actively involved in supporting and developing the local community to make a lasting positive impact;
2. The Centre works hard to ensure that the negative impact our work has on the environment is minimized; and
3. The Centre provides the tools to enable employee growth and fulfilment for individuals and for the Centre to work together to make a difference as a team.

NCIA exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is an outline of the organisation's policies and activities that promote sustainability.

Sustainability Strategy and Profile

The strategic vision of NCIA is to be the Premier Centre of Choice for Alternative Dispute Resolution. The Centre seeks to be a good corporate citizen in all aspects of its operations and activities and to this end, it has formulated and put in place a CSR policy that guides its environmental and sustainability initiatives. The Centre through its initiatives continues to enhance value by promoting social and environmental sustainability, as well as social welfare of the society.

The Centre holds the view that sustained socio-economic growth cannot be achieved without social progress and the well-being of the environment and the community. It is against this background that the Centre considers it its responsibility to undertake Corporate Social Responsibility with the aim of benefiting those whose lives it impacts. The Centre remains committed to environmental conservation and sustainability and in this regard takes part in various activities aimed at protecting the ecosystem such as tree planting, donation of tree seedlings, environmental clean-ups, beautification and landscaping among other sustainability initiatives.

The Centre remains committed to adopting ICT practices that can lead to more environmentally friendly and ecologically responsible decisions and lifestyles, which will further help protect the environment and sustain its natural resources for current and future generations.

Environmental Performance

The guiding principles of NCIA Corporate Social Responsibility Policy is anchored on the following factors:

1. An understanding that environmental and sustainability responsibility has become an integral part of public service and that the Centre appreciates its role to its stakeholders and the society as a whole.
2. The NCIA staff are fully informed of all the Centre's environmental and sustainability activities, and it is against this background that they effectively support its strategic direction. Being a socially responsible organization will bolster the Centre's image and help build the Centre's overall brand identity. It will also empower employees to leverage the corporate resources at their disposal to do good and boost their morale leading to greater productivity in the workplace.
3. That employees are aware of their responsibility of maintaining the Centre's good corporate citizenship and positioning the Centre as a socially and environmentally responsible entity.
4. That stakeholders are provided easy access to essential, useful, and engaging information on the Centre's environmental and sustainability policies and activities.

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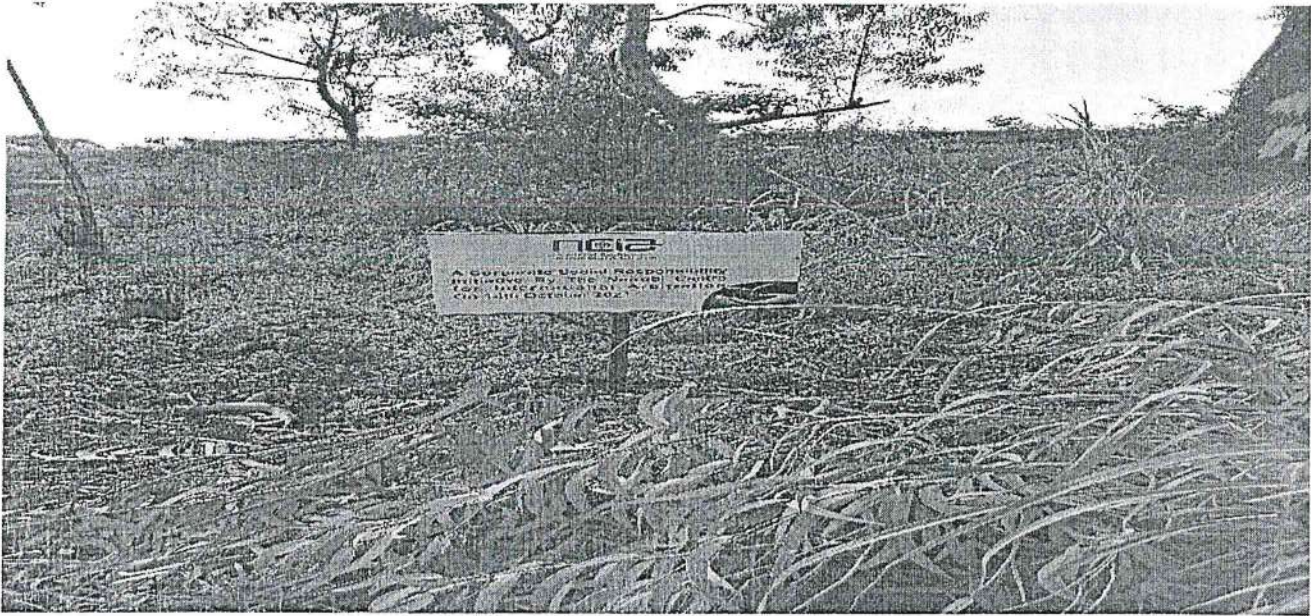
From the above, the Centre remains committed to environmental conservation and sustainability and takes part in various activities aimed at protecting the ecosystem. The Centre is committed to a greening programme that involves planting different species of trees. In this effort the Centre's Board is the highest authority and is charged with the duty of policy approval and ensuring that the required budget for environmental and sustainability activities is allocated and disbursed. The Board in its oversight role also ensures implementation in line with the Centre's approved Corporate Social Responsibility policy and Executive orders.

The recent presidential order to attain a 10 per cent tree cover to be realized through partnerships between state and non-state actors aimed at enhancing the cover through tree planting and growing initiatives that aim at spurring a tree growing culture among communities is also being implemented by the Centre. During the financial year 2021/2022, the Centre collaborated with the National Environment Management Authority (NEMA) and identified a wetland area in Kikuyu at a place called Ondiri where 1000 trees were planted with the objective of conservation of the wetlands. The goal is to ensure sustained waterflow in the downstream areas all the way from Nairobi River, Athi River, Tana River down to the Indian ocean.

Ondiri wetland is located within proximity to Kikuyu town. It is an important wetland that forms the headwaters of Nairobi River within the Athi drainage basin. The area is a unique wetland with macrophytes growing on a floating peat. Ondiri wetland is oval in shape and local legend has it that it used to be an open lake in the early part of the 19th century and indeed the name itself is Gikuyu corruption of old lake (Ondiri). However, as deforestation and subsequent erosion accelerated, the lake came to be covered with floating reeds on peat such that now it has an extensive reed mat that covers more than 95 percent of the wetland to form a quacking bog, the only one in the country. A quacking bog is made up of a layer of vegetation floating over water. You can walk on the vegetation, but if you jump up and down the whole bog quakes just like a bouncing castle.



The Ondiri swamp in Kikuyu, Kiambu County



NCIA plaque to commemorate the occasion

The Centre is also determined become paperless organisation by automating its processes in order to contain and avoid the spread of waste in the environment. Pollution of solid waste affects the quality of life by creating an environment for pathogens and pests which can present risks of possible spread of diseases.



NCIA staff together with the NEMA team during the tree planting session



Teams from the two institutions after the tree planting session.

Employee Welfare

The Centre has developed a Human Resource Policies and Procedures Manual which guides on recruitment process and considers the gender and stakeholder engagements. The policies are amended from time to time as and when necessary. The Centre has endeavoured to maintain a healthy and safe working condition for employees to ensure there is no personal injury caused by accidents.

The Centre has put in place a performance management system which provides employees with a clear understanding of job expectations; regular feedback about performance; advice and steps for improving performance; rewards for good performance; and sanctions for poor performance.

To increase the level of employee skills, the Centre has a well-designed employee development program which focuses on employee training and working on Career Progression Guidelines.

10. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2022 which show the state of the centre's affairs.

Principal Activities

The principal activities of the entity are to:

- (a) promote, facilitate and encourage the conduct of international commercial arbitration in accordance with this Act;
- (b) administer domestic and international arbitrations as well as alternative dispute resolution techniques under its auspices;
- (c) ensure that arbitration is reserved as the dispute ' resolution process of choice;
- (d) develop rules encompassing conciliation and mediation processes;
- (e) organize international conferences, seminars and training programs for arbitrators and scholars;
- (f) coordinate and facilitate, in collaboration with other lead agencies and non-State actors, the formulation of national policies, laws and plans of action on alternative dispute resolution and facilitate their implementation, enforcement, continuous review, monitoring and evaluation;
- (g) maintain proactive co-operation with other regional and international institutions in areas relevant to achieving the Centre's objectives;
- (h) in collaboration with other public and private agencies, facilitate, conduct, promote and coordinate research and dissemination of findings on data on arbitration and serve as repository of such data;
- (i) establish a comprehensive library specializing in arbitration and alternative dispute resolution;
- (j) provide ad hoc arbitration by facilitating the parties with necessary technical and administrative assistance at the behest of the parties;
- (k) provide advice and assistance for the enforcement and translation of arbitral awards;
- (l) provide procedural and technical advice to disputants;
- (m) provide training and accreditation for mediators and arbitrators;
- (n) educate the public on arbitration as well as other alternative dispute resolution mechanisms;
- (o) enter into strategic agreements with other regional and international bodies for purposes of securing technical assistance to enable the Centre achieve its objectives;
- (p) provide facilities for hearing, transcription and other technological services; and
- (q) manage and apply the Fund in accordance with the provisions of this Act; and perform such other functions as may be conferred on it by this Act or any other written law.

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Results

The results of the Centre for the year ended June 30, 2022 are set out on pages 1 to 36.

Directors

The members of the Board of Directors who served during the year are shown on pages xii to xvi.

During the year five (5) directors were appointed to the NCIA Board as indicated below:

S. No.:	Name of Director	Role in the Board	Appointment Date
1.	Jacqueline Oyuyo Githinji	Chairperson	4 th October 2021
2.	Samuel Mbiriri Nderitu	Member	6 th October 2021
3.	Kananu Mutea	Member	6 th October 2021
4.	Aisha Abdallah	Member	6 th October 2021
5.	Ashif Kassam	Member	6 th October 2021

During the year under review Ms. Pauline Mcharo resigned from the NCIA Board with effect from 4th April 2022.

Dividends/Surplus remission

In accordance with Section 219 (2) of the Public Financial Management Act regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year. NCIA is a service institution that relies substantially on National Government grants appropriated by the National Parliament.

There was no surplus during the financial year 2021/2022. The deficit reported for the period under review was Kshs. 20,855,913.

Auditors

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

By Order of the Board


L. Muiruri Ngugi
Board Secretary
NAIROBI CENTRE FOR INTERNATIONAL ARBITRATION

Date: 30/9/2022

11. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 81 (1) of the Public Finance Management (PFM) Act, 2012, Section 14 of the State Corporations Act, 2015, and the Nairobi Centre for International Arbitration (NCIA) Act, 2013 require the Directors to prepare financial statements which give a true and fair view of the state of affairs of the Centre at the end of the financial year and the operating results of the Centre for that year. The Directors are also required to ensure that the Centre keeps proper accounting records which disclose with reasonable accuracy the financial position of the Centre. The Directors are also responsible for safeguarding the assets of the centre. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

The Directors are responsible for the preparation and presentation of the Centre's financial statements, which give a true and fair view of the state of affairs of the Centre for and as at the end of the financial year ended on June 30, 2022. This responsibility includes:

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

The Directors accept responsibility for the Centre's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the NCIA Act No. 26 of 2013. The Directors are of the opinion that the Centre's financial statements give a true and fair view of the state of the Centre's transactions during the financial year ended June 30, 2022, and of the centre's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Centre, which have been relied upon in the preparation of the Centre's financial statements as well as the adequacy of the systems of internal financial control.

The Directors confirm that the Centre has complied fully with applicable Government of Kenya Regulations and the terms of external financing covenants (where applicable), and that the Centre's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Nothing has come to the attention of the Directors to indicate that the Centre will not remain a going concern for at least the next twelve (12) months from the date of this statement.

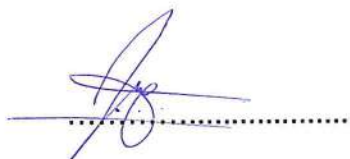
Nairobi Centre for International Arbitration
Annual Reports and Financial Statements
For the year ended June 30, 2022

Approval of the financial statements

The Nairobi Centre for International Arbitration (NCIA) financial statements were approved by the Board on _____ and signed on its behalf by:



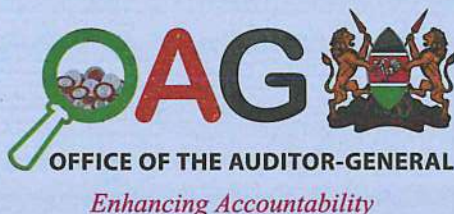
Jacqueline Oyuyo Githinji
Board Chairperson



L. Muiruri Ngugi
Registrar/CEO

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON NAIROBI CENTRE FOR INTERNATIONAL ARBITRATION FOR THE YEAR ENDED 30 JUNE, 2022

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.

Opinion

I have audited the accompanying financial statements of the Nairobi Centre for International Arbitration set out on pages 1 to 42, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit

Report of the Auditor-General on Nairobi Centre for International Arbitration for the year ended 30 June, 2022

Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Nairobi Centre for International Arbitration as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Opinion

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Irregular Operation of Foreign Currency Bank Accounts and Inter-Currency Transfers

The statement of financial position and as disclosed in Note 14(a) to the financial statements reflects cash and cash equivalents balance of Kshs.26,221,194 as at 30 June, 2022. However, as previously reported, the Centre transferred revenue through an unreferenced transaction dated 30 June, 2021 from a Kenyan shillings designated bank to a USD designated bank account an amount of Kshs.3,156,549 to USD 27,910 without prerequisite authority. This was contrary to Regulation 64(3) of the Public Finance Management (National Government) Regulations, 2015 that provides that except with the authority of the Cabinet Secretary, no receiver of revenue or collector of revenue, may convert public moneys received in local currency into foreign currency and vice versa.

In the circumstances, the Management was in breach of the law.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Centre to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 May, 2023

Nairobi Centre for International Arbitration
Annual Reports and Financial Statements
For the year ended June 30, 2022

13. STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30TH JUNE 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	129,840,000	101,602,166
		129,840,000	101,602,166
Revenue from exchange transactions			
Rendering of services	7	3,627,858	3,802,451
Total revenue		133,467,858	105,404,617
Expenses			
Employee costs	8	86,903,018	65,541,499
Board Expenses	9	6,951,636	7,176,293
Depreciation and amortization expense	10	9,877,352	12,342,840
Repairs and maintenance	11	2,179,938	1,941,753
Contracted Services	12	1,240,089	2,883,942
Uses of goods & services	13	48,034,254	65,830,198
			-
Total expenses		155,186,287	155,716,525
Other Gains/Losses			
Gains on Foreign Exchange Transactions	14c	862,516	86,146
Surplus/(deficit) for the period/year		-20,855,913	-50,225,762

The notes set out on pages 10 to 49 form an integral part of these Financial Statements.


The Financial Statements set out on pages 1 to 49 were signed on behalf of the Board of Directors by:


 Registrar/CEO

L. Muiruri Ngugi


 Manager Corporate Services

Victor A O. Ogunyo
 ICPAK Member No.:10364


 Chairperson of the Board

Jacqueline Oyuyo Githinji

Date 30-09-2022

Date 30-09-2022

Date 30-09-2022

Nairobi Centre for International Arbitration
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14. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2022


	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	14a	26,221,194	31,277,876
Receivables from exchange transactions	15a	62,979	-
Prepayments	15b	5,081,118	3,868,141
Total Current Assets		31,365,291	35,146,017
Non-Current Assets			
Property, plant and equipment	16a	30,033,260	36,931,041
Intangible assets	16b	2,988,518	5,968,089
Total Non-Current Assets		33,021,778	42,899,130
Total Assets		64,387,069	78,045,147
Liabilities			
Current Liabilities			
Refundable deposits from customers	17	3,544,924	2,060,271
Trade and other payables	18	4,715,320	11,143,390
Gratuity provision	19	16,257,309	4,116,056
Total Current Liabilities		24,517,552	17,319,717
Non-Current Liabilities			
Total liabilities		24,517,552	17,319,717
Net Assets			
Capital Fund	20	2,234,170	3,348,114
Accumulated surplus	21	37,635,347	57,377,316
Total Net Assets		39,869,517	60,725,430
Total Net Assets and Liabilities		64,387,069	78,045,147

Nairobi Centre for International Arbitration
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For the year ended June 30, 2022

The Financial Statements set out on pages **1 to 49** were signed on behalf of the Board of Directors by:


.....
Registrar/CEO
L. Muiruri Ngugi


.....
Manager Corporate Services
Victor A O. Ogunyo
ICPAK Member No.:10364


.....
Chairperson of the Board
Jacqueline Oyuyo Githinji

Date...30-09-2022

Date...30-09-2022

Date...30-09-2022

15. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH JUNE 2022

	Retained Earnings	Capital/Development grants/ Fund	Total
		Kshs	Kshs
At July 1, 2020	86,031,210	26,265,582	112,296,792
Surplus / Deficit for the year	(50,225,762)	0	(50,225,762)
Transfer of Depreciation/Amortization from capital fund to retained earnings	22,917,468	(22,917,468)	0
Prior year adjustment	(1,345,600)	0	(1,345,600)
At June 30, 2021	57,377,316	3,348,114	60,725,430
At July 1, 2021	57,377,316	3,348,114	60,725,430
Surplus / Deficit for the year	(20,855,913)	0	(20,855,913)
Transfer of Depreciation/Amortization from capital fund to retained earnings	1,113,944	(1,113,944)	0
At June 30, 2022	37,635,347	2,234,170	39,869,517

Note:

1. The Capital Fund is composed of Kshs.2,234,170 relating to the net-book value of assets bought on behalf of the Centre by the Office of the Attorney General and Department of Justice at inception.
2. Depreciation transfer of Kshs.1,113,944 relates to asset bought by the Office of the Attorney General and was transferred from the capital fund to retained earnings.
3. The accumulated surplus as at 30th June 2022 of Kshs.37,635,347 is inclusive of cumulative surplus for the period ended 30th June 2021 of Kshs.57,377,316.
4. Prior year adjustment relates to an amount of kshs.1,345,600 which was recommended for amendment during the external audit activity for the period ended 30th June 2020. A review of the fixed assets movement schedule revealed that this asset was correctly captured in the year ended 30th June 2017 as part of property plant and equipment hence a decision to reverse the entry.

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16. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2022

		2021-2022	2020-2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	129,840,000	101,602,166
Rendering of services	7	3,627,858	3,802,451
Gains on Foreign Exchange Transactions	14c	862,516	86,146
Total Receipts		134,330,374	105,490,763
Payments			
Employee costs	8b	74,821,991	61,425,443
Remuneration of directors	9	6,951,636	7,176,293
Repairs and maintenance	11b	2,216,538	1,835,641
Contracted Services	12b	2,151,980	1,972,051
Uses of goods & services	13b	54,729,565	54,660,999
Total Payments		140,871,710	127,070,427
Net cash flows from operating activities		(6,541,335)	(21,579,664)
Cash flows from investing activities			
Purchase of property, plant, equipment	16a	-	(790,004)
Client deposit		1,484,653	(1,289,375)
Net cash flows used in investing activities		1,484,653	(2,079,379)
Net increase/(decrease) in cash & cash equivalents		(5,056,682)	(23,659,043)
Cash and cash equivalents at 1st JULY		31,277,876	54,936,919
Cash and cash equivalents at 30th JUNE	14b	26,221,194	31,277,876

The Financial Statements set out on pages 1 to 49 were signed on behalf of the Board of Directors by:

Nairobi Centre for International Arbitration
Annual Reports and Financial Statements
For the year ended June 30, 2022



.....
Registrar/CEO

L.Muiruri Ngugi

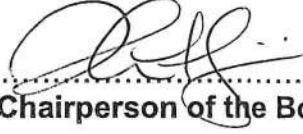
Date...30-09-2022.....



.....
Manager Corporate Services

Victor A O. Ogunyo
ICPAK Member No.:10364

Date...30-09-2022.....



.....
Chairperson of the Board

Jacqueline Oyuyo Githinji

Date...30-09-2022.....

Nairobi Centre for International Arbitration
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17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Original annual Budget a	Adjustments b	Final Annual budget c=a+b	Actual Cumulative to-date d	Performance difference	% Utilization
	Shs	Shs	Shs	Shs	Shs	Shs
Revenue						
Government grants & subsidies	129,840,000	0	129,840,000	129,840,000	0	100
Rendering of services	5,400,000	0	5,400,000	3,627,858	1,772,142	67
Balance B/F	19,653,508	0	19,653,508	19,653,508	0	100
Total Income	154,893,508	0	154,893,508	153,121,366	1,772,142	99
Expenses						
Compensation of employees	85,324,788	-9,685,221	75,639,567	86,903,018	-11,263,451	115
Remuneration of directors	6,000,000	1,000,000	7,000,000	6,951,636	48,364	99
Repairs and maintenance	2,275,764	70,464	2,346,228	2,179,937	166,291	93
Contracted services	2,310,476		2,310,476	1,240,089	1,070,387	54
Use of goods and services	58,982,480	8,614,757	67,597,237	48,034,256	19,562,981	71
Total Expenditure	154,893,508	0	154,893,508	145,308,935	9,584,573	94
Surplus/(Deficit) for the Period	0	0	0	7,812,431		

Notes:

*The adjustments stated above were as a result of budget re-allocation effected in Quarter Three.

*The budget presentation in the financial statement is on accrual basis.

*The Nairobi Centre for International Arbitration annual budget is prepared on cash basis depending on the resource allocation by the NT&P.

Budget Notes

1. **Rendering of Services:** The variance in Rendering of Services is attributed to non-receipt of payment for dispute cases that are still ongoing and are yet to be concluded, additionally low uptake of rooms for hire leading to a shortfall.
2. **Compensation of employees:** The variance under compensation of employee is attributed to accumulated gratuity provision of Ksh.12,141,252 for staffs on contract. During the year ended 30th June 2022 the Centre made efforts to lobby for funding at GJLOS sector level but the National Treasury & Planning did not allocate any fund to cover accrued gratuity. The actual cash payment / commitment on compensation of employees was as per the table below;

Description	2021-2022	2020-2021
	KShs	KShs
Total Employee costs	86,903,018	65,541,499
Non cash Gratuity Provisions	-12,141,252	-4,116,056
Salary advance	60,225	0
Total Employee costs paid	74,821,991	61,425,443

3. **Contracted services:** The variance under contracted services is attributed to accrued expenses reversed during the year. The actual cash payment / commitment under contracted services was as per the table below;

Description	2021-2022	2020-2021
	KShs	KShs
Total contracted services	1,240,089	2,883,942
Accrued Office 365 connectivity	227,909	(227,909)
Accrued Cleaning services	683,982	(683,982)
Total Cashflow on Contracted Services	2,151,980	1,972,051

4. **Use of Goods and Services:** The variance on the Use of Goods and Services is attributed to an array of issues which were put on hold as follows:
 - a. On arbitration conferences, workshops and seminars, the Centre had budgeted to participate in various conferences which were later funded by the hosts hence resulting into a variance.
 - b. On training programme on ADR processes, the Cost of Printing the Training Certificates and Transcripts was drastically reduced because of the Service Level Agreement (SLA) signed by a Service Provider who offers the printing

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services at a lower Cost per Certificate or Transcript hence the printing Budget's variation.

- c. Training and development, the centre had projected to conduct training for staff as per staff training schedule, but the activity was put on hold due to cashflow constraints.
- d. Regarding finance and accounts, the Centre had budgeted for audit fee for the year ended 2019, 2020 and 2021 but it is yet to receive the invoices to honour the obligation hence the variance in the budget.
- e. On the ICT and maintenance vote, expired SLAs (service level agreements) were not renewed when they lapsed in Q3 and management recommended the same to be undertaken in the following year 2022/2023 hence causing a variance in the budget. Moreover, purchase of computers and ICT accessories was put on hold by the management.

EXPLANATION OF DIFFERENCE BETWEEN SURPLUS ON STATEMENT OF FINANCIAL PERFORMANCE AND STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS.

Particulars	Amount
Deficit as per statement of comparison of budget and actual amount	7,812,431
Bal B/F	-19,653,508
Depreciation and amortization expense	-9,877,352
Gain on foreign exchange transactions	862,516
Deficit as per statement of financial performance	-20,855,913

18. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Nairobi Centre for International Arbitration is established by an Act of parliament vide Act No.26 of 2013 and derives its authority and accountability from the Nairobi centre for International Arbitration Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is alternative dispute resolution.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The Centre's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the entity. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

3. ADOPTION OF NEW AND REVISED STANDARDS

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

Standard	Effective date and impact:
IPSAS 40: Public Sector Combinations	Applicable: 1st January 2019: The Centre did not have combinations from exchange transactions or non-exchange transactions for the period under review.

ii. **Early adoption of standards New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2020**

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing, and uncertainty of an entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> a. Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; b. Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and c. Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>The centre did not adopt the provisions provided for in the proposed amendments to the standard in the year under review as there were no financial instruments nor associated credit losses or hedging arrangements put in place to mitigate such effects in the period under review.</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> a. The nature of such social benefits provided by the entity;

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Standard	Effective date and impact:
	<p>b. The key features of the operation of those social benefit schemes; and</p> <p>c. The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.</p> <p><i>There was no social benefit scheme operated by the centre and as a result NCIA did not apply any of the provisions in the proposed amendments to the standard.</i></p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>a. Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b. Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c. Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p><i>NCIA did not have any borrowing facility or financial instruments and hedging arrangements entered into and as such the effect of IPSAS 41 on the related IPSAS did not have an effect on the presentation of the Centre's financial statements.</i></p>

iii. Early adoption of standards

The Centre did not early – adopt any new or amended standards in year 2020 and year 2021.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue Recognition

i) Revenue from Non-Exchange Transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of financial performance. Grants are recognized in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds

ii) Revenue from Exchange Transactions

Rendering of services

The Centre recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably.

b) Budget Information

The original budget for FY 2021-2022 was approved by the NCIA Board on 07th July 2021. The Centre's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under pg.7 of these financial statements.

c) Taxes

The Centre is a non-profit making state corporation that is not obliged to pay corporation tax

d) Property, Plant and Equipment

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

Contingent liabilities

The Centre's contingent liability is pending litigations which may arise. In the current financial year there are no pending litigations.

Contingent assets

The Centre does not have any assets whose occurrence or non-occurrence of one or more uncertain future events are not wholly within the control of the entity

e) Changes in Accounting Policies and Estimates

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

f) Employee Benefits

Retirement Benefit Plans

The Centre provides retirement benefits for its employees who are on a permanent and pensionable basis. Defined contribution plans are post-employment benefit plans under which the Centre pays fixed contributions into a

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separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

g) Foreign Currency Transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Exchange differences arising from the incomes received at rates different from those at which they were initially recorded during the period, have been recognized as incomes in the period in which they arise.

h) Related Parties

The Centre regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise Directors, Registrar/CEO and Heads of Departments.

i) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank. Bank account balances include amounts held at Kenya Commercial Bank accounts at the end of the financial year.

j) Comparative Figures

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

k) Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Centre based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Centre. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

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

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

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6. TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of the Entity sending the grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognized in capital fund.	Total Transfers 2021-2022	Prior year 2020-2021
			KShs		
OAG&DOJ	129,840,000	0	0	129,840,000	101,602,166
Total	129,840,000	0	0	129,840,000	101,602,166

7. RENDERING OF SERVICES

Description	2021-2022	2020-2021
	KShs	KShs
Income from Dispute Administration		
Case Admin-Domestic -Registration	21,682	30,000
Case Admin-Domestic -Administration	323,868	577,729
Total Income from Dispute Administration	345,550	607,729
Income from Accreditation of Practitioners		
NCIA Arbitrator Panel-Domestic	295,142	327,863
NCIA Arbitrator Panel-International	603,166	543,525
NCIA Mediator Panel-Domestic	200,000	131,771
NCIA Mediator Panel-International	-	21,602
Total Income from Accreditation of Practitioners	1,098,308	1,024,761
Income from Capacity Building		
	2,105,000	1,648,884
	2,105,000	1,648,884
Income from Other sources (Hire of Rooms/sale of tender/conference)		
Hire of Rooms	79,000	521,077
Total Income from Other sources	79,000	521,077
Total revenue from rendering of services	3,627,858	3,802,451

8. EMPLOYEE COSTS

Description	2021-2022	2020-2021
	KShs	KShs
Salaries and wages	57,426,349	50,345,324
Club membership		
Rewards and sanctions		198,900
Gratuity paid and provisions	23,442,918	11,767,958
Pension contribution	6,033,751	2,941,380
Staff welfare programmes		287,937
Total Employee costs	86,903,018	65,541,499

8b. CASHFLOW ON EMPLOYEE COSTS

Description	2021-2022	2020-2021
	KShs	KShs
Total Employee costs	86,903,018	65,541,499
Gratuity Provisions	-12,141,252	-4,116,056
Salary advance	60,225	
Total Employee costs for cashflow	74,821,991	61,425,443

9. BOARD EXPENSES

Description	2021-2022	2020-2021
	KShs	KShs
Chairman's Honoraria	783,000	-
Director's emoluments	2,620,000	5,754,400
Other Board Expenses	3,548,636	1,421,893
Total director emoluments	6,951,636	7,176,293

10. DEPRECIATION AND AMORTIZATION EXPENSE

Description	2021-2022	2020-2021
	KShs	KShs
Property, plant and equipment	6,897,781	9,363,269
Intangible assets amortization	2,979,571	2,979,571
Total Depreciation and Amortization	9,877,352	12,342,840

- Depreciation is calculated on a straight-line basis at annual rates estimated to write off the cost of property and equipment over their expected useful lives. This

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approach, guideline and treatment of property, plant and equipment is in line with IAS 16 and IPSAS 17.

- NCIA fixed assets are not depreciated during the year of purchase, assets bought during the year are depreciated in the following year.
- The rates used in calculation of depreciation are:

The rates per annum are:	Rate
Motor Vehicles	25.0%
Office Equipment	33.3%
Computers	33.3%
Furniture and fittings	12.5%
Software	33.3%

11. REPAIRS AND MAINTENANCE

Description	2021-2022	2020-2021
	KShs	KShs
Transport Services	1,288,570	1,094,956
Purchase of office ICT accessories	891,368	846,797
Total Repairs and Maintenance	2,179,938	1,941,753

11b. CASHFLOW ON REPAIRS AND MAINTENANCE

Description	2021-2022	2020-2021
	KShs	KShs
Total repairs and maintenance	2,179,938	1,941,753
Motor Vehicle General Insurance carried down	52,740	113,580
Motor Vehicle Fuel, oil & lubricants	97,439	0
Prepaid Fuel oil & Lubricants	(113,580)	(115,375)
Prepaid Motor Vehicle General Insurance	0	(104,317)
Total Cashflow on Repairs and Maintenance	2,216,538	1,835,641

12. CONTRACTED SERVICES

Description	2021-2022	2020-2021
	KShs	KShs
Cleaning Services	214,500	1,630,308
Internet Broadband and Networks	1,025,589	1,253,634
Total contracted services	1,240,089	2,883,942

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12b. CASHFLOW ON CONTRACTED SERVICES

Description	2021-2022	2020-2021
	KShs	KShs
Total contracted services	1,240,089	2,883,942
Accrued Office 365 connectivity	227,909	(227,909)
Accrued Cleaning services	683,982	(683,982)
Total Cashflow on Contracted Services	2,151,980	1,972,051

13. USE OF GOODS AND SERVICES

Description	2021-2022	2020-2021
	KShs	KShs
Media & public ADR awareness	1,217,936	987,178
Statutory Reporting	468,512	310,590
Consultancy	0	1,923,600
Medical insurance	6,698,729	6,587,591
Website and Intranet	115,876	141,640
Procurement activities	326,045	1,074,760
Budget Planning and Preparation	1,250,565	747,060
Telephone services (Staff Airtime Allowance)	1,877,344	1,627,999
Strategic plan	20,000	20,000
Research on ADR Best practices	0	871,800
Customer satisfaction Survey	20,000	0
Office rent, utilities & car park	20,698,720	29,940,644
Promotional print materials	60,000	1,995,835
Library & reference books & materials	0	99,000
Human Resource Administration	616,939	886,719
Staff training and development	5,536,322	3,145,950
Staff recruitment & induction	918,633	499,954
Staff retreat & team building	0	2,929,334
Subscription to professional international&local	118,360	108,820
Implemen publ serv programmes (Cross-Cutting Issues)	0	302,735
Other-Bank charges/payment process	166,902	174,207
Research	22,369	768,500
Administrative Services	195,908	649,896
Arbitration Conferences/Seminars/Workshops	7,500	14,000
Resource Mobilization	909,400	544,965
Public Relations Services	10,000	894,386

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ISMS Implementation	0	1,444,780
Registrar's office Administration	148,304	120,000
Preventive Maintenance & SLA Support	0	1,651,229
Review ADR Rules and processes	474,005	893,300
Management of ADR Processes	0	100,580
Inventory Management	15,000	18,000
Corporate social responsibility	99,590	0
Training programme on ADR process	1,634,146	838,975
ICT Infrastructure & software	2,575,344	3,040,645
Performance contracting	89,500	0
Stores Cosumeables	650,825	147,000
General insurance motor vehicle & assets	728,784	263,330
Club Membership	65,196	65,196
International presence and practice	297,500	0
Total Use of Goods and Services	48,034,254	65,830,198

13b.CASHFLOW ON USE OF GOODS AND SERVICES

Description	2021-2022	2020-2021
	KShs	KShs
Total Use of Goods and Services	48,034,254	65,830,198
Group Medical Insurance.	4,930,939	3,754,561
Rent payable	4,552,722	(9,268,042)
Global procurement	68,600	(68,600)
Liquid Telecom	105,222	(105,222)
Center Forty	93,863	(93,863)
Innovative Technologies	568,341	(568,341)
MFI Solutions	127,432	(127,432)
Standing & temporary imprest	2,754	0
Prepaid Group medical insurance	(3,754,561)	(4,692,260)
Total Cashflow on Use of Goods and Services	54,729,565	54,660,999

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14. CASH AND CASH EQUIVALENTS

(a) Summary

Description	2021-2022	2020-2021
	KShs	KShs
Kshs. Current account	10,261,175	18,289,173
USD. Current Account*	12,982,445	10,928,432
Kshs. Client Trust Account	2,977,574	2,060,271
Total cash and cash equivalents	26,221,194	31,277,876

***Exchange Rate:**

Transactions in foreign currencies were initially accounted for at the CBK indicative ruling exchange rate of exchange on the date of the transaction. Exchange differences arising from the incomes received at rates different from those at which they were initially recorded during the period, have been recognized as exchange gain in the financial statement.

(b) Detailed Analysis

Description	2021-2022	2020-2021
	KShs	KShs
KCB Bank Ltd Kshs. Current account	10,261,175	18,289,173
KCB Bank Ltd USD. Current Account*	12,982,445	10,928,432
KCB Bank Ltd Kshs. Client Trust Account	2,977,574	2,060,271
Total cash and cash equivalents	26,221,194	31,277,876

(c) Gain on Foreign Exchange Transaction

Description	2021-2022	2020-2021
	KShs	KShs
Daily USD exchange rates	862,516	86,146
Total Gain on Foreign Exchange Transaction	862,516	86,146

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15. RECEIVABLES AND OTHER PREPAYMENTS

(a) Other Receivables from non-exchange transactions

Description	2021-2022	2020-2021
	KShs	KShs
Standing & temporary imprest	2,754	0
Staff salary advance	60,225	0
Total	62,979	0

(b) Prepayments

Description	2021-2022	2020-2021
	KShs	KShs
Group Medical Insurance.	4,930,939	3,754,561
Motor Vehicle General Insurance.	52,740	113,580
Motor Vehicle Fuel, oil & lubricants	97,439	0
Total Prepayments	5,081,118	3,868,141

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16. PROPERTY, PLANT AND EQUIPMENT

(a) TANGIBLE ASSETS

Cost	Motor vehicles		Furniture and fittings		Computers		Office Equipment		Software		Total	
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 1st July 2020	11,071,750	48,366,915	13,369,909	5,292,154	8,947,660	87,048,388						
Additions during the Year	0	0	505,404	284,600	0	790,004						
Disposals during the year	0	0	0	0	0	0						
Transfers/adjustments	0	0	0	0	(8,947,660)	(8,947,660)						
As at 30th June 2021	11,071,750	48,366,915	13,875,313	5,576,754	0	78,890,732						
Additions during the period	0	0	0	0	0	0						
Transfer/adjustments - intangibles assets	0	0	0	0	0	0						
As at 30th June 2022	11,071,750	48,366,915	13,875,313	5,576,754	0	78,890,732						
Depreciation and impairment												
As at 1st July 2020	(11,071,750)	(7,183,844)	(10,369,366)	(3,971,463)	0	(32,596,423)						
Depreciation for the year 2020/2021	0	(6,045,864)	(2,002,004)	(1,315,400)	0	(9,363,268)						
Impairment for the year	0	0	0	0	0	0						
As at 30th June 2021	(11,071,750)	(13,229,708)	(12,371,370)	(5,286,863)	0	(41,959,691)						
Depreciation for the year 2021/2022	0	(6,045,864)	(757,145)	(94,772)	0	(6,897,781)						
Transfer/adjustments - intangibles assets	0	0	0	0	0	0						
As at 30th June 2022	(11,071,750)	(19,275,572)	(13,128,515)	(5,381,635)	0	(48,857,472)						
Net book values												
As at 30th June 2021	0	35,137,207	1,503,943	289,891	0	36,931,041						
As at 30th June 2022	0	29,091,343	746,798	195,119	0	30,033,260						

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The PPE Schedule reflects Motor Vehicles as fully depreciated; the Centre will initiate the process of revaluation of motor vehicles and all other assets that it still draws value from to arrive at the correct Net Book Value for incorporation into the financial statements.

Further, the PPE schedule reflects an adjustment of Kshs.8,947,660 under software category, in reference to the approved IPSAS accrual reporting template (version of June 2021) requires that all intangible assets to be reported separately from the PPE schedule. These were transfers to intangible assets category and this has been demonstrated in note 16(b) as shown below.

16b. INTANGIBLE ASSETS

Description	2021-2022	2020-2021
	KShs	KShs
Cost		
At beginning of the year 1st July 2021	8,947,660	8,947,660
Additions	0	0
At end of the year	8,947,660	8,947,660
Additions—internal development	0	0
At end of the year 30th June 2022	8,947,660	8,947,660
Amortization and impairment		
At beginning of the year 1st July 2021	2,979,571	0
Amortization charge for FY 2021-2022	2,979,571	2,979,571
At end of the year 30th June 2022	5,959,142	2,979,571
NBV 30th June	2,988,518	5,968,089

Intangible assets acquired separately are initially recognized at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

17. REFUNDABLE DEPOSITS FROM CUSTOMERS

Description	2021-2022	2020-2021
	KShs	KShs
Client fees account	2,977,574	2,060,271
Exalo Drilling deposit	567,350	-
Total refundable deposits from customers	3,544,924	2,060,271

18. TRADE AND OTHER PAYABLES

Description	2021-2022	2020-2021
	KShs	KShs
Rent payable	4,715,320	9,268,042
Global procurement	0	68,600
Liquid Telecom	0	105,221
Liquid Telecom	0	227,909
Center Forty	0	93,863
Cleanmark Limited	0	683,982
Innovative Technologies	0	568,341
MFI Solutions	0	127,432
Total Trade and Other Payables	4,715,320	11,143,390

19. GRATUITY PROVISION

Description	2021-2022	2020-2021
	KShs	KShs
Balance B/F	4,116,056	0
Provision for the year	12,141,253	4,116,056
Total Gratuity Provision	16,257,309	4,116,056

20. CAPITAL FUND

Description	2021-2022	2020-2021
	KShs	KShs
Balance B/F	3,348,114	26,265,582
Depreciation transfer to accumulated surplus	(1,113,944)	(22,917,468)
Total Capital Fund	2,234,170	3,348,114

21. ACCUMULATED SURPLUS

Description	2021-2022	2020-2021
	KShs	KShs
Balance B/F	57,377,316	86,031,210
Surplus / Deficit for the year	(20,855,913)	(50,225,762)
Prior year adjustment	-	(1,345,600)
Depreciation transferred from capital fund	1,113,944	22,917,468
Total Accumulated surplus	37,635,347	57,377,316

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22. CASH GENERATED FROM OPERATIONS

Description	2021-2022	2020-2021
	KShs	KShs
Surplus for the year before tax	(20,855,913)	(50,225,762)
Adjusted for:		
Depreciation	9,877,352	12,342,840
Working capital adjustments:		
Decrease in prepayments	(1,212,977)	1,043,811
Increase in Receivables	(62,979)	-
Increase in payables	(6,428,070)	11,143,390
Increase in gratuity provision	12,141,252	4,116,056
Net Cash Flow from Operations	(6,541,335)	(21,579,665)

23. FINANCIAL RISK MANAGEMENT

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

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

i. Liquidity Risk management

Ultimate responsibility for liquidity risk management rests with the Centre's Directors, who have built an appropriate liquidity risk management framework for the management of the Centre's short, medium and long-term funding and liquidity management requirements. The Centre manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

ii. Capital Risk Management

The objective of the Centre's capital risk management is to safeguard the Centre's ability to continue as a going concern. The entity capital structure comprises of the following funds:

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	2020-2021	2019-2020
	Kshs	Kshs
Revaluation reserve		
Retained earnings	37,635,347	57,377,316
Capital reserve		
Total funds	37,635,347	57,377,316
Total borrowings	0	0
Less: cash and bank balances	25,653,842	29,217,605
Net debt/(excess cash and cash equivalents)	(25,653,842)	(29,217,605)
Gearing	-	-

- The Centre's gearing level is at 0% since it has no Borrowings/Debt.

iii. Market risk

The entity has put in place an Internal Audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Risk Management Committee.

The Internal Audit Unit is responsible for co-ordinating development of risk management policies (subject to review and approval by Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

	Ksh	Other currencies (Ksh)	Total
	Kshs	Kshs	Kshs
As at 30 June 2022			
Financial assets			
Cash & Cash equivalent	0	12,415,094	12,415,094
Total financial assets	0	12,415,094	12,415,094
Net foreign currency asset/(liability)	0	12,415,094	12,415,094

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	Ksh	Other currencies (USD)	Total
	Kshs	Kshs	Kshs
As at 30 June 2021			
Financial assets			
Cash & Cash equivalent	0	10,928,432	10,928,432
Total financial assets	0	10,928,432	10,928,432
Net foreign currency asset/(liability)	0	10,928,432	10,928,432

iv. Foreign Currency Sensitivity Analysis

The following table demonstrates the effect on the entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on Performance before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
2021-2022			
USD	17.83	862,516	862,516
2020-2021			
USD	1.24	86,146	86,146

24. RELATED PARTY BALANCES

(a) Nature of Related Party Relationships

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

The Centre is related to:

- i) Government of Kenya;
- ii) Office of the Attorney General and Department of Justice;
- iii) Board of Directors; and
- iv) Key Management.

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Transactions with Related Parties

	2021-2022	2020-2021
	Kshs	Kshs
a) Grants from the Government		
Grants from National Government	129,840,000	101,602,166
Total	129,840,000	101,602,166
b) Board of Directors Compensation		
Directors' emoluments	6,951,636	7,176,293
Total	6,951,636	7,176,293
c) Key Management Compensation		
Compensation to Registrar/CEO	5,810,000	11,004,800
Compensation to Key Management	13,620,260	10,678,630
Total	19,430,260	21,683,430

25. TAXATION

The centre is a non-profit making state corporation and is exempted from taxation.

26. EVENTS AFTER THE REPORTING PERIOD

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

27. ULTIMATE AND HOLDING ENTITY

Nairobi Centre for International Arbitration is a state corporation under the Office of the Attorney General and Department of Justice. Its ultimate parent is the Government of Kenya.

28. CURRENCY

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

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APPENDIX I: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved /Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	<p>Review of the cash and cash equivalents bank balances revealed that the Centres' USD account bank reconciliation statement reflects bank balance as per bank statement of USD 99,890 while the bank statement in support of the same reflects bank statement balance of USD 71,980 resulting to unreconciled variance of USD 27,910 or Kshs.3,010,094 when converted at the Central Bank of Kenya (CBK) indicative currency mean exchange rate of 1USD to Kshs.107.85 as at June,2021.</p> <p>In addition, Note 16 to the financial statements reflects NCIA USD bank account balance of Kshs 10,928,432 against the cash book balance in the bank reconciliation statement of USD 99,890.</p>	<p>Whereas we note the observations made by the Auditor, the Centre would like to reiterate that;</p> <p>NCIA maintains its account in KCB Ltd and carries out online transactions via a portal provided by the bank. The amount of Kes.3,156,549 was transferred from the KCB Ltd Kenya Shillings Account to the KCB Ltd USD account on 30th June 2021 but it remained on transit and was credited to the USD account on 1st July 2021 as USD 27,909.36.</p> <p>As at 30th June 2022 this money had not reflected in the USD account hence it formed</p>	Finance and Accounts Unit - SFAO	Resolved	Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The latter when converted to the reporting currency (Kshs) at the Central Bank of Kenya currency mean exchange rate of Kshs. 107.85 to 1 USD as at 30 June 2021 results to Kshs.10,773,137 resulting to unreconciled variance of Kshs 155,341.00</p>	<p>part of reconciliation in the bank reconciliation statement as of 30th June 2022, to this end the transaction has been cleared and credited to the USD bank account.</p> <p>USD 99,889.58 was translated based on transaction date of each transaction and not the base rate of Kshs. 107.85. This translation was mainly for reporting purposes.</p> <p>To this end, observations from the OAG have been factored in the annual report and financial statements for the period ended 30th June 2022. The US Dollar Bank balance has been translated at the CBK closing rate as at 30th June 2022 and not KCB rate, point to note is that this amount was not realized in Kenya shillings.</p>			
2.	<p>The statement of financial position as at 30 June 2021 reflects total liabilities of Kshs. 17,319,717 and net assets of Kshs. 60,725,430 but reflects at the bottom total net assets and liabilities of Kshs. 60,725,430. Consequently, the total net</p>	<p>Having considered observations from the OAG, the Centre would like to point out that this presentation was aligned with the National Treasury IPSAS Reporting Template for FY 2020-2021 which is issued</p>	Finance and Accounts Unit -SFAO	Open	31 st March 2023

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>assets and liabilities balance is not correctly presented. In the circumstances, the accuracy and completeness of the total net assets and liabilities balance of Kshs. 60,725,430 as at 30 June 2021 could not be confirmed.</p>	<p>upon consultation with the PSASB (Public Sector Accounting Standards Board) which the OAG is a member.</p> <p>The Centre will consult with the National Treasury on the OAG feedback about the presentation for further guidance and will comply as guided.</p> <p>We have deleted the line-item Net assets which had no value and appeared at the bottom line in the statement of financial position as of 30th June 2021 and the same has been corrected in the annual report and financial statements for the period ended 30th June 2022.</p> <p>We wish to confirm that total liabilities of Kshs. 17,319,717 and net assets of Kshs. 60,725,430 was the true position as of 30th June 2021.</p>	Corporate Support	Open	31 March 2023
3.	Variance between the statement of comparison of budget and actual amounts and statement of	We note these are new concerns that were not raised by the Auditor during audit process	Corporate Support	Open	31 March 2023

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>financial performance. The statement of comparison of budget and actuals amounts for the year ended 30 June 2021 reflects total income of Kshs. 156,991,891 which is at variance with the total revenue of Kshs. 105,404,617 in the statement of financial performance by Kshs. 51,587,274 that is described as balance brought forward, no explanation was provided for the variance.</p>	<p>to allow management an opportunity to provide clarification and explanation. The NCIA Act No. 26 of 2013 paragraph 16(3) allows the Center to hold any financial balances at the close of each financial period and shall not be remitted into the consolidated fund but to be retained for purposes of running programmes for the Centre.</p> <p>During the year ended 30th June 2021, the balance brought forward from previous FY2019/20 was Kshs. 51,587,274 this formed part of budget for the period ended 30th June 2021 hence total budget of Kshs. 156,991,891.</p> <p>In addition, the Centre applied accrual Method of accounting to present its financial statement, and in doing this some of the contracted services covered two different financial periods and were carried forward from previous period to for part of current</p>	Services - CSS		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>financial year, hence the balance brought forward in the budget.</p> <p>In arriving at the total budget for the year, the Centre has continued to factor in balance brought forward from the previous year. This has been the practice over the years as supported by the NCIA Act No. 26 of 2013 paragraph 16(3) and has not been a concern in previous audits.</p> <p>Management will take the opportunity to clarify this position to the Auditor General during the next audit cycle.</p>			
4.	<p>Irregular procurement of ICT Infrastructure</p> <p>Review of procurement documents revealed that the NCIA procured ICT infrastructure through restricted tendering and awarded M/S Liquid Telecoms Limited two components of the contract for Kshs 2,525,328 and Kshs 2,626,951 all totalling Kshs 5,152,279. However, the following irregularities were noted:</p>	<p>Whereas we note the observations made by the Auditor, the Centre would like to reiterate that;</p> <p>The procurement of ICT infrastructure entailed two different independent tenders i.e</p> <ol style="list-style-type: none"> 1. Tender for supply, installation and configuration of online mail enterprises (office 365) for a period of 	Supply Chain Management Unit - SSCMO	Resolved	Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The NCIA had eight (8) firms prequalified for Procurement of Supply, Installation and Configuration of Online Enterprise Mail System (Office 365) and selected only five firms to participate in supply, installation and configuration of broadband internet services. This is contrary to regulation 89 (5), (6) and (8) of the Public Procurement and Disposal Regulations, 2020</p> <p>The professional opinion given did not indicate whether it was related to the procurement under review since no procurement or tender number was quoted.</p>	<p>two years at a total sum of Kshs.2,525,328. and</p> <p>2. Tender for supply, installation and configuration of broadband internet services for a period of two years at a total sum Kshs.2,626,951.</p>			
	<p>Whereas the PPADA, 2015 gives 4 options to choose while procuring through restricted tender, the Auditor relied on Section 102 (b) of the PPADA backed by section 89 (5) which states " in pursuant to section 102 (1(b) the PE shall invite tenders from atleast 10 persons selected from the prequalified list".</p> <p>At the time of procurement, the Centre had no responsive prequalified list for provision of internet services and microsoft 365 and therefore relied on section 71 (4) of PPADA, 2015 which states that: "The head of procurement function shall maintain and continuously update lists of registered</p>				

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>suppliers, contractors, and consultants in various specific categories of goods, works or services according to its procurement needs: (4) The lists shall be applied on the alternative procurement methods as specified and appropriate, and the list shall - (a) be generated through portal, websites and people submitting hard copies of their intention to supply. (d) be generated through market knowledge and survey.</p> <p>Approval was granted for the five firms generated through market knowledge i.e. -Safaricom Kenya -Telkom Kenya -Liquid Telecommunications -Jamii Telecom Ltd (JTL) -MTN and on which the Centre acted as per Section 102 (1) (c) of the Act, which states that restricted tender may be used if there is evidence to the effect that there are only few known suppliers of the</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>whole market for the goods, works and services.</p> <p>To enhance the process more and to attract a significant number of suppliers in the market, the Centre also applied Section 102 (1) (d) of the Act states that "an advertisement is placed, where applicable on Procuring Entity website regarding the intention to procure through limited tender. This is evidenced by the Centre's notice of intention to procure through restricted tender as circulated on the NCIA website and on the Public procurement Information Portal (PIIP) and by placement of the said tender documents on the NCIA website and on www.tenders.go.ke.</p> <p>Noting the observations of the AOG, the notice of intention to procure through limited tender can be accessed on the Centre's website www.ncia.or.ke and on the Government portal www.tenders.go.ke</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The signed contract agreement dated 21st August 2020 did not indicate the tender or contract number and the terms under which the parties were contracting.</p>	<p>together with the tender documents solicited on both website platforms to confirm compliance with Section 102 (1d) of PPADA,2015</p> <p>We note the observation made on professional opinion, however the professional opinion prepared was allotted Professional opinion No. 002, with clear stipulation that that the procurement proceedings under review was for supply, installation & configuration of online enterprise mail system as the subject matter which relates to tender for supply, installation and configuration of online enterprise mail system, tender No. NCIA/RTNDR/SICOEMS/02/2020-20212.</p>			
		<p>Whereas we note the observations made, the contract signed clearly indicates that the contract agreement is between Nairobi Centre for International Arbitration and M/S Liquid Telecommunications Kenya Limited for supply, installation & configuration of</p>	Supply Chain Unit: SSCMO	Resolved	Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Although the Chief Executive Officer signed the contract on 6 August 2020, it was drawn on 21 August 2020 with contract start date of 31 July 2020 and end date of 31 July 2022. However, it was not explained why the contract was signed before the date it was drawn and why the start date was retrospective to the date of contract.</p>	<p>online enterprise mail system, Contract No. NCIA/CONT/SICOEMS/002/2020-2021 with all clearly stipulating all terms and condition of the contract.</p> <p>For the date discrepancies, the contract was signed by the Accounting Officer immediately after lapse of standstill period i.e., 6th August 2020. The service provider signed contract on 25th August 2020 due movement restrictions during the Covid-19 era but issued a letter for contract implementation as per the contract date.</p> <p>Noting the observations of the AOG, a letter implying the commencement and implementation of the contract on the date provided in the contract by the service provider M/S Liquid Telecommunication has been provided to be part of the contract.</p> <p>Whereas we note the observations made by the Auditor, the Centre would like to respond as follows.</p>			
5.	<p>Bank reconciliation statements for Clients Trust Account reflect that the Centre received direct deposits of Kshs 236,000 in October 2020 and</p>		Finance and Accounts Unit - SFAO	Resolved	Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Kshs 190,000 in February 2021 from an Agency. However, these two transactions dated October 2020 and February 2021 were posted in the cash book in June 2021.</p>	<p>The Centre did not have sufficient details pertaining to the two balances, thus the delays in posting in the cashbook.</p> <p>Moving forward, all direct deposits in the bank account will be recorded in the cashbook promptly. We would like to note that these deposits were appropriately recorded and as at year end.</p>			30 th June 2022
6.	<p>Further, a review of bank statements revealed that the NCIA transferred revenue through an unreferenced transaction dated 30 June 2021 from a Kenyan shillings designated bank account to a USD designated bank account an amount of Kshs 3,156,549 to USD 27,909.36 without prerequisite authority. This is contrary to regulation 64 (3) of the Public Finance Management (National Government) Regulations, 2015 which prohibits a receiver/collector of revenue from converting public moneys received in local currency into foreign currency and vice versa.</p>	<p>The reason for the transfer was to delineate the Appropriation in Aid (AIA) amount of Kshs 3,156,549 from operational monies, the amount was transferred to the USD account from Kenya Shillings Account at the end of the financial year. The USD account is a non-operational account and this money was transferred in order to preserve the AIA until a guideline is issued by the National Treasury as per our request letter Ref. NCIA/BD/12/3VOL/1(65) on Authority to utilize AIA.</p>	Office of the Registrar/CEO	Resolved	Resolved

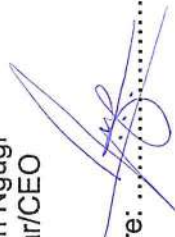
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Reference No. on the external audit Report	Issue / Observations from Auditor Report	Management Comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>The Centre affirms that these amounts remain safe and unused until such a time when the National Treasury will provide direction.</p> <p>Management notes the OAG guidelines regarding regulation 64(3) going forward.</p>			

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue.
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

L. Muiruri Ngugi
 Registrar/CEO



Signature: Date: 30-09-2022

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APPENDIX II: INTER-ENTITY TRANSFERS

ENTITY NAME:		Nairobi Centre for International Arbitration		
Break down of Transfers from the Office of the Attorney General and Department of Justice				
FY 2021/2022				
a.	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		27-08-2021	32,460,000.00	2021-2022
		01-11-2022	32,460,000.00	2021-2022
		11-02-2022	32,460,000.00	2021-2022
		28-04-2022	32,460,000.00	2021-2022
		Total	129,840,000.00	
b.	Development Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		N/A	0	
		Total	0	
c.	Direct Payments			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		N/A	0	
		Total	0	
d.	Donor Receipts			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		N/A	0	
		Total	0	

The above amounts have been communicated to and reconciled with the Office of the Attorney General and Department of Justice.

Manager, Corporate Support Services
 NCIA

Sign 

Head of Accounting Unit
 OAG & DOJ

Sign-----

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APPENDIX III: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific	
State Law Office	27/08/2021	Recurrent	32,460,000.00	32,460,000.00	Nil	Nil	Nil	Nil	32,460,000.00
State Law Office	01/11/2021	Recurrent	32,460,000.00	32,460,000.00	Nil	Nil	Nil	Nil	32,460,000.00
State Law Office	11/02/2022	Recurrent	32,460,000.00	32,460,000.00	Nil	Nil	Nil	Nil	32,460,000.00
State Law Office	28/04/2022	Recurrent	32,460,000.00	32,460,000.00	Nil	Nil	Nil	Nil	32,460,000.00
Total			129,840,000.00	129,840,000.00					129,840,000.00

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APPENDIX IV: RECORDING OF BOARD AND COMMITTEE MEETINGS

Category	Name	Date Held	Description
Other Meetings	Lawrence Waigi Kamau	1/9/2021	Exit Interview For Dickson
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	8/11/2021	Board Induction
Other Meetings	Lawrence Waigi Kamau	8/11/2021	Board Induction
Other Meetings	Kananu Mutea	8/11/2021	Board Induction
Other Meetings	Aisha Abdallah	8/11/2021	Board Induction
Other Meetings	James M Kihara	8/11/2021	Board Induction
Other Meetings	Ashif Kassam	8/11/2021	Board Induction
Other Meetings	Samuel Nderitu	8/11/2021	Board Induction
Other Meetings	Judith Omange	8/11/2021	Board Induction
Other Meetings	Peter Mwangi	8/11/2021	Board Induction
Other Meetings	Pauline Mcharo	8/11/2021	Board Induction
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	9/11/2021	Board Induction
Other Meetings	Lawrence Waigi Kamau	9/11/2021	Board Induction
Other Meetings	Kananu Mutea	9/11/2021	Board Induction
Other Meetings	Aisha Abdallah	9/11/2021	Board Induction
Other Meetings	James M Kihara	9/11/2021	Board Induction
Other Meetings	Ashif Kassam	9/11/2021	Board Induction
Other Meetings	Samuel Nderitu	9/11/2021	Board Induction
Other Meetings	Judith Omange	9/11/2021	Board Induction
Other Meetings	Peter Mwangi	9/11/2021	Board Induction
Other Meetings	Pauline Mcharo	9/11/2021	Board Induction
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	10/11/2021	Board Induction
Other Meetings	Lawrence Waigi Kamau	10/11/2021	Board Induction
Other Meetings	Kananu Mutea	10/11/2021	Board Induction
Other Meetings	Aisha Abdallah	10/11/2021	Board Induction
Other Meetings	James M Kihara	10/11/2021	Board Induction
Other Meetings	Ashif Kassam	10/11/2021	Board Induction
Other Meetings	Samuel Nderitu	10/11/2021	Board Induction
Other Meetings	Judith Omange	10/11/2021	Board Induction
Other Meetings	Peter Mwangi	10/11/2021	Board Induction
Other Meetings	Pauline Mcharo	10/11/2021	Board Induction
Other Meetings	Humphrey Njoroge Muhiu	10/11/2021	Board Induction
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	11/11/2021	Board Induction
Other Meetings	Lawrence Waigi Kamau	11/11/2021	Board Induction
Other Meetings	Kananu Mutea	11/11/2021	Board Induction
Other Meetings	Aisha Abdallah	11/11/2021	Board Induction

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Other Meetings	James M Kihara	11/11/2021	Board Induction
Other Meetings	Ashif Kassam	11/11/2021	Board Induction
Other Meetings	Samuel Nderitu	11/11/2021	Board Induction
Other Meetings	Judith Omange	11/11/2021	Board Induction
Other Meetings	Peter Mwangi	11/11/2021	Board Induction
Other Meetings	Pauline Mcharo	11/11/2021	Board Induction
Other Meetings	Christine Agimba	11/11/2021	Board Induction
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	12/11/2021	Board Induction
Other Meetings	Lawrence Waigi Kamau	12/11/2021	Board Induction
Other Meetings	Kananu Mutea	12/11/2021	Board Induction
Other Meetings	Aisha Abdallah	12/11/2021	Board Induction
Other Meetings	James M Kihara	12/11/2021	Board Induction
Other Meetings	Ashif Kassam	12/11/2021	Board Induction
Other Meetings	Samuel Nderitu	12/11/2021	Board Induction
Other Meetings	Judith Omange	12/11/2021	Board Induction
Other Meetings	Pauline Mcharo	12/11/2021	Board Induction
Category	Name	Date Held	Description
F&A Committee	Samuel Nderitu	24/11/2021	28 th Committee Meeting
F&A Committee	Ashif Kassam	24/11/2021	28 th Committee Meeting
F&A Committee	Pauline Mcharo	24/11/2021	28 th Committee Meeting
F&A Committee	Judith Omange	24/11/2021	28 th Committee Meeting
Category	Name	Date Held	Description
BD Committee	Lawrence Waigi Kamau	24/02/2022	19 th Committee Meeting
BD Committee	Kananu Mutea	24/02/2022	19 th Committee Meeting
BD Committee	James M Kihara	24/02/2022	19 th Committee Meeting
Category	Name	Date Held	Description
Regular Board	Jacqueline Oyuyo Githinji	15/12/2021	38 th Board Meeting
Regular Board	Judith Omange	15/12/2021	38 th Board Meeting
Regular Board	Kananu Mutea	15/12/2021	38 th Board Meeting
Regular Board	Samuel Nderitu	15/12/2021	38 th Board Meeting
Regular Board	Lawrence Waigi Kamau	15/12/2021	38 th Board Meeting
Regular Board	James M Kihara	15/12/2021	38 th Board Meeting
Regular Board	Ashif Kassam	15/12/2021	38 th Board Meeting
Category	Name	Date Held	Description
Regular Board	Jacqueline Oyuyo Githinji	27/01/2022	39 th Board Meeting
Regular Board	Aisha Abdallah	27/01/2022	39 th Board Meeting
Regular Board	Kananu Mutea	27/01/2022	39 th Board Meeting
Regular Board	Lawrence Waigi Kamau	27/01/2022	39 th Board Meeting
Regular Board	Samuel Nderitu	27/01/2022	39 th Board Meeting
Regular Board	James M Kihara	27/01/2022	39 th Board Meeting
Regular Board	Ashif Kassam	27/01/2022	39 th Board Meeting
Regular Board	Judith Omange	27/01/2022	39 th Board Meeting
Category	Name	Date Held	Description

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F&A Committee	Samuel Nderitu	10/12/2021	29 th Committee Meeting
F&A Committee	Ashif Kassam	10/12/2021	29 th Committee Meeting
F&A Committee	Lawrence Waigi Kamau	10/12/2021	29 th Committee Meeting
Category	Name	Date Held	Description
F&A Committee	Samuel Nderitu	13/01/2022	30 th Committee Meeting
F&A Committee	Ashif Kassam	13/01/2022	30 th Committee Meeting
F&A Committee	Lawrence Waigi Kamau	13/01/2022	30 th Committee Meeting
F&A Committee	Pauline Mcharo	13/01/2022	30 th Committee Meeting
Category	Name	Date Held	Description
ARG Committee	Kananu Mutea	12/1/2022	12 th Committee Meeting
ARG Committee	Aisha Abdallah	12/1/2022	12 th Committee Meeting
ARG Committee	Lawrence Waigi Kamau	12/1/2022	12 th Committee Meeting
ARG Committee	Pauline Mcharo	12/1/2022	12 th Committee Meeting
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	16/11/2021	ADR Steeing Committee meeting with Hon. AG
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	9/2/2022	2022-2027 Strategic Plan Development Board Engagement
Other Meetings	Lawrence Waigi Kamau	9/2/2022	2022-2027 Strategic Plan Development Board Engagement
Other Meetings	Aisha Abdallah	9/2/2022	2022-2027 Strategic Plan Development Board Engagement
Other Meetings	James M Kihara	9/2/2022	2022-2027 Strategic Plan Development Board Engagement
Other Meetings	Judith Omange	9/2/2022	2022-2027 Strategic Plan Development Board Engagement
Other Meetings	Pauline Mcharo	9/2/2022	2022-2027 Strategic Plan Development Board Engagement
Other Meetings	Samuel Nderitu	9/2/2022	2022-2027 Strategic Plan Development Board Engagement
Category	Name	Date Held	Description
Other Meetings	Kananu Mutea	3/2/2022	Editorial Committee Meeting
Category	Name	Date Held	Description
F&A Committee	Samuel Nderitu	8/2/2021	Short-Listing meeting for Manager Case
F&A Committee	Pauline Mcharo	8/2/2021	Short-Listing meeting for Manager Case
Category	Name	Date Held	Description
F&A Committee	Dr Ernest Alela	10/12/2021	PHRAO Oral Interview Meeting
F&A Committee	Lawrence Waigi Kamau	10/12/2021	PHRAO Oral Interview Meeting
F&A Committee	Samuel Nderitu	10/12/2021	PHRAO Oral Interview Meeting
Category	Name	Date Held	Description
ARG Committee	Aisha Abdallah	11/4/2022	13 th Committee Meeting
ARG Committee	Kananu Mutea	11/4/2022	13 th Committee Meeting
ARG Committee	Lawrence Waigi Kamau	11/4/2022	13 th Committee Meeting
Category	Name	Date Held	Description

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F&A Committee	Lawrence Waigi Kamau	14/04/2022	31 st Committee Meeting
F&A Committee	Samuel Nderitu	14/04/2022	31 st Committee Meeting
Category	Name	Date Held	Description
Regular Board	Jacqueline Oyuyo Githinji	21/04/2022	40 th Board Meeting
Regular Board	James M Kihara	21/04/2022	40 th Board Meeting
Regular Board	Judith Omange	21/04/2022	40 th Board Meeting
Regular Board	Kananu Mutea	21/04/2022	40 th Board Meeting
Regular Board	Lawrence Waigi Kamau	21/04/2022	40 th Board Meeting
Regular Board	Peter Mwangi	21/04/2022	40 th Board Meeting
Regular Board	Samuel Nderitu	21/04/2022	40 th Board Meeting
Category	Name	Date Held	Description
F&A Committee	Samuel Nderitu	14/04/2022	31 st F&A Committee
F&A Committee	Ashif Kassam	14/04/2022	31 st F&A Committee
F&A Committee	Lawrence Waigi Kamau	14/04/2022	31 st F&A Committee
Category	Name	Date Held	Description
Other Meetings	Judith Omange	11/4/2022	Interview
Other Meetings	Lawrence Waigi Kamau	11/4/2022	Interview
Other Meetings	Samuel Nderitu	11/4/2022	Interview
Category	Name	Date Held	Description
Other Meetings	Aisha Abdallah	1/12/2021	SCAC Training
Other Meetings	Pauline Mcharo	1/12/2021	SCAC Training
Other Meetings	Aisha Abdallah	29/11/2021	SCAC Training
Other Meetings	Pauline Mcharo	29/11/2021	SCAC Training
Other Meetings	Aisha Abdallah	30/11/2021	SCAC Training
Other Meetings	Pauline Mcharo	30/11/2021	SCAC Training
Category	Name	Date Held	Description
LRA Committee	Aisha Abdallah	24/03/2022	27 th Committee Meeting
LRA Committee	James Muruthi Kihara	24/03/2022	27 th Committee Meeting
LRA Committee	Judith Omange	24/03/2022	27 th Committee Meeting
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	17/03/2022	NCIA Inaugural Journal Launch
Other Meetings	Kananu Mutea	17/03/2022	NCIA Inaugural Journal Launch
Category	Name	Date Held	Description
Other Meetings	Lawrence Waigi Kamau	25/03/2022	Shortlisting Exercise for Case Manager
Category	Name	Date Held	Description
Other Meetings	Kananu Mutea	12/5/2022	NCIA Journal Editorial
Category	Name	Date Held	Description
Other Meetings	Aisha Abdallah	18/05/2022	Strategic Plan Meeting
Other Meetings	Jacqueline Oyuyo Githinji	18/05/2022	Strategic Plan Meeting
Other Meetings	Kananu Mutea	18/05/2022	Strategic Plan Meeting
Other Meetings	Lawrence Waigi	18/05/2022	Strategic Plan Meeting
Other Meetings	Samuel Nderitu	18/05/2022	Strategic Plan Meeting

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Category	Name	Date Held	Description
BD Committee	Kananu Mutea	10/6/2022	20th Business Dev
BD Committee	Lawrence Waigi	10/6/2022	20th Business Dev
BD Committee	James Kihara Muruthi	10/6/2022	20th Business Dev
Category	Name	Date Held	Description
LRA Committee	James Kihara Muruthi	2/6/2022	28th LRA
LRA Committee	Samuel Nderitu	2/6/2022	28th LRA
LRA Committee	Aisha Abdallah	2/6/2022	28th LRA
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	24/06/2022	CJ courtesy call
Other Meetings	Kananu Mutea	24/06/2022	CJ courtesy call
Other Meetings	Aisha Abdallah	24/06/2022	CJ courtesy call
Other Meetings	Judith Omange	24/06/2022	CJ courtesy call
Category	Name	Date Held	Description
Other Meetings	Jacqueline Oyuyo Githinji	20/6/2022	LSK Meeting
Other Meetings	Kananu Mutea	20/6/2022	LSK Meeting
Other Meetings	James Kihara Muruthi	20/6/2022	LSK Meeting
Other Meetings	Samuel Nderitu	20/6/2022	LSK Meeting
Other Meetings	Lawrence Waigi	20/6/2022	LSK Meeting