



THE KENYA SCHOOL
OF LAW

2023/2024

ANNUAL REPORT

AND FINANCIAL STATEMENTS



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lawschool@ksl.ac.ke

IN THIS YEAR'S REPORT

01	ACRONYMS, ABBREVIATIONS AND GLOSSARY OF TERMS.....	iii
02	KEY KENYA SCHOOL OF LAW INFORMATION AND MANAGEMENT.....	iv
03	THE KENYA SCHOOL OF LAW BOARD MEMBERS.....	viii
04	MANAGEMENT TEAM.....	ix
05	MESSAGE FROM THE CHAIRPERSON.....	xi
06	REPORT OF THE CHIEF EXECUTIVE OFFICER.....	xii
07	STATEMENT OF KENYA SCHOOL OF LAW PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2023/2024.....	xix
08	CORPORATE GOVERNANCE STATEMENT.....	xxi
09	MANAGEMENT DISCUSSION AND ANALYSIS.....	xxiv
10	ENVIRONMENTAL AND SUSTAINABILITY REPORTING.....	xxv

IN THIS YEAR'S REPORT

11	REPORT OF THE BOARD OF DIRECTORS.....	xxvi
12	STATEMENT OF BOARD'S RESPONSIBILITIES.....	xxvii
13	REPORT OF THE INDEPENDENT AUDITORS OF THE KENYA SCHOOL OF LAW.....	xxviii
14	STATEMENT OF FINANCIAL PERFORMANCE.....	1
15	STATEMENT OF FINANCIAL POSITION.....	2
16	STATEMENT OF CHANGES IN NET ASSETS.....	4
17	STATEMENT OF CASH FLOWS.....	5
18	STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS.....	6
19	NOTES TO THE FINANCIAL STATEMENTS.....	7
20	APPENDICES.....	20

ACRONYMS, ABBREVIATIONS AND GLOSSARY OF TERMS

ACRONYMS AND ABBREVIATIONS

ATP	ADVOCATES TRAINING PROGRAMME
CEO	CHIEF EXECUTIVE OFFICER
CHRP	CERTIFIED HUMAN RESOURCE PROFESSIONAL
CLE	COUNCIL OF LEGAL EDUCATION
CPD	CONTINUOUS PROFESSIONAL DEVELOPMENT
HELB	HIGHER EDUCATION LOANS BOARD
ICPAK	INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF KENYA
IPSAS	INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS
KISM	KENYA INSTITUTE OF SUPPLIES MANAGEMENT
KSL	KENYA SCHOOL OF LAW
OAG	OFFICE OF THE AUDITOR GENERAL
PFM	PUBLIC FINANCE MANAGEMENT
PPE	PROPERTY PLANT & EQUIPMENT
PTP	PARALEGAL TRAINING PROGRAMME

GLOSSARY OF TERMS

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year - Means the prior period.



KEY KENYA SCHOOL OF LAW INFORMATION AND MANAGEMENT

BACKGROUND INFORMATION

The Kenya School of Law is a state corporation established under section 3 of the Kenya School of Law Act. The Act establishes the School as a public legal education provider responsible for the provision of professional legal training as an agent of the Government.

The School's main campus is located in Karen, Nairobi with a satellite campus located in the Central Business District. A Board of Directors governs the School, which is responsible for the general policy and strategic direction.

VISION

A centre of excellence in professional legal training, research and consultancy.

MISSION

To offer practical training for the professional development of lawyers and other professionals, and to undertake research, and consultancy in the public and private sectors for promotion of the rule of law and good governance.

CORE VALUES

- Integrity
- Excellence
- Customer Oriented
- Team-work and Partnership
- Competence and Professionalism
- Transparency and Accountability
- Equity

CORE FUNCTION OF THE SCHOOL

- Training of advocates for entry into the legal profession,
- Continuing professional legal development,
- Provision of Para-legal training,
- Provision of specialized and customized legal training in the public service, and
- Offering consultancy and research services.



KEY MANAGEMENT

The School's day-to-day management is under the Director/Chief Executive Officer and Secretary to the Kenya School of Law Board. The Board of Directors exercise oversight role of policy formulation. The other key management of the School comprises of Assistant Directors and Heads of Departments.

FIDUCIARY MANAGEMENT

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

NO	RESPONSIBILITY	NAME OF STAFF
1.	Director/Chief Executive Officer	Dr. Henry K. Mutai
2.	Assistant Director, Continuous Professional Development (CPD)	Mr. Isaac Kuloba
3.	Assistant Director, Advocates Training Programme (ATP)	Ms. Anna Konuche
4.	Assistant Director, Human Resource & Administration	Mr. John Malombe
5.	Principal Human Resource Officer	Ms. Lucia Lulu
6.	Principal Accountant	CPA Ruth G. Gichuki
7.	Principal Internal Auditor	CPA Fredrick Abea
8.	Principal Supply Chain Management Officer	Ms. Mariam Ali Mahmud
9.	Principal Officer, Academic Services	Mr. Fredrick Muhia
10.	Paralegal Training Programme Coordinator	Mr. Mark Mukuha
11.	Principal Librarian	Ms. Agnes Mwai
12.	Principal Legal Officer	Ms. Pauline Mbuthu



FIDUCIARY OVERSIGHT ARRANGEMENTS

The Board of Directors who carry out the oversight duties through the Board Committees holds the fiduciary oversight arrangements of the School. These committees are Finance and General Purposes, charged with the responsibilities of budgetary planning, budget approval and procurement plans. It also provides policy guidance on implementation of Finance, Human Resources and Information strategies. Audit, Governance and Risk Management Committee is a statutory committee whose responsibilities include evaluating the adequacy of the existing Governance and Risk management systems and processes to ensure sound financial procedures and accountability. The Academic Affairs Committee, which develops legal training policies and programmes to meet domestic market requirements and to comply with international best practices, develops policies and strategies for managing Kenya School of Law examinations, provides guidelines and advises the government on matters pertaining to legal training. The School has also set up a Corruption Prevention Committee whose membership comprises of key management staff.

HEADQUARTERS

Langata South Road, Karen
P.O. Box 30369 - 00100
Nairobi, Kenya

CONTACTS

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E-mail: lawschool@ksl.ac.ke
Website: www.ksl.ac.ke

DROPPING ZONE

No. 8, Embassy House
Basement Floor Room 8
Harambee Avenue,
Opposite Harambee Annex,
Nairobi, Kenya

INDEPENDENT AUDITORS

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

BANKERS

1) ABSA BANK KENYA

Corporate Branch
Barclays Plaza
P.O BOX 4661 – 0100
Nairobi, Kenya

2) EQUITY BANK KENYA

Supreme Branch
Karen
Nairobi, Kenya

3) CO-OPERATIVE BANK OF KENYA

Karen Branch
P.O Box 24644-00502
Nairobi, Kenya

PRINCIPAL LEGAL ADVISOR

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

WHO WE ARE

Corporate Information

BOARD OF DIRECTORS



PROF. JOSEPH MWORIA WAMUTITU

Chairperson
September 2021 to present
Appointment Date: 28th October, 2021



**HON. LADY JUSTICE PAULINE NYAMWEYA
JA, FCIARB**

Member representing the Chief Justice, Republic of Kenya
Appointment Date: 21st July, 2015



**PROF. MICHAEL NYONGESA
WABWILE PH.D.**

Member representing University Law Lecturers in Kenya
Appointment Date: 20th March, 2021



MRS. EMILY CHWEYA

Member representing State Law Office and Department of
Justice
Appointment Date: 1st October, 2013



CPA JOSEPH WARUIRU

Member representing the National Treasury
Appointment Date: 23rd November 2023



CS. JACQUELINE A.O. MANANI

Member representing the Law Society of Kenya
Appointment Date: 22nd May, 2021

WHO WE ARE

Corporate Information

BOARD OF DIRECTORS



MS. NOREEN WAMBUI N. KANYUA

Member representing Inspectorate of State Corporations
Executive Office of the President
Appointment Date: 10th November, 2023



MS. CATHERINE OCHANDA

Member representing State Law Office and Department of
Justice
Appointment Date: 24th October, 2016



DR. HENRY KIBET MUTAI

Director/CEO & Secretary
Appointment Date: 26th March, 2018

WHO WE ARE

Corporate Information

MANAGEMENT TEAM



DR. HENRY KIBET MUTAI

Director/Chief Executive Officer &
Secretary, Kenya School of Law Board
Appointment Date: 26th March, 2018



MR. ISAAC SIMIYU KULOBA

Assistant Director, Continuing Professional
Development/Projects & Research
Appointment Date: 1st October, 2017



MS. ANNA KONUCHE

Assistant Director, Advocate Training
Programme
Appointment Date: 7th November, 2017



MR. JOHN MALOMBE

Assistant Director, Human Resource &
Administration
Appointment Date: 15th October, 2019



CHRP LUCIA LULU

Principal Human Resource Officer
Appointment Date: 2nd August, 2019

iii



CPA RUTH G. GICHUKI

Principal Accountant
Appointment Date: 1st July, 2019

WHO WE ARE

Corporate Information

MANAGEMENT TEAM



CPA FREDRICK ABEA

Principal Internal Auditor
Appointment Date: 30th August 2019



MS. MARIAM A. MAHMUD

Principal Supply Chain Management Officer
Appointment Date: 3rd October 2016



MR. FREDRICK MUHIA

Principal Officer, Academic Services
Appointment Date: 1st May 2010



MR. MARK M. WANJOHI

Lecturer, Paralegal Training
Programme Coordinator
Appointment Date: 5th December, 2022



MS. AGNES MWAI

Principal Librarian
Appointment Date: 4th May, 2015



MS. PAULINE MBUTHU

Principal Legal officer
Appointment Date: 16th March, 2020

MESSAGE FROM THE CHAIRPERSON

” I am delighted to present the Twentieth Annual Report and Accounts of the Kenya School of Law for the period ending 30th June, 2024.

KEY ACHIEVEMENTS

During the year under review the School continued to discharge its mandate of provision of practical training for the professional development of lawyers and other professionals, and to undertake research, and consultancy in the public and private sectors for promotion of the rule of law and good governance. The following were key achievements during the year under review during the year:

1. The Paralegal Training Programme (PTP) received full accreditation from the Council of Legal Education (CLE) pursuant to the provisions of the Legal Education Act and the relevant Regulations. The accreditation was granted for a period of five (5) years with effect from 9th April 2024.
2. The School extended the scope of the Memorandum of Understanding (MOU) with the Higher Education Loans Board (HELB) to enable the extension of HELB loans to PTP students from July 2023.
3. The School held its 8th Graduation and Prize-Giving Ceremony on the 8th December, 2023.
4. The School was accredited by KASNEB and commenced Certified Secretaries Course, and the first intake of about 160 students, undertaking foundational and intermediate modules, was in September 2023.
5. Publishing of School Justice newsletter two issues (Vol. 6 Issue 2 and Vol. 7 Issue 1), which is one of our information, education and communication tools that helps in communicating to all our stakeholders, both internal and external about the School's activities that have taken place within a specific timeframe.
6. The School held the 5th Annual Conference

- themed “Taxation and Social Economic Rights in Middle-Income Economies” that took place on 25-26 April 2024.
- The School got an ISO 90001:2015 Recertification certification for the next three years by KEBS from 2024 to 2027.
- The School in collaboration with CIHEB held several trainings on matters touching on human and sexual rights to targeted trainees within Nairobi.

CHALLENGES

The School faced a shortfall in revenue due to budget cuts. The initial allocation of Kshs. 184 million for recurrent budget was revised downwards to Kshs. 151 million.

Freezing of employment in government institutions also hindered full implementation of the planned activities due to shortage of staff in some departments.

THE WAY FORWARD

The School has laid down resource mobilization strategies to bridge the gap in revenue and will seek approvals for filling of critical positions in order to achieve all the planned activities.

The School's outlook is bright and the students have confidence in the programmes offered.



**Prof. Joseph Mworio Wamutitu,
Chairperson**

KENYA SCHOOL OF LAW BOARD

REPORT OF THE CHIEF EXECUTIVE OFFICER



It is my pleasure to present the Annual Report and Financial Statements of the Kenya School of Law (hereafter referred to as the "School") for the financial year ended 30th June, 2024. This is the twentieth Annual Report and Accounts since its re-establishment as a Semi-Autonomous Government Agency. During the year, the School acting within its mandate, successfully executed most of its planned programmes, projects and new initiatives with a view of delivering quality legal services to its clients.

KEY ACTIVITIES

The key activities of the School during the year included Academic services comprising the Advocates Training Programme, Diploma in Law (Paralegal Training Programme) and Continuing Professional Development. There was also the provision of Hospitality services as well as Finance, Human Resources and Administration activities.

a) Academic Services

As the country marches towards the attainment of Vision 2030 whose aim is to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all its citizens through the various pillars, the School under the social pillar has not been left behind in undertaking training programmes in cognizance of globalization and legal skills for the 21st century legal expert. Thus in February, 2024, the ATP academic programme welcomed a total of 1692 lawyers into its programme with the sole aim of converting them into competent, market-ready advocates. Orientation of this new cohort of ATP students was done both virtually and physically on Thursday 1st February, 2024 with different heads of departments enlightening the students on what to expect in the school and also what is expected of them.

We also had other stakeholders attend the orientation including the Council of Legal Education (CLE) who informed the new students of their mandate and relation with the School and the Higher Education Loans Board (HELB) who informed students of their collaboration with the School in assisting them with Loans for their school fees.

In the last Financial Year, the School continued to offer legal aid to various segments of society in collaboration with various stakeholder notably, the Kenya Prisons, the Law Society of Kenya, NGOs and some faith based organizations. To this end, visits were organized to various prisons in Kenya such as Mombasa Shimo La Tewa Prison, Kisumu, Kodiaga prison, Kakamega, Kitui, and Kangeta prisons. Our students also participated in several legal aid activities hosted by Christ Is the Answer Ministries Church held within Nairobi and its outskirts. In addition to these activities, the School in collaboration with an NGO, CIHEB held several trainings on matters touching on human and sexual rights to targeted trainees within Nairobi.

Continuing with our theme of engaging stakeholders, the School held a virtual Pupil master workshop on the 23rd May 2024 where various matters touching on the school's mandate of training were discussed. On 21st June, 2024, the ATP students benefitted from mentorship from distinguished members from the South Eastern Branch of the Law Society of Kenya who visited the School and also donated suits for needy students in the School.

As part of staff development and building capacity of the teaching staff, all the ATP teaching staff, both full time and adjunct faculty went on an andragogy training retreat in Naivasha on the 14th-15th December, 2023. This provided an opportunity for teaching staff to unwind from the busy teaching schedule, to bond and to learn more about the complexities of teaching Generation Z.

In celebrating our 2022 ATP class, the School held its 8th Graduation and Prize-Giving Ceremony on the 8th December, 2023.

The 2023/2024 academic year for the Paralegal Training Programme (PTP) commenced on 10th July 2023 with orientation for the newly admitted First-Year students. For the 2023/2024 academic year, PTP commenced an online-only evening classes with the new First-Year cohort. This is intended to accommodate students who are either live or work outside Nairobi or are otherwise unable to physically attend classes.

The School extended the scope of the Memorandum of Understanding (MOU) with the Higher Education Loans Board (HELB) to enable the extension of HELB loans to PTP students from July 2023.



KSL students during the 8th Graduation and Prizing - Giving Ceremony on 8th December 2023 at the School in Karen

PTP offered the final round of examinations for the Old Curriculum from 18th September to 4th October 2023. Since this was the last offering of the Old Curriculum examinations, any students who were unsuccessful were transitioned to the New Curriculum using the transition guidelines approved by the School. During this academic year, the School introduced Special and Supplementary Examinations at the end of every term. These examinations are intended to allow students who defer sitting for the original examination for medical and financial or other valid reason or those who fail their first attempt of the original examination, an opportunity to sit for the examinations before proceeding to the next year of study. Previously, students who have to wait for one academic year to take any failed or deferred examination.

PTP students have been involved in extra-curricular activities throughout the year. The activities include sports at the Karen Campus every Friday as well as sports tournaments with students from the Advocates Training Programme (PTP). Additionally, PTP students participated in various club activities. The most vibrant club during the year was the Debate Club which represented the School in various inter-university debate competitions including the following debate tournaments:

- Kenyatta University debate from 14th to 17th September 2023.
- Ubuntu Debate Tournament at Kenyatta University on 26th February, 2024
- Mashujaa Debate Tournament at Strathmore University from 23rd March, 2024

d) Campus Debate 1 broadcast on KTN television on 15th March, 2024

e) Campus Debate 2 broadcast on KTN television on 5th April, 2024

PTP students participated in legal clinics organized in conjunction with various partners including:

- The Christ Is the Answer Ministries (CITAM) legal aid clinics in Kitengela on 22nd September 2023.
- The Christ Is the Answer Ministries (CITAM) legal aid clinics in Langata on 23rd September 2023.
- The CIHEB-Kenya legal aid clinic at the Bar Hostess Empowerment & Support Programme (BHESP) offices in Kasarani on 6th April, 2024.
- The Law Society of Kenya - Nairobi Branch legal aid clinic at PCEA Unity Church in Umoja Estate, Nairobi on 14th April, 2024.
- The International Centre for Reproductive Health-Kenya (ICRH-K) legal aid clinic in Mombasa on 11th May, 2024.

The Paralegal Training Programme (PTP) received full accreditation from the Council of Legal Education (CLE) pursuant to the provisions of the Legal Education Act and the relevant Regulations. The accreditation was granted for a period of five (5) years with effect from 9th April 2024. The School has pursued accreditation since the inception of PTP and has held continuous engagement with CLE over the rigorous requirements culminating in the final on-site visit to the Town Campus by CLE on 1st November 2023. Over the years, the School has taken various corrective actions and submitted corrective action reports to CLE.



Induction of the ATP class on February 01, 2024

b) Continuing Professional Development

The FY 2023-2024 had both positives and negatives, as the School, through the Continuing Professional Development Department (CPD) continue to carry out part of the School's core mandate. The main activities during this financial year were (1) training (2) Certified Secretaries Course (3) legal consultancies, and (4) annual conference. Despite financial constraints that faced the School, a lot happened in the year. The Continuing Professional Development Department realised 96% of its financial targets through these activities.

Training

The training offered this year included legal audit, data protection law and policy, advanced negotiations, investigations and courtroom skills, public procurement law and policies, litigation, andragogy, and public private partnerships. These courses were offered in Mombasa, Nairobi and Naivasha, and run for 5 days each. A total of 25 courses were successfully offered, three of which were virtual. Some of the courses were calendar courses; others were customised to the needs of a particular client, who included the Office of the Attorney General (Legal Audit & Compliance; Public Procurement Law and Policies). During the year, the School also offered Legal Auditor Certification Course, held in Nakuru between 22-26 January, 2024. This is an important course through which all lawyers who wish to be legal auditors have to be certified by the School as the only institution in Kenya and in Africa, doing that kind of certification.

Certified Secretaries Course

In the year 2023-2024, the School was accredited by KASNEB and commenced Certified Secretaries Course, and the first intake of about 160 students, undertaking foundational and intermediate modules, was in September 2023. There were other intakes in January and May 2024. This course has attracted a lot of interest from members of the legal profession, who are the majority. For the first time, lawyers in Kenya have their "own" institution to train them to become certified secretaries.

Legal Consultancies

During the year, the School continued to carry out consultancies on legal and governance audit for a number of institutions in the public sector. The School was able to take 9 consultancies, some of which would spill into the next financial year, having come late in the financial year under review.

Annual Conference

The Annual Conference themed "Taxation and Social Economic Rights in Middle-Income Economies" took place on 25-26 April, 2024. The guest speakers at the conference included Prof. Collins Odote, CLE Board Chair and Dean University of Nairobi School of Law; Mr. Kwame Owino (Economist); Hon. Dr. Makali Mulu, MP, Kitui Central, & Member, Budget Committee of the National Assembly, amongst other speakers. The discussions were vibrant and met our objectives. The papers that were presented would be reviewed further and be published in the proposed inaugural KSL Law Journal in the next Financial Year.



Participants in Legal Auditor Certification Course, at Ole Ken Hotel, Nakuru, held on 22-26 January, 2024

Research Activities

The School undertook a consultancy funded under the UNDP's programme for support in access to justice. The consultancy involved the development of a National code of conduct for paralegals in Kenya. At the same time, the School continued engaging New York University on possible collaboration on research activities, and all signs are positive that it will be successful.

c) Hospitality and Conferencing Activities

The School offers conferencing facilities, including accommodation, for guests. The pandemic adversely affected the operations of the hospitality industry resulting in a drastic reduction in the number of guests hosted but the section is slowly picking up. The following institutions held workshops in the School:

Jomo Kenyatta Foundation, Office of the Attorney General & Department Of Justice, CLAW IT, Agro Care, Commission of Administrative Justice, Tana River Water Works, Teacher's Service Commision, IPOA, Council of Legal Education, Makerere University, Capital Markets Authority and Institute of Primate Research.

The school also has grounds for hire for weddings and other various outdoor activities.

d) Human Resources and Administration

During the Financial year the School developed a number of Policies around key areas policies on Resource Mobilization, Monitoring and Evaluation and Prevention and Response to Gender Based Violence.

At the end of the calendar year, in December, 2023 staff gathered together for an End of year luncheon and had a great occasion to bond and recognize colleagues for their various achievements. Within the same month, three (3) staff who were retiring from the service were also celebrated as colleagues bid them farewell as they proceeded on retirement.

Sadly, in the months of January and February, the School lost two staff members from the Supply Chain Management and Continuing Professional Development departments. The School community came together and condoled with the family of fallen colleagues and similarly supported other staff who were bereaved during the year.



Staff during the luncheon session in December 2023



Participants of Induction Training for new staff held in February 2023
at KSL

Quarterly Health talks organized in conjunction with the Staff Medical Insurance Provider on various topics including Alcohol and Substance dependence, Mental health and Gender based violence and chronic disease management, as well as an opportunity for staff to have health checks. Additionally, staff were sensitized on personal financial management.

Within the year, the School recruited a number of staff, in replacement of those who have left for one reason or the other. Successful candidates who took up appointment underwent staff induction training in the month of June, 2024.

All staff set their performance targets at the beginning of the financial year in line with the School Annual work plan and held mid-year review and end of year performance appraisal discussions with their supervisors. The validation of the previous year's appraisal results was held and various recommendations implemented including recognizing staff who had posted commendable performance.

Having conducted a Training Needs Assessment, training projections were prepared however implementation of the projections was constrained by budget.

The School conducted an Employee Engagement survey and determined various indices including, work environment satisfaction, job satisfaction, Employee Net Promoter score, Leadership satisfaction and Corruption perception, all of which provided valuable feedback on the working environment and suggestions for improvement in the working experience of employees.

FINANCIAL PERFORMANCE

a) Revenue

During the year the School received **Kshs 151.31 Million** as Government recurrent subvention against **Kshs 184.11 Million received** in the 2022/2023 financial year. This amount was in line with approved budget allocation. The target for internally generated revenue was **Kshs 377.5 Million**. The School managed to raise **Kshs 377.4 Million** from its internal operations against **Kshs 377.3 Million** in 2022/2023 financial year. This represented a marginal rise of 0.1% and compares closely with the performance of FY 2022/2023. Student's fees income of **Kshs 291.66 Million** contributed the highest portion of this internally generated revenue representing 78%. Combined Hospitality and CPD activities generated **Kshs 79.7 Million** against **Kshs 64.1 Million** in 2022/2023 financial year representing an increase of 22%. A total of **Kshs 5.9 Million** came from rental income and other miscellaneous income.

b) Expenditure

The School expended **Kshs 616.3 Million** in recurrent expenses. A total of **Kshs 24.8 Million** was spent on the ongoing construction of the library while **Kshs 11.5 Million** was used on acquisition of new assets.

c) Results

The School's net assets rose from **Kshs 2.56 billion** in the 2022/2023 financial year to **Kshs 2.65 billion** in 2023/2024 financial year.

During the year, the School reported a deficit of **Kshs 87.6 million**. This was a significant rise from the deficit recorded in the financial year 2022/2023 where it stood at **Kshs. 10.4 million** and this is mostly explained by a bigger depreciation that resulted from the revaluation of assets.

CHALLENGES

The School faced a number of challenges during the year under review. These included a reduction in exchequer funding of the recurrent grant and a total lack of the development grant.

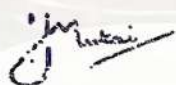
Despite a steady enrolment of students, quite a number are financially challenged which poses a challenge to the School in terms of collection of the fees.

WAY FORWARD

The School looks forward to continued execution of its mandate with a view to delivering quality legal training services to its customers, stakeholders and the public. Both Management and Board will continue to diversify sources of revenue with a view to achieving financial self- sustainability. The School will also continue to adhere to laid down policies and procedures in management of its affairs and particularly ensure prudent use of allocated resources. Implementation of austerity measures and compliance with Government circulars will result to continual funding from the Government. With the clear strategic objectives and initiatives being undertaken, the future of the School is bright.

VOTE OF THANKS

In conclusion, I wish to sincerely thank the Board of Directors of the School for their unwavering support and commitment in oversight, policy formulation and strategic guidance. Secondly, I thank the Government of Kenya for timely release of recurrent subvention during the year and continual guidance through well thought out circulars and various engagements. Thirdly, the success of this School owes much to the Kenyan public who pay taxes to enable the Government run its activities. These very Kenyans have trusted the quality of training offered by the School; it is this trust that has made them to bring their children to us. Fourth, I appreciate Government agencies who have always chosen to enroll their staff for our continuous professional development courses. This also includes all other clients who have chosen to utilize our facilities. Lastly, I thank the entire Kenya School of Law staff for their dedication and professionalism in upholding the School's values.



Dr. Henry K. Mutai

Director/Chief Executive Officer & Secretary

KENYA SCHOOL OF LAW BOARD

STATEMENT OF KENYA SCHOOL OF LAW PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2023/2024

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the Accounting Officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

KSL has 5 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2022/23-2027/28. These strategic pillars/ themes/ issues are as follows:

- Pillar/theme/issue 1: Quality Legal Training, Research and Consultancy
- Pillar/theme/issue 2: Financial Sustainability
- Pillar/theme/issue 3: Capacity Development
- Pillar/theme/issue 4: Customer Satisfaction
- Pillar/theme/issue 5: Corporate Leadership and Governance

The School develops its annual work plans based on the above 5 pillars/Themes/Issues. Assessment of the Board's performance against its annual work plan is done on an annual basis. The KSL achieved its performance targets set for the FY 2023/2024 period for its 5 strategic pillars, as indicated in the table below:

Strategic Pillar/Theme /Issues	Objective	Key Performance Indicators	Activities	Achievements
Quality Legal Training, Research and Consultancy	To enhance quality of curriculum delivery	No. of students trained in the ATP	Train 1500 students under ATP	Trained a total of 1748 lawyers under the Advocates Training Programme
		No. of students trained in the PTP	Train 200 students under PTP	Trained a total of 401 Students under the Paralegal Training Programmes
		No. of trainings undertaken	Train academic staff on teaching methodologies	Conducted one training on teaching methodologies for all the academic staff
	To strengthen Continuing Professional Development Programme	No. of courses delivered	Develop and Deliver 27 CPD short courses	Delivered 22 CPD short courses
	To Strengthen Research, consultancies and projects	No. of legal consultancies undertaken	Undertake 7 legal consultancies	8 consultancies were undertaken during the period
		No. of conferences held	Hold an annual conference	Held the 5th Annual Legal Conference in April 2024

STATEMENT OF KENYA SCHOOL OF LAW PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2022/2023

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Financial Sustainability	Strengthen Revenue Generation	Total amount of revenue generated	Promote CPD courses and consultancies	A total of Kshs. 54,307,607.00 was raised
			Promote and offer hospitality services	A total of 23,482,696.00 was raised through the hospitality services
Institutional capacity	To strengthen human capital	% implementation of TNA report	Implement Training Needs Assessment Report	A total of 22 staff members were trained on the TNA approved trainings.
	Enhance Succession Management	No. of coaches and mentors trained	Train coaches and mentors	Coaching and mentorship training done where a total of 64 staff members were trained
Customer Satisfaction	To strengthen corporate image and reputation	No. of Newsletters published	Publish Justice Newsletter	Both November and April Publications done during the FY
		No. of CSR activities conducted	Conduct CSR Activities	2 CSR activities were done during the FY
Corporate Leadership and Governance	To Strengthen Corporate Governance	No. of Board Members trained	Conduct Board Training	Activity was not undertaken due to the budgetary constraints.
		No. of annual reports prepared	Prepare and publish School's Annual Report in line with Mwongozo Requirements	The FY 2022/2023 Annual Report Published.

The School aligns its annual Performance Contract targets with the Strategic Plan targets specifically under the Core mandate section which are under the Strategic Pillars 1,2 and 3. Therefore, an achievement of the 2023/2024 strategic plan activities as indicated above clearly demonstrates an achievement of the School's 2023/2024 signed Performance Contract.

CORPORATE GOVERNANCE STATEMENT

The Board is responsible for providing appropriate strategic advice and direction to the School and is accountable to the Government, Stakeholders and the Kenyan Public at large through the State Law Office and Department of Justice. The legal education laws, policies and strategies in place aim at achieving the goals of the School as stated in the Vision and Mission statements. The School is committed to being compliant with the Law and to demonstrate high standards of best practice in corporate governance and ethics.

Members of the Board

The Members of the Board comprise of appointees of the Principal Secretary of the Ministry for the time being responsible for legal education, the Principal Secretary of the Ministry for the time being responsible for National Treasury, the Attorney-General, The Chief Justice, a representative of the Law Society of Kenya nominated by its Council, and two other persons appointed by the Cabinet Secretary of whom—(i) one shall be a person who teaches law in Kenya, nominated by the Universities; and (ii) one shall be a curriculum expert who teaches education in a University in Kenya; and the Director.

The School Board as guided by the State Corporations Act and The KSL Act meets at least four times a year with special meetings held on a need basis. The Chief Executive Officer and Secretary of the KSL Board and management are delegated by the Board to run the day-to-day affairs of the School.

The School Board operates three (3) standing committees to which it has delegated various responsibilities. Each Committee meets as need be under the terms of reference set by the Board Charter.

Finance and General Purposes Committee

This committee is charged with the responsibilities of budgetary planning, budget approval and procurement plans. It also provides policy guidance on implementation of Finance, Human Resources and Information strategies. The committee is composed of:

1. Prof. Michael Nyongesa Wabwile	Chairperson
2. Mr. Joseph Waruiru	Member
3. Mrs. Emily Chweya	Member
4. Ms. Catherine Ochanda	Member

Academic Affairs Committee

This committee's responsibilities are to develop legal training policies and programmes to meet domestic market requirements and to comply with international best practices, develop policies and strategies for managing Kenya School of Law examinations, provide guidelines and advise the government on matters pertaining to legal training. The Academic Affairs Committee comprises of:

1. Mrs. Emily Chweya	Chairperson
2. Hon. Lady Justice Pauline Nyamweya	Member
3. C.S Jacqueline A.O Manani	Member
4. Prof. Michael Nyongesa Wabwile	Member

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit, Governance and Risk Management Committee is a statutory committee under the Act. The committee comprises of:

1.C.S Jacqueline A.O Manani	Chairperson
2.Hon. Lady Justice Pauline Nyamweya	Member
3.Mr. Joseph Waruiru	Member
4.Ms. Catherine Ochanda	Member

The committee's responsibilities include evaluating the adequacy of the existing Governance and Risk management systems, management procedures and processes with regard to Governance and Risk management to ensure sound financial procedures and accountability.

OTHER STATUTORY COMMITTEES

Corruption Prevention Committee

The Committee's responsibility is to effectively address corruption related issues in the institution and to provide oversight function. The Kenya School of Law Anti-Corruption Policy provides the guiding framework for prevention, detection, investigation and reporting of corruption to the Kenya School of Law.

The Committee implements its mandate and operations guided by legal instruments and statutory policies such as:

- i)The Anti-Corruption and Economic Crimes Act, Cap. 7H
- ii)The Kenya School of Law Act, Cap. 16C
- iii)The Public Officers Ethics Act, Cap. 185B
- iv)The State Corporations Act, Cap. 446
- v)The Public Procurement and Asset Disposal Act, Cap. 412C
- vi)The Public Finance Management Act, Cap. 412A

The composition of the committee is as follows:

- 1.The Director/C.E. O – Chairman
- 2.Assistant Director, ATP
- 3.Assistant Director, CPD
- 4.Assistant Director, Human Resource and Administration
- 5.Principal Legal Officer
- 6.Principal Accountant
- 7.Principal Supply Chain Management Officer.
- 8.Principal Librarian
- 9.Senior ICT Officer
- 10.Principal Human Resources Officer
- 11.Principal Officer, Academic Services

In compliance with the requirements of the Public Procurement and Assets Disposal Act, 2015, the School appoints ad hoc procurement committees for independent tasks.

BOARD EXPENSES

The State Corporations Act, Cap. 446 and the provisions of the Kenya School of Law Act, 2012 guides the remuneration and expenses of the Chairperson and Members of the Board.

BOARD MEETINGS

During the year, there were eight board meetings, two of which were special board meetings and one for Evaluation. The Board Committee meetings were as follows:

Name of Committee	Members	Number of meetings held
Finance and General Purpose Committee	1. Prof. Michael N. Wabwile Chairperson 2. Mr. Joseph Waruiru Member 3. Mrs. Emily Chweya Member 4. Ms. Catherine Ochanda Member	7 (4 ordinary meetings 3 special meetings)
Academic Affairs Committee	1. Mrs. Emily Chweya Chairperson 2. Hon. Lady Justice Pauline Nyamweya Member 3. CS. Jacqueline A.O. Manani Member 4. Prof. Michael Nyongesa Wabwile. Member	4 ordinary meetings
Audit and Risk Management Committee	1. CS. Jacqueline A.O. Manani Chairperson 2. Hon. Lady Justice Pauline Nyamweya Member 3. Mr. Joseph Waruiru Member 4. Ms. Catherine Ochanda Member	5 (4 ordinary meetings and 1 special meetings)

MANAGEMENT DISCUSSION AND ANALYSIS

a) The School's operational and financial performance:

The operational and financial performance of the School is set out on page xvii to page xxix.

b) School's compliance with statutory requirements:

During the 2023/2024 financial year, the School met all its statutory obligations (PAYE, NSSF, NHIF, and VAT).

c) Key projects and investment decisions the School is planning/implementing

The School is currently undertaking construction of an Ultra-Modern Library, which is about 95.5% complete and is financed through grants from the Government. The construction of the Library has been severely affected by slow progress of the contractor thus delaying the completion of the same.

Major risks facing the entity:

i) Competition

Operationally, the School has a monopoly of offering the Advocates Training Program and this is the main source of revenue. This might not be sustained in the foreseeable future. To mitigate this risk, the School has developed a new Strategic Plan to diversify the revenue base. The School is currently experiencing competition in both Continuing Professional Development courses and Paralegal Training Programme. To mitigate this, the School has planned to market its facilities and legal trainings offered to sensitize the public and other stakeholders.

ii) Reputation

The pass rate in the ATP Programme is likely to disadvantage the School in the event of competition. To mitigate this risk, and hence maintain a good reputation, the School has undertaken a number of interventions, which have resulted in improved performance over the last 2 years.

iii) Financial Risk

Continual reduction and occasional delay in submission of Government subvention especially for development projects poses a liquidity risk to the School. This risk is being mitigated by preparing adequate operations and projects justifications. The use of internally generated revenue will also supplement the government funding.

A number of students being enrolled have difficulty in raising full fees for their entire duration of study Programme. This poses a risk of failure to collect fees income. The School has established a Legal Education Fund as a way of mitigating this risk and during the year 143 students benefitted from the fund. Cumulatively 475 students have benefitted from the fund.

iv) Risk of interest and fines from stalled projects

The School is currently undertaking construction of the Ultra-Modern Library. The project has taken long to be completed and the school risks incurring costs in variation due to inflation brought by economic changes.

ENVIRONMENTAL AND SUSTAINABILITY REPORTING



The Kenya School of Law Team during the 2023 StanChart marathon.

The School exists to transform lives through offering quality and practical training in law and other related disciplines for the professional development of lawyers and other actors in the legal sector, and to undertake research, consultancies and projects.

Below is an outline of policies and activities that promote sustainability;

The School is committed to providing a safe, fair and stimulating work environment that empowers employees to make a meaningful contribution to the organization's performance development, and offers challenging and rewarding opportunities for personal and professional growth. The School recognizes the importance of attracting and retaining the best staff. To achieve this, the School is guided by the human resource policy covering the career guidelines and progression.

Training needs assessment is carried out and the staff are trained as per the priority of needs in their department.

The School is involved in energy saving projects including installation of solar panels for water heating and environmental audits.

To ensure that youth, women and people with disability benefit from Access to Government Procurement Opportunities, the School carried out sensitization sessions with these groups of potential suppliers. They were enlightened on how to take advantage of this provision in law and benefit from Government procurement.

CORPORATE SOCIAL RESPONSIBILITY

The School carried out various CSR activities in the FY2023/24. The activities were in the categories of environmental sustainability and community engagement as per the School's CSR Policy. These included:-

- KSL staff participated in tree planting that was spearheaded by Hon. Justin Muturi, the Attorney General. The activity took place at Kona Baridi. Ngong' Kajiado county on 12th June 2024.
- Staff and students participated in the Standard Chartered Nairobi Marathon held on 30th October 2023.
- The School donated 672 packets of sanitary pads to the girls at the Karen C primary on 6th July 2023.
- The School also donated clothes, shoes, books, toys and storybooks to children of Destiny Shapers Centers home.



KSL staff participated in tree planting that was spearheaded by Hon. Justin Muturi, the Attorney General. The activity took place at Kona Baridi. Ngong' Kajiado county on 12th June 2024.

REPORT OF THE BOARD OF DIRECTORS



The Board submits this report together with the financial statements for the year ended June 30, 2024 which show the state of the School's affairs.

Principal activities of the School

The School is mandated to carry out the following training functions:

- (i) Training of advocates for entry into the legal profession,
- (ii) Continuing professional legal development,
- (iii) Provision of Para-legal training,
- (iv) Provision of specialized and customized legal training in the public service, and
- (v) Offering consultancy and research services

Results

The results of the School for the year ended June 30, 2024 are set out on page 1 to page 7.

Directors

The Members of the Board of Directors who served during the year are shown on page viii to page xi in accordance with Section 6(2) of the Kenya School of Law Act, Cap. 16C.

Auditors

The Auditor-General is responsible for the statutory audit of the School in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015, which empowers the Auditor-General to audit Kenya School of Law Financial Statements.

By Order of the Board.

Dr. Henry K. Mutai

A handwritten signature in black ink, appearing to read 'H. Mutai'.

Director/Chief Executive Officer & Secretary

KENYA SCHOOL OF LAW BOARD

Date..... 28/1/2025

STATEMENT OF BOARD'S RESPONSIBILITIES

Section 81 of the Public Finance Management Cap.412 A and Section 23 of the Kenya School of Law Act Cap. 16C, require the Board to prepare financial statements in respect of Kenya School of Law, which give a true and fair view of the state of affairs of the School at the end of the financial year and the operating results of the School for that year. The Board is also required to ensure that the Kenya School of Law keeps proper accounting records which disclose with reasonable accuracy the financial position of the School. The Members are also responsible for safeguarding the assets of the School.

The Board is responsible for the preparation and presentation of the School's financial statements, which give a true and fair view of the state of affairs of the School for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes:

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



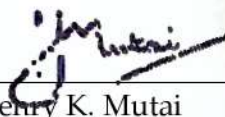
Prof. Joseph Mworira Wamutitu
CHAIRPERSON
KENYA SCHOOL OF LAW BOARD

The Board accepts responsibility for the School'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 CAP 412A and the State Corporations Act (Cap 446). The Board is of the opinion that the Kenya School of Law's financial statements give a true and fair view of the state of School's transactions during the financial year ended June 30, 2024, and of the Kenya School of Law's financial position as at that date. The Board further confirm the completeness of the accounting records maintained for the School, which have been relied upon in the preparation of the Kenya School of Law's financial statements as well as the adequacy of the systems of internal financial control.

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

APPROVAL OF THE FINANCIAL STATEMENTS

The Kenya School of Law's financial statements were approved by the Board on 19th December 2024 and signed on its behalf by:

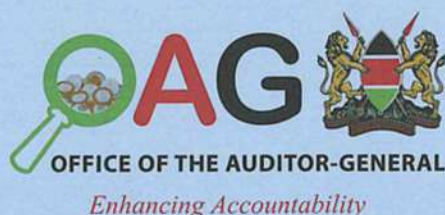


Dr. Henry K. Mutai
DIRECTOR/CHIEF EXECUTIVE OFFICER &
SECRETARY
KENYA SCHOOL OF LAW BOARD

REPORT OF THE INDEPENDENT AUDITORS OF THE KENYA SCHOOL OF LAW

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KENYA SCHOOL OF LAW FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kenya School of Law set out on pages 1 to 36, which comprise of the statement of financial position as at 30 June, 2024

Report of the Auditor-General on Kenya School of Law for the year ended 30 June, 2024

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, the financial position of the Kenya School of Law as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Kenya School of Law Act, 2012.

Basis for Qualified Opinion

1. Variances Between the Assets Register and the Financial Statements Balance

The statement of financial position reflects a balance of Kshs.2,354,883,152 in respect of property, plant and equipment as disclosed in Note 24 to the financial statements. However, review of the assets register revealed variances with the amounts reflected in the financial statements as tabulated below:

S. No.	Description	Balance as per Assets Register (Kshs.)	Balance as per Note 24 (Kshs.)	Variance (Kshs.)
1	Motor vehicles	30,066,000	9,487,453	20,578,547
2	Land	960,000,000	1,200,000,000	(240,000,000)
3	Computers	37,319,857	0	37,319,857
4	Furniture and Fittings	63,802,591	55,429,957	8,372,634
5	Buildings	500,200,000	534,600,165	(34,400,165)
6	Office Equipment	4,408,129	13,493,149	9,085,020
7	Intangible assets (software)	11,130,575	6,266,929	4,863,646
8	Plant and Machinery	30,144,555	Not included note 24	30,144,555
9	Library books	Not in the register	0	-
10	Capital work in progress	100,000,000	541,872,428	441,872,428

Further, the net book values for computer equipment and library books in Note 24 to the financial statements are indicated as nil balances, yet there were additions during the year comprising computer equipment totalling Kshs.2,908,219 and library books of Kshs.4,479,194.

In the circumstances, the accuracy and completeness of the property plant and equipment balance of Kshs 2,354,883,152 could not be confirmed.

2. Unsupported Trade and Other Payables

The statement of financial position, as disclosed in Note 26 to the financial statements, reflects trade and other payables balance of Kshs.201,061,714 which includes an amount of Kshs.181,605,833 which was not supported with, ageing analysis, ledgers, statements, invoices or payment vouchers.

In the circumstances, the accuracy and completeness of the trade and other payables balance of Kshs.201,061,714 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.528,790,000 and Kshs.528,675,383 respectively, resulting to an under-funding of Kshs.114,617 or .02% of the budget. Further, the School spent an amount of Kshs.616,253,637 against actual receipts of Kshs.528,675,383, resulting in an over-expenditure of Kshs.87,578,254 or 17% of actual receipts.

The over-expenditure and under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year matters

In the audit report of the previous year, several issues were raised under the report on financial statements and report on Lawfulness and Effectiveness in Use of Public Resources. However, Management had not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board template.

Other Information

The Management is responsible for the other information set out on page iv to xlv which comprise of Key Entity Information and Management, Chairperson's Statement, Report of the Executive Officer, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and the Statement of Board's Responsibilities. The Other Information does not include the financial statements and my audit report thereon. My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Optimize Use of the Enterprise Resource Planning (ERP)

Note 25 to the financial statements reflects Kshs.24,526,754 in respect of the cost of intangible assets. Included in this amount is Kshs.14,998,510 for the supply, delivery, installation, configuration, testing and implementation of an Integrated Enterprises Resource Planning (ERP) system, whose contract was signed on 27 June, 2018. As outlined in the contract, the ERP system was expected to automate the School's functions

to enable integration of management of the core business processes in real-time. Although the certificate of completion was signed on 11 May, 2020, a physical verification of the ERP system revealed that the integrated financial and accounting management, procurement, inventory and store modules had not been fully automated. The scope of the contract was not fully operationalized, despite the contractor receiving full payment for all the modules.

In the circumstances, the School has not achieved the intended objectives of automation and value for money realized from the expenditure of 14,998,510 could not be confirmed.

2. Presentation and Disclosure of the Financial Statements

The statement of financial performance in the revised financial statements submitted on 20 December 2024 was not signed by any of the three signatories of the School. Further, The status of implementation of the auditor's recommendations on page 29 of the financial statements on the was not signed by the Accounting Officer.

In the circumstances, the financial statements presented for audit do not conform to the format prescribed by the Public Sector Accounting Standards Board.

3. Non-Compliance with the One Third of the Basic Salary Rule

Review of the payroll for June 2024, revealed that twenty-four employees earned net salaries of less than one-third of their respective basic salary, contrary to Section 19 (3) of the Employment Act, 2007. The law requires that the total amount of all deductions which may be made by an employer from the wages of employees at any one time shall not exceed two-thirds of such wages.

In the circumstances, Management was in breach of the law and this may expose the staff to pecuniary embarrassment.

4. Non-Conformity to the Staff Establishment

The statement of financial performance and as disclosed in Note 11 to the financial statement reflects employees' costs of Kshs. 266,921,882. Review of the staff establishment revealed that the School has one hundred and ninety-two (192) approved positions against one hundred and thirty (130) staff in post, resulting in an overall deficit of sixty two (62) employees. The staff shortage, if not addressed, may adversely affect the operations of the institution and service delivery to the public. Further, the School had over-staffing in four (4) positions. This was contrary to Paragraph 2.1.4 of the School's Human Resource Policies and Procedures Manual, 2018 which states that all appointments shall be made with the approval of the Board and shall be within the approved establishment.

In the circumstances, Management was in breach of the School's Human Resource Policies and Procedures Manual.

5. Delayed Construction of Ultra-Modern Library and Moot Courts

Records indicate that the School entered into a contract for the construction of an Ultra-modern Library and Moot courts at a cost of Kshs.488,704,449. The contract commenced on 24 June 2013 with a contract period of three (3) years, to 30 June, 2016. However, review of the progress report of the construction revealed that payments amounting to Kshs.371,915,532 had been paid to the contractor as at 30 June 2024, for works certified, representing 96 % completion, about eight (8) years after the expected completion date. The delayed completion was not explained.

In the circumstances, the School may not achieve value for money on the amount of Kshs.371,915,532 spent on the project.

6. Non-Remittance of Value Added Tax

The statement of financial position reflects unpaid Value Added Tax (VAT) balance of Kshs.28,748,949 as disclosed in Note 27 to the financial statements which was not remitted to the Kenya Revenue Authority contrary to Section 19(1) and (2) of the Value Added Tax Act, Revised Edition 2023 which requires VAT to be paid not later than the twentieth day after the end of that period. Further, a schedule supporting the balances was not provided for review.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Incomplete Assets Register

The statement of financial position reflects a balance of 2,354,883,152 relating to property plant and equipment as disclosed in Note 24 to the Financial Statement. However, the asset registers lacked information on the depreciation charge for the year and the

· accumulated depreciation for each of the assets, contrary to the requirement of National Treasury's Asset and Liability Reporting templates issued in June, 2020 (Revised 2024).

In the circumstances, the existence of effective internal controls over assets could not be confirmed.

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

Responsibilities of the Management and the Board

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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to terminate the School 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 is responsible for overseeing the School'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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error

and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 December, 2024

STATEMENT OF FINANCIAL PERFORMANCE

	Note	2023/2024	2022/2023
Revenue from non-exchange transactions		Kshs	Kshs
National Treasury	5	151,310,000	184,110,000
		151,310,000	184,110,000
Revenue from exchange transactions			
School fees income	6	291,656,758	306,869,887
Hospitality income	7	22,591,963	21,163,383
Continuous Professional Development income	8	57,128,603	42,960,359
Rental revenue from facilities and equipment	9	3,769,350	4,268,667
Other income	10	2,218,709	2,083,967
		377,365,383	377,346,263
Total Revenue		528,675,382	561,456,263
Expenses			
Employee costs	11	266,921,882	260,632,512
Board Expenses	12	8,781,680	13,494,386
Use of Goods and Services	13	94,368,222	101,168,511
Repairs and Maintenance	14	20,540,580	25,481,853
Depreciation and Amortization	15	126,018,757	69,901,411
Operational costs	16	61,548,477	68,145,542
Continuing Prof. Development Expenses	17	20,825,424	15,009,276
Hospitality Costs	18	17,248,616	18,062,895
Total Expenses		616,253,637	571,896,386
Surplus/(Deficit) for the period		(87,578,255)	(10,440,123)

STATEMENT OF FINANCIAL POSITION

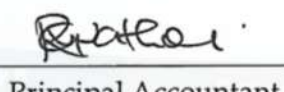
	Note	2023/2024	2022/2023
		Kshs	Kshs
Assets			
Current assets			
Inventories	19	3,310,177	3,852,334
Accounts Receivables	20	190,770,276	242,511,200
Prepayments and Deposits	21	1,240,500	1,137,500
HELB Fund	22	45,680,700	32,680,700
Cash and Cash Equivalents	23	306,251,297	258,808,541
Total Current Assets		547,252,950	538,990,275
Non-current assets			
Property, Plant and Equipment	24	2,354,883,152	2,237,690,699
Intangible Assets	25	6,266,929	6,319,406
Total non - current asset		2,361,150,081	2,244,010,105
Total assets		2,908,403,031	2,783,000,380
Liabilities			
Current liabilities			
Trade and Other Payables	26	201,061,714	197,601,133
VAT	27	28,748,949	26,076,922
Total current liabilities		229,810,663	223,678,055
Total liabilities		229,810,663	223,678,055
Reserves		1,493,943,259	1,321,729,160
Accumulated Deficit		(364,496,623)	(311,552,567)
Capital Fund		1,549,145,732	1,549,145,732
		2,678,592,368	2,559,322,325
Total net assets and liabilities		2,908,403,031	2,783,000,380

The notes set out on pages 8 to 31 form an integral part of these Financial Statements.
The financial statements set out on pages 1 to 7 were signed on behalf of Kenya School of Law by:


Director/ CEO & Secretary

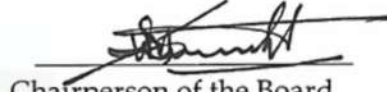
Dr. Henry Mutai

Date 19/12/2024


Principal Accountant

CPA Ruth G. Gichuki
ICPAK NO. 13366

Date 19/12/2024


Chairperson of the Board

Prof. Joseph Mworio Wamutitu

Date 19/12/2024

STATEMENT OF CHANGE IN NET ASSETS

	Note	Accumulate d Deficit Kshs	Revaluation Reserve Kshs	Capital Fund Kshs	Total Kshs
At 1 st July 2022		(301,112,445)	1,321,729,160	1,447,645,732	2,513,262,447
Development Grant				56,500,000	56,500,000
Surplus/(Deficit)		(10,440,123)		-	(10,440,123)
As at 30th June, 2023		(311,552,568)	1,321,729,160	1,549,145,732	2,559,322,324
At 1 st July 2023		(311,552,568)	1,321,729,160	1,549,145,732	2,559,322,324
Revaluation Gain			206,848,298		206,848,298
Transfer of excess depreciation on revaluation		34,634,199	(34,634,199)		-
Surplus/(Deficit)		(87,578,255)		-	(87,578,255)
As at 30th June, 2024		(364,496,623)	1,493,943,259	1,549,145,732	2,678,592,367

STATEMENT OF CASH FLOWS

		2023/2024	2022/2023
	Note	Kshs	Kshs
Cash flows from Operating activities			
Receipts			
Transfers from other government entities	5	151,309,999	184,110,000
Rendering of services	6,7,8	371,377,325	370,993,629
Sales of goods		-	-
Rental revenue from services and equipment	9	3,769,350	4,268,667
Other income	10	2,218,709	2,083,967
Total Receipts		528,675,382	561,456,263
Payments			
Employee costs	11	266,921,882	260,632,512
Board Expenses	12	8,781,680	13,494,386
Use of goods and services	13	94,368,222	101,168,511
Repairs and Maintenance	14	20,540,580	25,481,853
Operational costs	16	61,548,477	68,145,542
Continuing Prof Dev. Expenses	17	20,825,424	15,009,276
Hospitality Costs	18	17,248,616	18,062,895
		490,234,881	501,994,975
Adjustments for;			
(Increase)/Decrease in Inventory	19	542,157	(884,709)
Increase in receivables	20,21,2 2	38,637,924	(67,781,893)
Increase/(Decrease)in Payables	26,27	6,132,608	(25,638,971)
		45,312,689	(94,305,573)
Net cash flows from/ (used in) operating activities		83,753,191	(34,844,285)
Cash flows from investing activities			
Purchase of property and equipment	24,25	(36,310,435)	(65,702,643)
Net cash flows from investing activities		(36,310,435)	(65,702,643)
Cash flows from financing activities			
GoK Development Grant		-	56,500,000
Net Cash flow from Financing Activities		-	56,500,000
Net increase in Cash and Cash equivalents		47,442,756	(44,046,928)
Cash and Cash Equivalents at 1 July		258,808,541	302,855,469
Cash and Cash Equivalents at 30 June		306,251,297	258,808,541

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024

Recurrent Budget						
	Budget 2023/2024	Adjustments	Final Budget 2023/2024	Actual cumulative to date	Performance Difference	% of utilization
	Kshs		Kshs	Kshs	Kshs	
Revenue						
GoK Grants-Recurrent	151,310,000	-	151,310,000	151,310,000	0	100%
School Fees Income	271,200,000	-	271,200,000	291,656,758	20,456,758	108%
Hospitality Income	41,640,000	(1,500,000)	40,140,000	22,591,963	(17,548,037)	56% (i)
Continuous Prof. Development	54,552,000	1,500,000	56,052,000	57,128,603	1,076,603	102%
Rental Revenue from Facilities and Equipment	4,488,000	-	4,488,000	3,769,350	(718,650)	84% (ii)
Other Incomes	5,600,000	-	5,600,000	2,218,709	(3,381,291)	40% (iii)
Total Income	528,790,000	-	528,790,000	528,675,383	(114,617)	
Expense						
Use of Goods and Services	82,880,000	9,938,200	92,818,200	94,368,222	(1,550,022)	102%
Employee Costs	283,150,000	(8,925,000)	274,225,000	266,921,882	7,303,118	97%
Depreciation	40,000,000	(14,000,000)	26,000,000	126,018,757	(100,018,757)	485% (iv)
Repairs and Maintenance	16,050,000	3,396,800	19,446,800	20,540,580	(1,093,780)	106%
Hospitality	13,300,000	3,980,000	17,280,000	17,248,616	31,384	100%
Operational Cost	55,400,000	4,460,000	59,860,000	61,548,477	(1,688,477)	103%
Board of Directors expenses	10,960,000	(1,500,000)	9,460,000	8,781,680	678,320	93%
Continuous Prof. Development	14,050,000	2,650,000	16,700,000	20,825,424	(4,125,424)	125% (v)
HELB Fund	13,000,000	-	13,000,000			
Total Expense	528,790,000	-	528,790,000	616,253,637	(100,463,637)	
Surplus/(Deficit) for the Year	-	-	-	(87,578,254)		
Capital Expenditure	40,000,000	-	40,000,000	36,310,435	3,689,565	91%

Explanation of material variance

i. There was a lower level of hospitality activities in the quarter than had been budgeted for.

ii. Some of the staff houses that generate the rental income remained unoccupied.

iii. Budgeted under Other Income were funds from “mobilization of financial resources”. These funds were not realized.

iv. The depreciation expense was higher than the budgeted allocation since there was a revaluation that raised the value of assets.

v. The CPD department were able to mount more courses and thus spent more on the trainings and workshops than budgeted.

vi. The changes between the original budget and the final budget was due to reallocations within the year.

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

The Kenya School of Law was established by and derives its authority and accountability from Kenya School of Law Act Cap. 16C. The School is owned by the Government of Kenya and is domiciled in Kenya. The School responsible for legal training at all levels, including Advocates, Para-legal training, and Continuing Professional Development service delivery in the areas of training and continuing legal education.

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

The school'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 School. The accounting policies have been consistently applied to all the years presented except when reporting Continuing Professional Development income and expenses where the School has adopted to report them separately from other incomes and operational expenses respectively. This is contrary to the previous years. This approach enables the School to clearly evaluate the performance of this department. The financial statements have been prepared based on historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis.

3. Summary of significant accounting policies

a) Revenue Recognition

i) Revenue from exchange transactions - IPSAS 9

The School recognizes revenue from school fees, hospitality activities, Continuous Professional Development and other revenue from various services including rental income, hire of grounds, laundry and parking. These are recognized when the service has been rendered. For school fees income, this is recognized and apportioned to the year that it relates since most of the fees is paid at the commencement of the academic year of the Advocates Training Programme.

i) Revenue from non-exchange transactions – IPSAS 23

Non-exchange transactions revenue is mainly from Government grants, which are split into recurrent, and development. They are recognized on receipt. In cases where the receipt is after year-end, the School still recognizes the revenue to the year it applies to and records the same as income receivable.

b) Budget information

Board of the Directors approved the original budget for the financial year 2023/2024 in January 2023. The School received actual allocation through printed estimates. This actual allocation is what the School implemented during the financial year 2023/2024 with budget revisions happening in the year. The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the School. As a result of the adoption of the accrual basis for budgeting purposes, there are no timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

c) Taxes

The School is exempted from taxation of school fees income under First Schedule to the income Tax Act (CAP470). However, income from both Continuous Professional Development courses and Hospitality is activities is subject to VAT and 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 School 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. Depreciation on assets is charged on a straight-line basis over the useful life of the asset.

Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life. Full depreciation is charged for the year of acquisition.

The annual depreciation rates in use are:

Computer Equipment and Software	30.0%
Office Equipment	30.0%
Motor Vehicles	25.0%
Library Books	20.0%
Furniture and Fittings	12.5%
Buildings	2.5%

There was no revaluation of the assets during the financial year.

e) Inventories

Inventories are stated at the Lower of Cost and Net Realisable Value. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories purchased by the School are expensed immediately to the various expense classes. At the end of the year, a stock take is carried out to establish the remaining consumable stock.

As at the closure of 2023/2024 financial year the School had consumable, stock valued at **Kshs 3,310,177**.

f) Provisions – IPSAS 19

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

g) Contingent assets

The parcel of land along the Bishops Road where the School principal's house stands has been a subject of a court case. The case was finalised and ruled in favour of the School. The value of the property has however not been included in the financial statements as the property reverted to The National Treasury, as is the procedure for such recoveries.

h) Changes in accounting policies and estimates – IPSAS 3

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

i) Employee benefits - IPSAS 25

Retirement benefit plans

The School operates a defined contribution benefit scheme for all its employees. The scheme is administered by Zamara Consultants and Administrators and operates according to provisions of the Retirement Benefits Act (1997). The assets of the scheme are held in a separate trustee administered fund that is funded by both the School and its Employees.

The School also contributes to a statutory defined contribution scheme, The National Social Security Fund (NSSF). The National Social Security Fund Act (CAP258) determines the contributions.

The School's contribution to this scheme is charged to the income statement in the year to which they relate.

The School provides gratuity for senior management who are employed on contract. Such staff do not benefit from the Defined Contribution Benefit Scheme.

j) Related parties - IPSAS 20

Members of key management are regarded as related parties. Key management of the School have been disclosed on pages xii to xvi of these financial statements. The School is also related to National Government, Office of the Attorney-General and Board of Directors.

k) Cash and cash equivalents

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

l) Comparative figures

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

m) Subsequent Events - IPSAS 14

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, 2023.

4. Significant judgements and sources of estimation uncertainty - IPSAS 1

The preparation of the School'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.

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

- The condition of the asset based on the assessment of the School's management.
- 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

NOTES TO THE FINANCIAL STATEMENTS

5. TRANSFER FROM OTHER GOVERNMENT ENTITIES

	2023/2024	2022/2023
	Kshs	Kshs
Operational Grant	151,309,999	184,110,000
TOTAL	151,309,999	184,110,000

6. SCHOOL FEES INCOME

	2023/2024	2022/2023
	Kshs	Kshs
Application/ Registration Fee	4,732,000	4,498,000
Examination Fees	24,025,850	19,042,650
Library Fees	11,151,502	10,606,255
Pupilage Supervision	6,955,000	6,991,000
Tuition Fees	244,792,406	265,731,982
TOTAL	291,656,758	306,869,887

7. Hospitality Income

	2023/2024	2022/2023
	Kshs	Kshs
Staff Catering	1,104,272	1,733,641
Seminars/Conferences/Accommodation	8,139,592	8,444,614
Hire of Grounds	1,036,698	890,517
Sports Facilities	3,050,865	3,246,069
Students Cafeteria Income	3,148,769	3,499,038
Laundry Income	172,017	260,504
Hostel Fees	5,939,750	3,089,000
TOTAL	22,591,963	21,163,383

8. CONTINUING PROFESSIONAL DEVELOPMENT

	2023/2024	2022/2023
	Kshs	Kshs
CPD Workshops	29,777,566	29,777,566
Consultancy Services	24,198,179	13,182,793
CS Course	8,333,045	-
TOTAL	57,128,603	42,960,359

9. RENTAL REVENUE FROM FACILITIES AND EQUIPMENT		
	2023/2024	2022/2023
	Kshs	Kshs
Staff Houses	3,769,350	4,378,000
	3,769,350	4,378,000
10. OTHER INCOME		
	2023/2024	2022/2023
	Kshs	Kshs
Photocopy Services	141,988	171,526
Tender Documents	-	5,000
Graduation Income	811,100	603,200
Other Income	1,265,621	1,304,241
TOTAL		2,083,967
11. EMPLOYEE COSTS		
	2023/2024	2022/2023
	Kshs	Kshs
Basic Salaries	144,051,761	140,118,376
Interns and Attachee wages	1,615,396	1,194,827
House Allowance	48,124,338	48,519,026
Leave Allowance	3,987,178	4,186,248
Overtime Allowance	1,076,954	1,210,515
Medical Contributions	21,893,349	23,041,759
NSSF Employer Contributions	2,363,386	935,740
Pension Employer Contributions	27,496,269	26,838,833
Special duty	194,596	-
Gratuity Contribution	1,980,528	1,915,056
Commuter Allowance	10,739,636	10,840,132
Extraneous Allowance	303,000	300,000
Taskforce Allowance	28,000	910,000
Retreat Allowance	114,000	622,000
Non-Practising Allowance	390,000	-
Housing Levy	2,563,491	-
TOTAL	266,921,882	260,632,512

12. BOARD EXPENSES			
		2023/2024	2022/2023
		Kshs	Kshs
Chairman's Honoraria		960,000	960,000
Directors Emoluments		7,821,680	12,534,386
TOTAL DIRECTOR EMOLUMENTS		8,781,680	13,494,386
13. USE OF GOODS AND SERVICES			
		2023/2024	2022/2023
		Kshs	Kshs
Advertising , Publicity & Marketing		2,414,321	2,485,858
Club Membership /Official Entertainment		200,400	324,605
Newspapers & Journals		855,640	740,554
Printing & Stationery		4,595,691	3,962,958
Cleaning services & Materials		8,012,578	7,054,386
Security Services		7,540,160	7,806,843
Travel & Accommodation Expenses		6,483,735	15,006,742
Fuel		5,306,463	4,904,569
Bank Service Charges		1,342,253	1,190,628
Insurance Expenses		4,455,774	3,030,023
Postage and Delivery		71,561	30,463
Telephone & Faxes		3,904,000	3,798,500
Electricity		8,522,281	7,192,566
Water & Sewerage		8,590,821	6,384,156
Internet & E-mail		223,717	2,974,981
Network Maintenance		530,000	588,750
Audit Fees/Tax Arrears		10,288,427	696,000
Professional Fees		1,119,819	295,560
Communication		1,785,460	1,758,575
Conferences & Workshops		2,530,800	5,700,511
Litigation		1,674,131	53,760
Staff Uniforms		606,270	1,386,930
Staff Welfare		2,244,487	5,034,836
Training & Development		863,800	3,482,130

Subscriptions	398,450	339,416
I.S.O Expenses	975,300	3,602,530
Corporate Social Responsibility	301,960	904,710
Boarding of Items	96,500	78,000
Asset Tagging & Valuation	1,334,000	1,600,000
Land rent	610,080	613,080
Strategic Planning & Review	1,416,940	2,646,350
Performance contract	810,700	2,420,400
Offsite Back-up	1,501,898	1,508,400
TOTAL	94,368,222	101,168,511
14. REPAIRS AND MAINTAINANCE		
	2023/2024	2022/2023
	Kshs	Kshs
Vehicles	3,108,309	2,287,039
Buildings	5,825,129	8,574,897
Computers and accessories	8,733,333	11,887,645
Equipment	2,873,808	2,732,272
TOTAL REPAIRS AND MAINTENANCE	20,540,580	25,481,853
15. DEPRECIATION AND AMORTIZATION		
	2023/2024	2022/2023
	Kshs	Kshs
Property, Plant and Equipment	121,102,910	64,985,565
Intangible Assets	4,915,846	4,915,846
	126,018,757	69,901,411

16. OPERATIONAL COSTS

	2023/2024	2022/2023
	Kshs	Kshs
Hire of Facilities & Equipment	11,602,320	11,235,716
Examination Expenses	7,805,300	9,346,040
Library Online Subscriptions	5,999,999	6,799,019
Part Time, Guest Lecturers Cost	20,386,500	20,789,900
Pupilage & Legal Clinics	2,833,284	4,949,655
Pupil Master Workshop	30,000	964,200
Students Welfare	2,932,431	3,047,449
Accreditation Expense	500,000	500,000
Graduation expense	1,634,590	1,425,480
Legal Clinic Visits	2,560,050	4,919,270
Moot Court Competition	295,748	2,342,155
Andragogy Training	767,499	1,547,347
Curriculum/Training Modules Development	181,500	131,250
Binding of Books	34,569	103,587
Fund raising & Alumni costs	3,984,686	44,475
KSL Journal	-	-
		68,145,542

17. CONTINUING PROF. DEV. EXPENSES

	2023/2024	2022/2023
	Kshs	Kshs
CPD Expenses - Training	14,547,219.8	13,535,495
CPD Expenses - Consultancy	3,488,204.0	1,473,781
Certified Secretaries Course	2,790,000.0	
TOTAL	20,825,424	15,009,276

18. HOSPITALITY COSTS

	2023/2024	2022/2023
	Kshs	Kshs
Gas	1,212,250	1,352,210
Foodstuffs & Drinks	12,678,367	11,912,351
Kitchen & Hostel Expenses	1,098,346	2,173,339
Laundry Expenses	1,023,748	798,500
Swimming Pool/Sports Expenses	1,235,906	1,637,543
Club House Expenses	-	188,952
TOTAL	17,248,616	18,062,895

19. INVENTORIES

	2023/2024	2022/2023
	Kshs	Kshs
Stationery	1,889,551	2,004,711
Cleaning materials	799,177	1,036,032
Electrical materials	283,322	277,480
Dry Foodstuff	220,159	441,121
Non-Foods	117,968	92,990
TOTAL	3,310,177	3,852,334

20. ACCOUNTS RECEIVABLES

	2023/2024	2022/2023
	Kshs	Kshs
School Fees Receivable	66,339,983	65,675,611
CPD Receivable	36,599,715	37,808,736
Hospitality Receivable	37,678,521	32,002,412
Non-School Fees Receivables	55,677,967	55,723,967
Staff Receivables	972,263	1,074,930
GoK Development Grant	-	56,500,000
Provision for Doubtful Debts	(6,498,173)	(6,274,456)
TOTAL	190,770,276	242,511,200

21. Prepayments and Deposits

	2023/2024	2022/2023
	Kshs	Kshs
Utility Deposits	240,000	240,000
Rent Deposit	1,000,500	1,000,500
Unreconciled Receipts	-	(103,000)
Total Other Current Assets	1,240,500	1,137,500

22. Helb Fund

	2023/2024	2022/2023
	Kshs	Kshs
HELB Fund	45,680,700	32,680,700
	45,680,700	32,680,700

23. Cash and Cash Equivalents

	2023/2024	2022/2023
	Kshs	Kshs
Current Accounts	306,251,297	258,808,541
	306,251,297	258,808,541

23 (a) Detailed Analysis of the Cash and Cash Equivalents

		2023/2024	June-22
Financial institution	Account number	Kshs	Kshs
a) Current account			
Absa Bank	2022099224	22,599,961	20,227,917
Absa Bank	2022029110	105,052,478	109,247,785
Absa Bank	2022099240	12,373,856	10,626,359
Equity Bank	1630263144477	7,913,311	7,142,876
Coop. Bank	1129706350500	158,312,691	111,563,604
Total		306,351,297	258,808,541

24. PROPERTY, PLANT & EQUIPMENT

	Leasehold Land	Buildings	Capital Work in Progress	Office Equipment	Computer Equipment	Library Books	Motor Vehicles	Furniture & Fittings	Total
Depreciation Rate	0.0%	2.5%	0.0%	30.0%	30.0%	20.0%	25%	12.5%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
COST/VALUATION									
As at 1st July 2022	710,000,000	1,311,713,210	379,429,982	78,505,847	140,855,118	40,356,477	75,944,190	96,981,668	2,834,090,242
Additions	-	-	38,760,532	1,285,780	9,223,037	2,216,938	6,370,000	7,794,155	65,650,442
As at 30th June 2023	710,000,000	1,311,713,210	418,190,514	80,095,377	150,078,155	42,573,415	82,314,190	104,775,823	2,899,740,684
As at 1st July 2023	710,000,000	1,311,713,210	418,190,514	80,095,377	150,078,155	42,573,415	82,314,190	104,775,823	2,899,740,684
Additions	-	-	24,772,428	2,448,141	2,908,219	4,479,194	-	1,702,453	36,310,435
Revaluation	490,000,000	(524,199,795.7)	98,909,486	35,723,464	35,709,118	-	30,066,000	35,776,657	201,984,929
Disposals	-	-	-	(282,000)	(1,547,000)	-	-	(1,985,940)	3,814,940
As at 30th June 2024	1,200,000,000	787,513,414	541,872,428	117,984,982	187,148,492	47,052,609	112,380,190	140,268,993	3,134,221,108
DEPRECIATION									
As at 1st July 2022	-	200,432,584	-	78,809,597	140,855,118	40,356,477	75,944,190	60,666,456	597,064,421
Charge for the Year	-	32,792,830	-	1,285,781	9,223,038	2,216,938	6,370,000	13,096,977	64,985,564
As at 30th June 2023	-	233,225,414	-	80,095,378	150,078,156	42,573,415	82,314,190	73,763,433	662,049,985
As at 1st July 2023	-	233,225,414	-	80,095,378	150,078,156	42,573,415	82,314,190	73,763,433	662,049,985
Depreciation on disposals	-	-	-	(282,000)	(1,547,000)	-	-	(1,985,940)	3,814,940
Charge for the Period	-	19,687,835.35	-	35,395,494.65	49,330,071.70	4,479,193.75	28,095,047.51	17,533,624.07	154,521,267.02
As at 30th June 2024	-	233,225,414	-	80,095,378	150,078,156	42,573,415	82,314,190	73,763,433	662,049,985
NET BOOK VALUE									
As at 30th June 2024	1,200,000,000	534,600,165	541,872,428	13,493,149	0	0	9,487,453	55,429,957	2,354,883,152
As at 30th June 2023	710,000,000	1,078,487,796	418,190,514	0	0	0	0	31,012,389	2,237,690,698

Valuation

Land and buildings/ Equipment were valued by Icon Valuers Limited in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020). These amounts were adopted by the Board on August 2, 2024 .

25. INTANGIBLE ASSETS

Description

	Jun-24	Jun-23
	Kshs	Kshs
Depreciation Rate	25%	25%
Cost		
At beginning of period	19,663,385	19,611,185
Additions	-	52,200
Revaluation	4,863,369	0
At end of period	24,526,754	19,663,385
Amortization and impairment		
At beginning of the period	13,343,979	8,428,133
Amortization	6,131,689	4,915,846
Excess Depreciation on Revaluation	(1,215,842)	
At end of period	18,259,826	13,343,979
NBV	6,266,929	6,319,406

26. TRADE AND OTHER PAYABLES			
		2023/2024	June-22
		Kshs	Kshs
Trade payables		19,455,881	31,493,808
Payments received in advance		127,421,992	111,224,994
Employee payables		5,327,084	8,742,947
Third-party payments		47,650,756	45,030,684
Other payables		1,206,001	510,001
TOTAL TRADE AND OTHER PAYABLES		201,061,714	197,002,433
27. VAT			
		2023/2024	June-22
		Kshs	Kshs
		28,748,949	26,076,922
TOTAL		28,748,949	26,076,922

28. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties

	2023/2024	2022/2023
	Kshs	Kshs
Transfers from related parties (State Law Office)	151,310,000	184,110,000
Board of Directors expenses	8,781,680	13,494,386

29. TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of Entity sending the grant	Amount recognized to the Statement of Comprehensive Income	Amount deferred under deferred income	Amount recognized in capital fund	Total grant income during the year	2022/2023
	Kshs	Kshs	Kshs	Kshs	Kshs
State Law Office and Department of Justice	151,310,000	-	-	151,310,000	184,110,000
TOTAL	151,310,000	-	-	151,310,000	184,110,000

30. Events after the reporting period

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

31. Ultimate and Holding Entity

The Kenya School of Law is a Semi-Autonomous Government Agency under the Office of the Attorney General- Department of Justice. Its ultimate parent is the Government of Kenya.

32. Currency

The financial statements are presented in Kenya Shillings.

APPENDICES

APPENDIX I: IMPLEMENTATION STATUS OF AUDITOR-GENERAL'S RECOMMENDATIONS

The following is the summary of issues raised by the external auditor and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status	Timeframe
			(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)
1. Unsupported Account Receivables	Statement of financial position reflects account receivables balance of Kshs.242,511,200 as at 30 June, 2023. However, included in the accounts receivables balance are school fees receivables of Kshs.65,675,611 and non-school fees receivables of Kshs.55,723,967 respectively which have remained outstanding for more than two years. The outstanding receivables were, however not supported with individual listing and aging analysis of receivables. In addition, the staff receivables totaling Kshs.1,074,930 in respect of imprest issued to the staff have been outstanding for more than one year and were not supported with individual listings of imprest holders.	The Individual listings of school fees, non-school fees receivables and imprests holders were provided	Resolved	FY 2023/2024
2. Unsupported Trade and Other Payables	The aging analysis for the payable was not provided and the balance was not supported with the ledgers and payment vouchers.	The ageing analysis for payables as at 30 June, 2023.	Resolved	FY 2023/2024

APPENDIX I: IMPLEMENTATION STATUS OF AUDITOR-GENERAL'S RECOMMENDATIONS

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status	Timeframe
			(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)
3. Non Valuation of property, plant and equipment	The statement of financial position reflects a balance of Kshs.2,237,690,699 under property, plant and equipment as at 30 June 2023. As disclosed in note 24 of the financial statements is Kshs.710,000,000 and Kshs.1,311,713,210 for leasehold land and buildings respectively. Although Management explained that the last revaluation on the two classes of assets was done in 2016 vide valuation report reference VAL852/XIV/6 the same report was not provided for audit verification. Consequently, the School has not revalued the two classes of assets 7(seven) years to take cognizance of the drastic changes in value of its assets contrary to the International Accounting Standard No.16 which stipulates that property, plant and equipment should be revalued after every five years.	Valuation of both movable and non-movable assets was done and updated in the financial statements.	Resolved	FY 2023/2024
4.Unreconciled inventories balance	Financial statements reflect inventories balance of Kshs.3,852,334. However, signed stock take reports of 30 June 2023 reflect a figure of Kshs.3,063,314 stock take value and Kshs.272,960 for obsolete items totaling Kshs.3,336,274 resulting in unreconciled balance of Kshs.516,060 not explained.	The inventory balances were reconciled	Resolved	FY 2023/2024
5. Delayed Construction Project of Ultra-modern Library and Moot Courts	Construction of an Ultra-Modern Library and Moot Courts commenced on 24 June, 2013. The construction period was three years Physical inspection works had not been completed, seven years after the expected completion period.	The contractor is on site to ensure that the project is completed	Ongoing	FY 2024/2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	STATUS	TIMEFRAME
			(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)
6. Irregular payment of liquidation damages to the contractor	Included in WIP of Kshs.418,190,514 is Kshs.7,200,000 paid to Resjos Enterprises Limited as cost of liquidation damage reflected in Certificate No. 10. It is not clear why the liquidation damages were paid	The School is in consultation with the ministry of Public Works in order to resolve the matter.	Ongoing	FY 2024/2025
7. Non- Remittance of Value Added Tax	The statements reflect Value Added Tax (VAT) payable balance of Kshs.26,075,922. No ledger was provided to support the balance. A letter, Ref: P05114196Z dated 24 May, 2023 from KRA indicates the School owes the Authority Kshs.19,844,971.46 as corporation tax, Kshs.110,280 as withholding VAT, Kshs.71,412 as VAT on imported services and Kshs.2,146,953 as income tax withholding which has continued accruing further interest and penalties.	Reconciliation of the School's account with KRA has been done and the tax liability from the reconciliation has been settled. A tax compliance Certificate has been issued to the School.	Resolved	FY 2023/2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	STATUS	TIMEFRAME
			(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)
8. Irregularly renewal of insurances	Financial statements reflects medical contribution of Kshs.23,041,759. However, advertisement reviewed revealed that the insurance service advertised for was for one year. However, the contract with Madison insurance table on details on medical cover provides that duration of contract was from 1 July 2021 to 30 June 2022 with a remark that the contract to be valid for one (1) year renewable for another one year subject to satisfactory performance. Therefore, the renewal in the year 2022/2023 contravened Article 227 of the constitution which requires a system that is fair, equitable, transparent, competitive and cost-effective.	The renewal of the cover was after satisfactory performance	Resolved	FY 2023/2024
9. Irregular management of contract	The financial statements reflects an amount of Kshs.6,384,156 for water and sewerage. However, review of support documents revealed that the School entered into a contract agreement with MS. Didam Investment on 4 January, 2021 for supply and delivery of bowser water in 10,000 litres at a total cost of Kshs.3,420.00 for the period January, 2021 to January, 2022. On 5 January, 2022 an addendum was granted and the term of agreement extended for a period of about one (1) year ending 4 January, 2024. However, no evidence was provided for audit verification to confirm recommendation of an evaluation committee and evaluation report signed as per section 139 (2) of the Public Procurement and Asset disposal Act, 2015. In addition, the total cost of 10,000 litres was increase from Kshs.3,420 to Kshs.3,933 from the addendum of contract.	Approval of price variation of up to 15% of the contract price was granted based on the provision of the PPDA ACT2015 section 132(1) on contract variation	Resolved	FY 2023/2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	STATUS	TIMEFRAME
			(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)
10. Failure to submit bank reconciliation to treasury	The statement of Financial position reflects bank balance of Kshs.258,808,541. However, Management did not submit the bank reconciliation statements of the accounts held at Absa Bank, Equity Bank and Coop Bank to the National Treasury.	The bank balances are uploaded in GIMIS, a platform by Treasury	Resolved	FY 2023/2024
11. Irregular Board meetings	Board held a total of 30 Board meetings during the year under review for both ordinary meetings and special Board meetings, contrary to Circular no. REF: OP/CAB.9/1A dated 11 March, 2020 part A on board meetings (2) and (3) which states that board meetings shall be restricted to a minimum of four and maximum six (6) for each financial year. No approval for the extra board meetings by relevant Cabinet Secretary, in consultation with SCAC was not provided for audit verification.	Committee meetings were counted as full board meetings. This should not be the case	Resolved	FY 2023/2024

APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

PROJECT	TOTAL PROJECT COST	TOTAL EXPENDED TO DATE	COMPLETION % TO DATE	BUDGET	ACTUAL	SOURCE OF FUNDS
ULTRA-MODERN LIBRARY AND MOOT COURTS	488,704,449	371,915,532	95.5%			GOK

APPENDIX III: INTER-ENTITY TRANSFERS

Breakdown of Transfers from the State Department of Office of the Attorney General and Department of Justice.

	Bank Statement Dat	Amount (Kshs)	Financial Year
Recurrent Grants	August 04 2023	12,609,167.00	2023/2024
Recurrent Grants	September 04 2023	12,609,167.00	2023/2024
Recurrent Grants	September 28 2023	12,609,166.00	2023/2024
Recurrent Grants	October 27 2023	12,609,200.00	2023/2024
Recurrent Grants	November 29 2023	12,609,200.00	2023/2024
Recurrent Grants	December 28 2023	12,609,100.00	2023/2024
Recurrent Grants	February 06,2024	12,609,166.65	2023/2024
Recurrent Grants	March 07, 2024	12,609,166.65	2023/2024
Recurrent Grants	April 04, 2024	12,609,166.65	2023/2024
Recurrent Grants	April 29, 2024	12,609,166.65	2023/2024
Recurrent Grants	June 07, 2024	12,609,166.65	2023/2024
Recurrent Grants	June 27, 2024	12,609,166.00	2023/2024
Total		151,310,000.00	

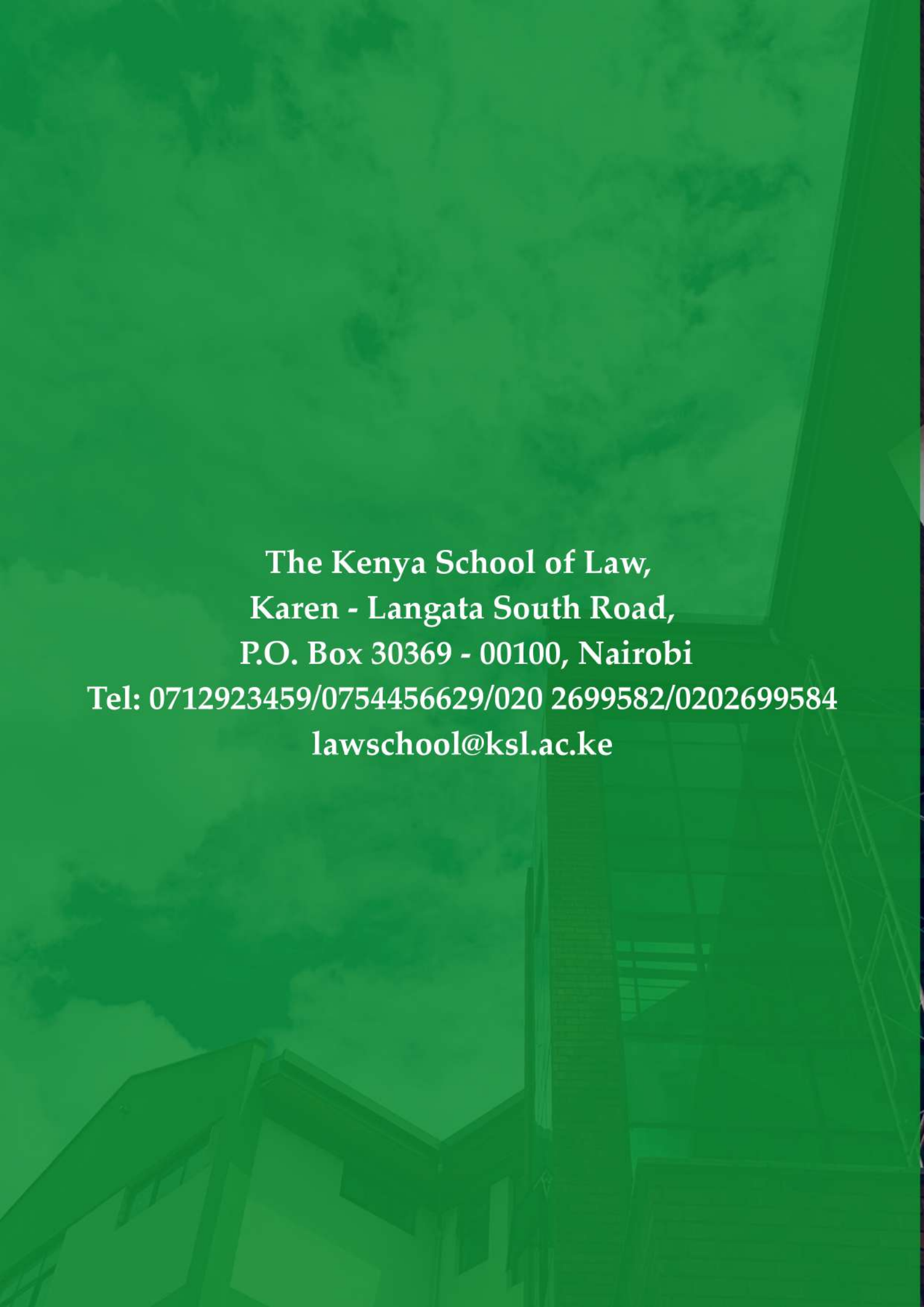
The above amounts have been communicated to and reconciled with the parent Ministry

Principal Accountant

Kenya School of Law

Head of Accounting Unit

State Law Office



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