



NACADA
FOR A DRUG FREE NATION

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NACADA ANNUAL REPORT

**FINANCIAL STATEMENTS OF
NATIONAL AUTHORITY FOR THE CAMPAIGN
AGAINST ALCOHOL AND DRUG
ABUSE**

YEAR ENDING JUNE 30, 2012



**NATIONAL AUTHORITY FOR THE CAMPAIGN
AGAINST ALCOHOL AND DRUG ABUSE**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30TH JUNE 2012



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1.0 BOARD OF MANAGEMENT'S REPORT

The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) Board of Directors is pleased to submit the following Financial Statements for the year ended 30th June 2012.

1.1 Legal Status

The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) was established by Parliament through the National Authority for the Campaign Against Alcohol and Drug Abuse Act 2012. It replaced the National Campaign Against Drug Abuse (NACADA) Authority that had been set up through Legal Notice No. 140 published on 29th June 2007 in the Kenya Gazette.

1.1.1 NACADA Vision and Mission

(i) *Vision*

To be the lead organization in the campaign against drug and substance abuse in Kenya.

(ii) *Mission*

To provide leadership on policy development, education, regulation, management, programme implementation and research co-ordination on matters pertaining to drug and substance abuse in Kenya.

Board of Management

(i) Appointed Members

Dr. F. Njenga (Chairman)

Dr. Sam M. Wanjihia

Prof. Clara Momanyi

Sheikh Juma Ngao

Dr. Wilfred Kogo

Mr. Alfred Miriti Mangu (resigned on 31st August 2012)

Hon. Mohammed Shidiye (resigned on 31st August 2012)

Hon. George O. Achola

(ii) Ex-officio Members

Dr. William N. Okedi (Secretary) — Chief Executive Officer

Mr. Charles F. Kimani — Office of the President

Mr. Jonathan Soi — Ministry of Youth Affairs & Sports

Mrs. Anne Mugo — Ministry of Finance

Mr. Enos Oyaya — Ministry of Education

Dr. Kepha Ombacho — Ministry of Public Health & Sanitation

Other Relevant Information

(i) Principal Bankers

- Kenya Commercial Bank
Milimani Branch, Nairobi.
- Co-operative Bank of Kenya
Ukulima Branch, Nairobi.

(ii) Principal Advocates

The Attorney General of the Republic of Kenya.

(iii) Auditors

Kenya National Audit Office
P.O. Box 30084– 00100
NAIROBI.

(iv) Registered Office/Domicile

National Authority for the Campaign Against Alcohol and Drug Abuse
NSSF Building, Block 'A'
Eastern Wing 18th Floor
P.O. Box 10774–00100, GPO
Nairobi, KENYA

2.0 STATEMENT OF BOARD OF MANAGEMENT'S RESPONSIBILITY

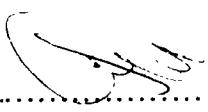
The National Authority for the Campaign Against Alcohol and Drug Abuse Act 2012 (and the previous Legal Notice No. 140 of 29th June 2007) require the Board of Directors to ensure that proper books and other records of accounts of income, expenditure, assets and liabilities of the Authority are kept. This calls for preparation of Financial Statements.

The Board accepts this responsibility and therefore has prepared the attached Financial Statements as at 30th June 2012 based on prudence in judgment in accordance with the International Financial Reporting Standards (IFRS).

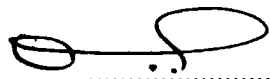
In the opinion of the Board, nothing has come to the attention that the Authority will not remain a going concern for at least twelve months from the date of this statement.

Committees of the Board

- Audit Committee
- Finance Committee
- Staff and Welfare Committee
- Technical Committee

Chairman:  Date: 25/3/13

Dr. Frank Njenga

Chief Executive Officer:  Date: 25/3/13

Dr. William N. Okedi, HSC

3.0 CHIEF EXECUTIVE OFFICER'S REPORT

3.1 PERFORMANCE DURING THE FINANCIAL YEAR 2011/12

Activities reported on herein were undertaken in fulfilment of the NACADA Authority's Performance Contract for FY 2011–12, as well as the broad objectives of the Authority. In this report, the activities reported on fall under service delivery, non-financial, operations, corruption eradication and cross-cutting issues. It should be noted that during the report period, the Authority had received a total of Kshs. 310,000,000 from the Treasury towards undertaking the activities in the financial year.

3.1.1 SERVICE DELIVERY

Implementation of Service Delivery Charter

Towards implementing service charter targets, the following was undertaken:

- Printed and disseminated the Swahili and English service charter booklets through post to all 264 districts and through the website;
- Sensitized 50 staff members on findings and recommendations from the Service Charter Implementation Assessment conducted in July–September 2011;
- Set up a Service Charter Implementation Committee to monitor progress of the recommendations made in the Service delivery charter survey;
- Operationalized the new Helpline short code 1192.

3.1.2 Customer Satisfaction

The Authority implemented recommendations of the exit survey of 2010/11 by:

- Introducing a customer feedback questionnaire at the reception desks;
- Setting up a separate e-mail account, complaints@nacada.go.ke, to enable the Authority address customer complaints especially those that emanate from implementation of the Alcoholic Drinks Control Act, 2010;
- Engaging a consultant to undertake an independent customer satisfaction exit survey.

3.1.3 Service Delivery Innovations

As part of service delivery innovations, the Authority implemented the following:

- In conjunction with the Kenya Society for the Blind and National Council for Persons with Disabilities, the Authority published *Know the Risk* booklet into Braille. The booklet was disseminated to institutions countrywide that handle persons with sight impairments.
- Facilitated the printing of an ADA message on 300,000 school exercise books, which were distributed by the printer through normal commercial channels.
- Sign language was incorporated in the Authority's documentary.

3.1.4 Resolution of Public Complaints

- The Authority received fifteen (15) complaints on bars flouting the Alcoholic Drinks Control Act 2010 by operating outside hours and playing loud music. The complaints

were forwarded to the relevant District Alcoholic Drinks Regulation Committees for action.

- Quarterly reports were forwarded to the Public Complaints Standing Committee as required.

3.2.0 NON-FINANCIAL

3.2.1 Compliance with Strategic Plan

To comply with the provisions of the Strategic Plan 2009–14, the following was undertaken:

- The Authority’s performance contract for FY 2011–12, as well as individual and departmental work plans were developed in July 2011 at a staff retreat in July 2011.
- Mid-term review of the Strategic Plan 2009–2014 was conducted in May 2012, and developed a draft Strategic Plan for the period 2012–2014.

3.2.2 Implementation of the Constitution

Towards implementation of the Constitution, the Authority undertook the following:

- Developed draft memoranda on the National Drug Abuse Control Authority Bill and Alcoholic Drinks Control Act 2010 with a view to aligning the documents to the Constitution;
- Sensitized fifty (50) members of staff on the provisions of the Constitution on 2nd December 2011 during a staff retreat held at Kenyatta University;
- Held a consultative forum from 30th January to 1st February 2012 to develop a framework for aligning the Alcoholic Drinks Control Act, 2010 with the County System under the Constitution of Kenya;
- Facilitated the passing by Parliament of the National Authority for the Campaign Against Alcohol and Drug Abuse 2012, which was then sent to the President for assent.

3.2.3 Disposal of Obsolete Assets

The Authority raised Kshs. 31,560 through disposal of obsolete items approved by the Board for disposal. Excess and unsellable items were approved for donation.

3.2.4 ISO 9001-2008 Certification

Towards attaining ISO 9001-2008 certification, the following activity measures were put in place:

- Conducted awareness and documentation trainings for staff towards ISO certification;
- Facilitated a documentation workshop from 11 to 14th October 2011 in Nanyuki with 38 participants;
- Developed the Quality Policy Manual, Quality Objectives and Departmental Procedures;
- Held a retreat at Nakuru from 8th to 11th February 2012 to document Authority’s processes;
- Trained Internal Quality Auditors at BTL Ruiru from 28th February to 3rd March 2012;
- Launched the ISO operationalization on 9th March 2012;

- Send the Management Representative (MR) for training as the Lead Auditor;
- Held two management review meetings;
- Conducted internal audit and carried out the corrective actions;
- Applied for certification to the Kenya Bureau of Standards (KEBS).

3.2.5 Prevention of HIV infection

- The Authority sent a representative to the International Conference on Harm Reduction for HIV/AIDS and Drug Use in Mauritius from 18th to 26th August 2011;
- Sent 10 members of staff to a training on HIV prevention at the workplace in September 2011;
- Undertook condom promotion for 35 participants attending the TOT course in September 2011;
- Incorporated sensitization on HIV/AIDS prevention in the programs for youth networks in Kisumu (January 2012) and Eldoret (February 2012).
- Participated in the National AIDS Control Council (NACC) meeting aimed at disseminating the revised Public HIV mainstreaming reporting tool;
- Participated in the meeting on HIV and AIDS mainstreaming in the public sector held in June 2012.

3.2.6 Statutory obligations

- The Authority adhered to all requisite statutory obligations including signing of the Performance Contract, remittances of taxes to Kenya Revenue Authority, submission of annual returns, as well as NSSF and NHIF contributions.
- Engaged a consultant to undertake a legal Audit on the Authority to inform the necessary amendments to the various laws and policies in aligning the Authority functions to the Constitution.

3.2.7 Automation

The following activities were undertaken towards automation of the Authority's services:

- Conducted baseline survey on level of automation by E-Government;
- Payroll was fully automated whilst the Accounting and HR modules were linked;
- Networking of the Authority's 16th Floor offices was completed;
- Website updates were conducted including dissemination of ADA reporting tools to public sector institutions, call for research proposals, vacancy announcements, TORs and tender documents, National ADA Conference;
- Installed the automated voice response system on the switchboard;
- Increased the Authority's internet bandwidth to 2MB/2MB;
- Installed automated back-up system on all computers.

3.2.8 Competency development

To enhance staff competency, the Authority facilitated implementation of the following measures:

- Developed draft Training Policy and forwarded to the Board for approval;
- Conducted training sessions for staff members on Constitution of Kenya and Results Based Management;
- Training on corporate governance for members of the Board of Directors and senior management staff in March 2012;
- Training of 33 members of all the Committees involved in the Procurement process on the provisions of the Public Procurement and Disposal Act by PPOA at Masinga in May 2012;
- Training on Defensive Driving & First Aid for 2 drivers at the Kenya Institute of Highways and Buildings Technology (Min. of Roads) in June 2012;
- Conducted the following professional development trainings:

No.	COURSE TITLE	VENUE	DATES	STAFF TRAINED	
				Male	Female
1.	Training on SPSS	BTL, Ruiru	6th–9th Oct 2011	6	3
2.	Balanced Score Card and Information Security Management	Kenyatta University Conference Centre	1st–3rd Dec 2011	31	19
3.	Drivers Training Course	Toyota Kenya Limited Training Centre	10th Dec 2011	3	0

3.3.0 OPERATIONS

3.3.1 CONTRIBUTION TO VISION 2030

3.3.1.1 Deepening policy for improved governance

Towards deepening alcohol and drug abuse related policy for improved governance, the Authority facilitated the following interventions:

- Supported and participated in surveillance missions by Anti-Narcotics Police Unit officers in Busia and Migori regions to monitor narcotic drugs supply and abuse so as to inform interventions in September and December 2011;
- Conducted training for a total of 113 staff working in the criminal justice system at sessions held in Embu in September 2011 (58 participants) and Thika in November 2011 (55 participants);
- Convened four (4) forums in Central, Nyanza and Coast regions through which

stakeholders were sensitized on the content of the National Drug Abuse Control Policy in December 2011;

- Held a workshop in March 2012 at BTL Ruiru to review the Narcotic Drugs and Psychotropic Substances (Control) Act, 1994 as well as gaps in the Alcoholic Drinks Control Act, 2010;
- Facilitated site visits by the National Technical Committee on Drug Trafficking and Abuse to Jomo Kenyatta International Airport, Wilson Airport, Eldoret International Airport, Kisumu International Airport, Isebania Board point and Malaba Border point in March 2012. The objective of the site visits was to document measures in place to curb or control entry of illicit drugs and identify gaps with a view to recommending interventions;
- Carried out 5 county cluster sensitization workshops on the National Drug Abuse Control Policy in December 2011 in March 2012 covering Western (18th – 19th March 2012); Rift Valley (20th – 21st March 2012); Eastern combined with North Eastern (25th – 26th March 2012); and Nairobi (29th March 2012) respectively.

3.3.1.2 Implementation of Alcoholic Drinks Control Act, 2010

To facilitate implementation of the Alcoholic Drinks Control Act 2010, numerous activities were done:

- Facilitated gazettment of applicants for licences under the Act 2010;
- Conducted countrywide spot checks in August and September 2011 to monitor implementation of the Act by both brewers and retailers under 4th Wave RRI. A total of 399 premises were inspected during the period and 87 arrests made for non-compliance;
- Facilitated the training of 124 *chang'aa* and *busaa* brewers in Western and Nyanza Provinces in November 2011;
- Established 2 dedicated telephone lines in December 2011 to handle enquiries on the Act;
- Trained 115 District Officers and Chiefs on implementation of the Act in Kiambu in November 2011;
- Conducted countrywide inspection auditing of the proceeds from licensing under the Act;
- Engaged a consultant to draft regulations in respect of remaining prescriptions under the Alcoholic Drinks Control Act, 2010, and review the Act with a view to align it to the Constitution;
- Developed a circular on Alcoholic Drinks Control Fund management to facilitate operationalization and utilization of funds obtained from licensing of outlets, the circular was subsequently issued by the Permanent Secretary;
- Conducted crackdown operations in conjunction with Provincial Administration against premises operating without licence, selling before and after gazette hours, drunk and

disorderly in January and February 2012 in various parts of Nairobi. A total of 878 persons were arrested. Total fines raised – Kshs. 3,180,000;

- Supported a workshop by various public and private sector stakeholders for reviewing the Alcoholic Drinks Control Act, 2010 at Green Hills Hotel in Nyeri in April 2012;
- Held a leaders' consultative forum in May 2012 in Nyeri County with the region's leaders to discuss the magnitude of the problem and develop remedial action plans;
- Published newspaper adverts to create awareness to the general public on the Parliament directive on closure of bars and other alcoholic drinks outlets near schools in March 2012.

3.3.1.3 Scale up Output-based Treatment System

- The 24-Hour Helpline received and attended to over 20,000 calls seeking assistance on counselling, treatment and rehabilitation for substance use disorders;
- A community forum was held in Mombasa in November 2011 at which stakeholders discussed strategies for scaling up output based addiction treatment interventions;
- The Authority supported setting up/strengthening of treatment and rehabilitation services at Moi Teaching & Referral Hospital by providing Kshs. 4.4 million and at Coast General Hospital by training nurses and social workers.

3.3.1.4 Science, technology and innovation

- The National Conference on ADA was held at the Kenya Institute of Administration from 25th to 27th January 2012 with over 400 participants attending.
- The National Survey on Alcohol and Drug Abuse Survey 2012 was conducted nationally in April–June 2012 and preliminary report presented.

3.3.1.5 Implementation Roadmap for Vision 2030

Activities towards implementation of the Vision 2030 roadmap included the following:

- A team from the Authority visited the Vision 2030 Delivery Secretariat in October 2011 and was guided on the implementation roadmap;
- A roadmap implementation for plan for 4 flagship project areas was developed and flagship projects implemented with the guidance from the Vision Delivery Secretariat. These projects fall under 4 broad categories of the social pillar: Deepening policy, legal and institutional reform for improved governance, law and order; implementation of the Alcoholic Drinks Control Act (ADCA); Scale up of output-based approach system to enable disadvantaged groups to access health care from preferred institutions (T&R) and Science and Technology innovation.

3.3.1.6 Funding Model for Flagships

- Two funding models for flagship projects under Vision 2030 were developed.
- The flagship projects for the Authority were financed from GOK sources.

3.3.1.7 Branding of Vision 2030 Flagships

The Authority branded print advertisements and notices placed on wide circulation newspapers, as well as information packs posted on its website, some of which include:

- Call for research grants, 21st October 2011, *Nation* and *Standard*.
- Job vacancy notice, 11th November 2011, *Nation* and *Standard*.
- Consultancy and real life advert, 18th November 2011, *Nation* and *Standard*.
- Survey on IEC materials in *Standard* and *Nation* in Nov–December 2012.
- Helpline adverts in *The Star*, *People Daily*, *Nation* and *Standard* in March 2012
- Tender Notices on TOT Curriculum in *Nation*, *Star* and *Standard* in March 2012.
- Essay Competition advert in *The Standard* on 20/04/2012.
- Tender Notice in *The Standard* and *Nation* in May 2012.
- Lost Licences advert in *The Standard* and *Nation* in May 2012.
- Tender Notice in *Daily Nation* on 11/05/2012.

3.3.1.8 M&E Reporting to Vision Delivery Secretariat

The Authority developed and forwarded monitoring and evaluation reports to Vision Delivery Secretariat in every quarter of FY 2011–12.

3.3.1.9 Collaboration with MDAs on Vision 2030

For the Authority's collaboration with other MDAs towards implementation of Vision 2030 projects:

- Fast-tracking implementation of the Alcoholic Drinks Control Act, 2010 under the 4th Wave of Rapid Results Initiative by conducting inspections of alcohol selling outlets in 21 districts across the country. Participating MDAs were Provincial Administration, Administration Police, Kenya Police Service, Kenya Bureau of Standards, Kenya Revenue Authority, Anti-Counterfeit Agency, Public Health and Sanitation, the Government Chemist and Weights and Measures Dept.
- Collaborated with Provincial Administration and Police in conducting spot checks on adherence to the Alcoholic Drinks Control Act, 2010 in various parts of the country in January and February 2012.
- Facilitated site visits to airports and border control points around the country with other MDAs who are members of the National Technical Committee on Drug Abuse and Trafficking in March 2012.

3.3.2.0 SECTOR PERFORMANCE STANDARDS

3.3.2.1 Strengthen NACADA Authority

- The Authority procured 3 motor vehicles to strengthen the campaign and operationalize proposed regional offices.
- Advertised and conducted interviews for Regional Programme Officers and an Accountant in May 2012. Suitable candidates are expected to report during 1st Quarter of 2012–13 to operationalize the regional offices in Kisumu, Nyeri and Mombasa.
- Developed suitable criteria for recognition of anti-ADA champions. During the financial year, the Authority awarded trophies to (i) 3 rehabilitation centres in December 2011; (ii) best ADA categories at National Schools and Colleges Drama Festival at Kakamega High School in April 2012; and Hon. Amina Abdalla during IDADA on 27th June 2012.
- Identified and trained regional-based ADA resource persons and real life facilitators to enrich the Authority's database. Resource persons now engaged in ADA sensitizations in their respective regions as apprentices.

3.3.2.2 Communication Strategy

Towards enhancing communication to the public on ADA, the Authority undertook the following:

- Developed a publicity plan and information package on ADA for advocacy through print and electronic media.
- Placed the “Nimesare” audio-visual advert on KBC Channel 1 TV, Kiss TV, KTN, K24 and NTV on a staggered schedule for maximum impact between April and May 2012.
- Live in-studio television interviews undertaken at KBC Channel 1 on *Good Morning Kenya Breakfast Show*, *NTV Breakfast Show*, on Kiss TV during the youth show ‘*Live on Blast*’ and on K24 on various dates.
- Obtained radio talk-show airspace on the following stations where various ADA issues are discussed.

DATE	RADIO STATION	LANGUAGE
August 2011	Mulembe FM	Luhya
	Inooro FM	Kikuyu
Sept. 2011	Muuga FM	Meru
	Milele FM	Swahili
	Family Radio	English
	Hot 96 FM	English
Dec. 2011	Radio Citizen	Swahili
	Bahari FM	Swahili
	Ramogi FM	Dholuo
	Mulembe FM	Luhya
	Kameme FM	Kikuyu
	Star FM	Somali
May 2012	Iqra FM	Swahili
	Hope FM	English
	Ghetto Radio	Swahili
June 2012	Iqra FM	Swahili
	Hope FM	English
	Ghetto Radio	Swahili

- Carried out road-shows in partnership with media houses, viz. Kameme FM radio and K24 TV in November 2011 to the larger Central Kenya region; and KBC Radio Taifa in June 2012 to Western and Nyanza regions.

3.3.2.3 Youth and Children Programs

To reach children and youth both in and out of learning institutions, the Authority undertook the following:

- Training for youth networks in Western Region in August 2011 (33 participants); and Nyanza in January 2012 (38 participants).
- Training targeting children networks in Central, Eastern and Nairobi regions in Kenya in Nyeri in December 2011 (36 participants).
- Conducted a 3-day sensitization for networks of youth with disabilities in Western, Nyanza and Rift Valley regions at Eldoret in February 2012 (37 participants).

- Trained youth networks in Rift Valley at Nakuru in April 2012 (33 participants) and in Central, Nairobi and Eastern region at Nyeri in May 2012 (35 participants).
- The Authority supported 12 youth sporting activities in various parts of the country, notably:
 - Fagia Mihadarati Soccer Tournament in Coast Province, 64 teams, October 2011.
 - Mulika Mlevi Soccer Tournament in Central Province, 64 teams, December 2011.
 - Matungulu Youth Advocacy Network Soccer Tournament, 27th December 2011.
 - Tambacha Youth Soccer Club, 17th–18th December 2011.
 - Aspire Youth Initiative, 17th–18th December 2011.
 - YOGEP Inter Schools Soccer Tournament, 23rd October 2011.
 - St Mary Immaculate Catholic Church, Kanunga – 200 youths.
 - ACK Thika Diocese Rites of Passage – 600 boys.
 - Mirangine District, Nyandarua County – 280 youths.
 - SODAS Kibera – 60 youths.

3.3.2.4 Co-ordinated IEC Strategy

- The Authority's IEC materials were distributed to various stakeholders through the Provincial Administration structure on 5th and 6th September 2011 so as to form the basis for the survey to analyse the appropriateness, availability and sustainability of these materials.
- The Authority participated and sensitized the public in the following events:
 - (i) Mombasa International Trade Fair 31st August to 4th September 2011.
 - (ii) Central Kenya Show (Nyeri) 14th to 17th September 2011.
 - (iii) Northern Kenya Show (Garissa) 22nd to 24th September 2011.
 - (iv) Nairobi International Trade Fair 26th September to 2nd October 2011.
 - (v) North Rift ASK Show (Kitale) 2nd to 5th November 2011.
 - (vi) World AIDS Day, Kisumu, 1st December 2011.
 - (vii) National Conference on ADA 25th – 27th January 2012.
 - (viii) Eldoret ASK Show 7th to 10th March 2012.
 - (ix) Eastern Kenya Show (Meru) 3rd to 5th June 2012.
 - (x) IDADA 2012 in Kakamega, Mombasa and Nairobi – 26th June 2012.
- Awarded tender for carrying out the proposed survey to analyse appropriateness, availability and sustainability of IEC materials were received during the quarter. Data collection undertaken, pending final report of findings.
- Produced and disseminated IEC booklets for children and youth, namely, "*Only for Cool Kids*" and "*Cool Teens Don't Do Drugs.*"
- Printing of the booklets is scheduled for the 3rd quarter.

3.3.2.5 Training of Trainers in ADA Campaign

Towards capacity building in both public and private sectors, the Authority carried out the following:

- Training of trainers (TOT) in the ADA campaign at Kivi Milimani Hotel, Nairobi in September 2011 with 35 participants.
- Trained staff of Kenya Pipeline Company Limited on 7th September 2011.
- Engaged with Kenya Institute of Education and awarded them a contract for production of the schools broadcast program.
- Held two consultative meetings in February 2012 to deliberate on fast-tracking the inclusion of ADA prevention content in the school's curriculum.
- Held a 3-day workshop at Kenya School of Law in May 2012 to review Life Skills Education Handbooks developed by Kenya Institute of Education for Class 1–8 and submitted comments for incorporation and finalization of the handbooks.

3.3.2.6 Community Prevention Initiatives

- Conducted 4 workshops to train regional media practitioners on alcohol and drug abuse prevention in Nyanza (24 pax Sept 2011), Western (40 pax Sept 2011), Central (50 pax Nov 2011), and Central and South Rift Valley (50 pax Feb 2012).
- Trained youth leaders in Rift Valley region at Nakuru in November 2011 (35 participants), and in Eastern region at Embu in January 2012 (40 participants).
- Trained resource persons in universities and tertiary institutions on ADA prevention and management at Nyeri targeting Nairobi/Central/Eastern/Coast/North Eastern regions in March 2012 (29 participants); and at Kisumu targeting Rift Valley/Nyanza/Western regions in March 2012 (29 participants).
- Guidelines for management of funds from the Alcoholic Drinks Control Fund to be utilized by civil society in carrying out prevention and awareness initiatives were developed and approved.

3.3.2.7 Reduce ADA at Workplace

- Provided support to 6 public sector institutions to carry out workplace baseline surveys on ADA. By end of FY 2011–12, four baseline surveys had been finalized and reports forwarded to respective institutions.
- Conducted 2 public sector trainings on ADA prevention at Nairobi in October 2011 (61 participants) and in March 2012 (57 participants).
- Sensitized staff at Ministry of Nairobi Metropolitan Development in October 2011 (100 participants) and Kenya Airports Authority in November 2011 (40 participants).

3.3.2.8 National ADA Control Policy

- Facilitated sensitization of stakeholders including Provincial Administration, Police Service, religious leaders, CBOs and youth representatives in Central, Nyanza (Migori) and Coast (Malindi and Kwale) regions on the National Drug Abuse Control Policy.

The forums, part of the Board's visits to drug abuse hotspots, were held in Kirinyaga, Kikuyu, Migori, Malindi and Kwale counties respectively in November 2011.

- Carried out sensitization sessions on draft National Drug Abuse Control Policy in Western, Rift Valley and Nairobi in March 2012.

3.3.2.9 National Standards for Treatment and Rehabilitation

- Process of establishing certification mechanisms for treatment and rehabilitation service providers as well as monitoring of national standards was planned to be implemented from the 2nd quarter onwards.
- Carried out inspection and evaluation visits to 20 rehabilitation centres across the country to assess compliance with the National Standards.
- Conducted consultations geared towards establishment of a certification committee, certification of trained addiction professionals, and establishment of a licensing regime for rehabilitation centres.

3.3.2.10 Institutional and Community Treatment and Rehabilitation

- Conducted training of 45 representatives from rehabilitation centres countrywide on the Code of Conduct for Addiction Professionals in October 2011.
- Trained 54 Kenya Prisons Service officers on the Prisons Peer Intervention Programme in November 2011.
- Engaged into deliberations with Moi Teaching and Referral Hospital concerning funding of the extension of the Alcohol and Drug Abuse Treatment Centre at a cost of Kshs. 4,463,295.
- Held community forum in May 2012 in Kilifi to facilitate dialogue and promote ownership of treatment and rehabilitation centres, attended by over 100 participants.

3.3.2.11 National 24-Hour Helpline

To promote access to counselling and referral services through 24-Hour Helpline, the Authority undertook the following:

- Notified all District Commissioners to market the national 24-Hours Helpline in public *barazas* and other engagements.
- Introduced a short code number 1192 for accessing the helpline to replace 0800720033.
- Undertook aggressive marketing of the Helpline through newspaper advertisements, radio talk shows, outreach events, road-shows, seminars and workshops, and traditional IEC materials.
- Attended to over 20,000 calls on the new 1192 helpline short code in FY 2010–11.

3.3.2.12 Produce Accurate And Timely Data on ADA

- Towards publishing a booklet on ADA research, the Authority awarded various printers

the work to print 3 proposed publications, namely *FAQ Vol II, Central Kenya Alcohol Survey* and *Know the Risk*.

- On providing funding for relevant research proposals on Alcohol and Drug Abuse outstanding areas identified during the National Drugs and Substance Abuse Research.
- Workshop held in March 2011, the Authority issued Grants notification letters and contracts as follows:
 - Community Based Prevention, Treatment and Rehabilitation theme was awarded to the team of Dr. Mary Kariuki and John Oteyo of Egerton and Kenyatta University respectively.
 - Emerging Drugs and Substance of Abuse in the Country theme was awarded to the team of Dr. Ruth Gathu, Dr. Richard M. Gakunju, Dr. Peter M. Gaku, Dr. Hussein Isack, Jane Thungu and Patrick Okwara of Movement Against drug abuse in Africa (MASAA).
 - Miraa and its Variant Muguka Consumption in Kenya theme was awarded to two teams; that of Dr. Gideon M. Kikuvi and Dr. Simon M. Karanja both of Jomo Kenyatta University and that of Dr. George Michuki and Dr. Joshua Kivuva both of University of Nairobi.
 - Substance Abuse and Disability theme was awarded to the team of Dr. Beatrice Kathungu and Ms. Lydia Mwaura of Kenyatta University and KEMRI respectively.
 - Implementation of the Alcoholic Drinks Control Act, 2010 theme was not awarded as none of the proposals scored the threshold marks at evaluation stage.
- Kenya Literature Bureau was contracted to publish the report on the National Alcohol and Drug Abuse Research Workshop held on 29th – 30th March 2011 and the Jomo Kenyatta Foundation to publish the report on *Survey Results on the Magnitude, Causes and Effects of Alcohol in Central Kenya* conducted in 2010.

3.3.2.13 Develop Evidence-based Programs

Towards developing and implementing evidence-based intervention programs, the Authority carried out the following activities:

- Identified through consultation with stakeholders the suitable areas in which to develop and disseminate policy briefs that would influence decisions. The areas identified are (i) Miraa and muguka trade and consumption; and (ii) Emerging issues from studies on alcohol and drug abuse prevalence in Kenya.
- Towards ensuring feed-back on the researches and studies conducted by the Authority, three policy briefs were completed and posted on the website. These are: *National ADA Conference, Outcomes and studies conducted in 2010 on the Rapid Assessment of Miraa,*

Muguka and Tobacco in Central Province, and Alcohol and HIV Infection in Nairobi Area.

3.3.2.14 Monitoring and Evaluation

Monitoring and evaluation of intervention programs continued throughout the year. Specifically, the Authority undertook the following:

- Developed annual work plan template and quarterly reporting template on alcohol and drug abuse prevention and forwarded to all reporting public sector institutions.
- Analyzed reports on ADA mainstreaming from 13 Ministries, 66 State Corporations, 3 public universities, 18 tertiary institutions and 12 local authorities and provided feedback to the reporting MDAs and the Performance Contracting Department.

3.3.2.15 Partnership with Umbrella Bodies

- Facilitated a consultative breakfast meeting with Chief Executive Officers/Directors of public sector institutions with a role in drug supply suppression at Laico Regency Hotel in August 2011 where 31 persons attended.
- Facilitated the setting up of the National Technical Committee on Drug Trafficking and Abuse. The Committee comprises 16 Senior Officers appointed by public sector institutions with a role in drug demand and supply suppression, and is chaired by NACADA Authority. The Committee held its first meeting on 28th November 2011 at the Authority's boardroom.
- Organized a one-day consultative meeting with religious leaders on 1st December 2011 at the Crowne Plaza Hotel in Nairobi. The religious leaders resolved to support the campaign on alcohol and drug abuse and implementation of the Alcoholic Drinks Control Act, 2010.
- Held a one-day consultative forum with the private sector on Tuesday, 20th March 2012 at the Sarova Panafric Hotel to sensitize on need to mainstream ADA issues in the private sector work place.
- Participated in the Heads of National Drug Law Enforcement Agencies (HONLEA) Africa meeting held in Accra Ghana in June 2012.

3.3.2.16 Collaboration with International Partners

During FY 2011–12, the Authority participated in the following international forums:

- International Conference for Islamic Scholars on Drug Abuse Prevention (Colombo Plan) in Mombasa in July 2011.
- HONLEA Conference in Addis Ababa Ethiopia in August 2011.
- International Conference on Harm Reduction in Mauritius in August 2011.
- Africa Union Continental Think Tank Consultations on Drug Control and Crime Prevention, Kampala (Uganda) in October 2011.
- 55th Session of the Commission on Narcotic Drugs (CND) in Vienna (Austria) in March 2012.

- Interfaith Workshop on ADA at Milele Resort Nairobi in April 2012 organized by Daytop International (USA) and the US Department of State.

3.4.0 CORRUPTION ERADICATION

3.4.1 Corruption Eradication

- Trained corruption committee members and integrity assurance officers in December 2011 at BTL Ruiru facilitated by the Ethics and Anti-Corruption Commission.
- Facilitated training of a Program-Officer and Program-Analyst by the Ethics and Anti-Corruption Commission. The two officers will assist in integrity testing for NACADA Authority.
- Engaged a consultant to conduct a survey on corruption in the institutions, the survey has been done and the consultant submitted a draft report.
- Hosted officers from Ethics and Anti-Corruption Commission who undertook integrity testing.

3.5.0 CROSS-CUTTING ISSUES

3.5.1 Purchase of Campaign I.E.C. Materials

	Description of item	QTY
1.	Wristbands with ADA messages	6,000
2.	Survey report on causes and effect of alcohol in Central Kenya	2,500
3.	ADA booklet for kids titled " <i>Cool Kids</i> "	10,000
4.	ADA booklet for teenagers titled " <i>Cool Teens</i> "	10,000
5.	Updated Service Charter booklet translated in Kiswahili	5,000
6.	Round neck T- shirts with IDADA message	15,300
7.	Polo corporate shirts	3,000
8.	Reflector Jackets with ADA messages	10,000
9.	Fabric caps	5,000
10.	Life skills posters	50,000
11.	Assorted IEC fliers	10,000
12.	English flier booklet	20,000
13.	Drug charts	45,000
14.	Helpline posters	30,000
15.	Helpline fliers	10,000
16.	Year 2012 calendars	20,000
17.	Year 2012 diaries	1,500
18.	Know the Risk booklet	20,000
19.	Know the Risk booklet in Braille	400
20.	Frequently Asked Questions booklet	10,000
21.	Kenyan Views booklet	1,000
22.	Branded footballs with ADA message	515

23.	Branded gift packs	500
24.	Branded key holders	500
25.	Branded note books	1,000
26.	Branded biro pens	2,000
27.	Paper caps	2,500

4.0 REPORT OF THE AUDITOR-GENERAL ON NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE FOR THE YEAR ENDED 30TH JUNE 2012

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Authority for the Campaign Against Alcohol and Drug Abuse set out on pages 24 to 36, which comprise the statement of financial position as at 30th June 2012, and the statement of comprehensive income, statement of accumulated funds and statement of cash flows 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 14 of the Public Audit Act, 2003. 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 13 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on the financial statements based on the audit and report in accordance with the provisions of Section 15(2) of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

1. Property, Plant and Equipment

As reported in 2010/2011, the property, plant and equipment balance of Kshs.52,002,610 as at 30th June 2012 excludes an undetermined value of three vehicles bearing GK registration numbers GK A228G, GK A229G and GK A143A which had not been transferred to the Authority by the parent Ministry as at the same date.

Consequently, it has not been possible to confirm that the property, plant and equipment balance of Kshs.52,002,610 as at 30th June 2012 is fairly stated.

2. Payment of Gratuity

As reported in 2010/2011, a former National Co-ordinator was paid gratuity totalling Kshs.4,186,488 based on a basic salary of Kshs.3,201,432 per annum plus a house allowance of Kshs.985,056 following expiry of a three-year contract. However, the contract agreement between the Co-ordinator and the Authority provided for gratuity to be calculated on the basis of 31% of the basic salary only, which therefore amounted to Kshs.3,201,432. There was therefore an overpayment of Kshs.985,056. Further, additional information shows that the Co-ordinator was paid a top-up allowance of Kshs.920,520 during the same year, again contrary to the contract agreement. Although the matter is reported by management to be in court, the outcome for the ineligible payments totalling Kshs. 1,905,576 is uncertain.

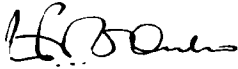
3. Board Expenses

Section 10(1) of the State Corporations Act, Cap 446 of Laws of Kenya allows payment of sitting allowance to the Chairman and members of a Board, other than the chief executive upon attending board or committee meetings. However, records examined during the year under review indicated that the Authority paid a total of Kshs. 238,000 to non-Board members in attendance during various board/committee meetings contrary to the provisions of the State Corporations Act, Cap 446. Consequently, the Authority is in breach of the law.

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position

of the Authority as at 30th June 2012, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards and comply with the National Authority for the Campaign Against Alcohol and Drug Abuse Act, 2012.



Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

15 April, 2013

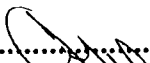
5.0 STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2012

Restated


	Notes	2011/2012 Ksh	2010/2011 Ksh
NON CURRENT ASSETS			
Property, plant and equipment	2	52,002,610	44,987,878
CURRENT ASSETS			
Cash and Cash equivalent	3	16,245,332	28,550,029*
Trade and other receivables		5,933,323	12,130,639
TOTAL		22,178,655	40,680,668
CURRENT LIABILITIES			
Accounts payables	5	4,802,522	13,701,600
Provision for Audit fees		500,000	500,000
TOTAL CURRENT LIABILITIES		5,302,522	14,201,600
NET CURRENT ASSETS		16,876,133	26,479,068
NET TOTAL ASSETS		<u>68,878,743</u>	<u>71,466,946</u>
REPRESENTED BY			
Capital Fund		26,773,428	26,773,428
Revenue reserves		42,105,315	44,693,518*
Accumulated fund		<u>68,878,743</u>	<u>71,466,946</u>

* Restated as explained in note 16

Chairman..... DR. FRANK NJENGA

Signature.....  Date..... 25/3/13

Chief Executive Officer..... DR. William N. Okedi

Signature.....  Date..... 25/3/13

6.0 STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH JUNE 2012

	Notes	2011/2012 Ksh	Restated 2010/2011 Ksh
INCOME			
Recurrent Grants	15	300,000,000	310,000,000
<u>Other Income</u>			
Appropriation in Aid		107,820	1,375,538*
Reimbursable incomes		12,584,888	18,282,583
Total income		312,692,708	329,658,121
EXPENDITURES			
Staff costs	6	82,010,222	90,276,654
Travelling costs	7	21,019,195	17,441,843
Campaign expenses	8	82,572,799	57,483,992
Administrative expenses	9	45,711,833	35,348,438
Board expenses	10	14,524,224	7,755,161
Training expenses	11	26,954,115	25,254,442
Maintenance costs	12	3,302,609	2,899,543
Bank charges		84,321	103,485
Audit fees provided		500,000	500,000
Depreciation charge	2	17,282,420	15,873,914
Provision for bad debts	4	1,511,346	-
Other expenses – reimbursable incomes	13	7,062,755	6,599,774
Alcoholic Drinks Control Act expenses		12,745,072	41,695,217
Total Expenditures		315,280,911	301,232,463
Surplus/Deficit		(2,588,203)	28,425,658

* Restated as explained in note 16

7.0 STATEMENT OF THE CHANGES IN ACCUMULATED FUNDS FOR THE YEAR ENDED 30TH JUNE 2012

	Accumulated Reserves		Total
	Capital	Restated	Restated
	(Kshs)	(Kshs)	(Kshs)
Balance B/FWD. 01.07.2010	26,773,428	16,225,110	42,998, 538
Prior year adjustment		42,750	42,750
Prior year adjustment		(10,000)	(10,000)
Surplus for the year	-	28,435,658	28,435,658
Balances as at 30th June 2011	26,773,428	44,693, 518*	71,466,946*
Bal B/F 01.07.2011	26,773,428	44,693, 518*	71,466,946*
Deficit for the year	-	(2,588,203)	(2,588,203)
Balances as at 30th June 2012	26,773,428	42,105,315	68,878,743

* Restated as explained in note 16

8.0 STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 30TH JUNE 2012

	<u>2011/2012</u>	<u>Restated</u> <u>2010/2011</u>
	Ksh	Ksh
Net Surplus/Deficit for Year	(2,588,203)	28,435,658
Prior year adjustment	-	42,750*
Prior year adjustment	-	(10,000)*
Add back depreciation	17,282,420	15,873,914
Operating surplus before working capital changes	14,694,217	44,342,322
Working capital changes		
Accounts payable	(8,899,078)	10,754,882
Accounts receivables	6,197,315	(6,049,065)
Net cash generated from operating activities	11,992,454	49,048,139
Cash flows from investing activities		
Purchase of property and equipment	(24,297,152)	(26,907,218)
Net increase in cash & cash equivalent	(12,304,698)	22,140,921
At the start of the year	28,550,031	6,409,110
At the end of the year	16,245,333	28,550,031

*See note 16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2012

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) under the historical cost convention.

(b) Government Grants

The major source of income for NACADA is Grants from the Government. Income is recognized when received.

(c) Revenue recognition

(i) Recurrent grants from the exchequer are for meeting expenses relating to personnel emoluments, campaign activities and maintenance costs. The revenue from exchequer is recognized on cash basis.

(ii) Appropriation in Aid:

The Authority generates some revenue from sale of information, education and communication (IEC) materials at subsidized prices. Further a program on rites of passage generates some revenue where the organizers are charged fees.

(iii) Reimbursable:

The Authority received other monies which cannot be seen to recur in the foreseeable future years. The monies were received against agreed upon budgets. Major sources of the reimbursable include: The reimbursable are recognized on accrual basis.

- Monies received from Day top International and Alvarez Associates support training programs on Treatment and Rehabilitation.
- Fees from Ministries/Parastatals to carry out training and baseline surveys for them on Alcohol and Drug Abuse at cost.
- Monies received from participants of a Trainers of Trainers program organized by the Authority to meet the cost of the training.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2012 (Cont'd)

(d) Depreciation Rates

The following depreciation rates have been applied on straight line method.

- Motor Vehicle – 25% per annum.
- Computer and accessories – 30% per annum.
- Furniture and fittings – 12.5% per annum.
- Equipment – 30% per annum.

(e) Retirement benefits obligations

The benefits are expensed off as they are earned on monthly basis.

(f) Provision for doubtful debts

The Authority recognizes the doubtful debts as soon as it remains unpaid for more than two years.

(g) Retirement benefit

NACADA Authority is a contributor to the National Social Scheme–National Social Security Fund.

(h) Currency

Financial statements have been presented using Kenya shillings rounded off to the nearest shilling.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2012
(Cont'd)**

2. Property, Plant and Equipment

The Authority obtained assets as a transfer from the Ministry of State for Provincial Administration and Internal Security through Legal Notice No. 140 of 29th June 2007. Previously, it was a department within the Ministry. The Authority is currently established under the National Authority for the Campaign against Alcohol and Drug Abuse Act, 2012.

FIXED ASSETS SCHEDULE AS AT 30 JUNE 2012

	Motor Vehicles (Kshs)	Furniture & Fittings (Kshs)	Computers & Accessories (Kshs)	Equipment (Kshs)	Total (Kshs) 2011/2012
Bal B/f 1.07.11	44,510,013	4,724,493	20,698,733	12,158,237	82,091,476
Additions:	15,250,497	4,954,871	2,046,885	2,044,899	24,297,152
TOTAL	59,760,510	9,679,364	22,745,618	14,203,136	106,388,628
Acc. Depreciation as at 01.07.11	18,940,040	1,324,698	9,863,629	6,975,231	37,103,598
Depreciation for the year	10,205,118	1,044,334	3,864,597	2,168,371	17,282,420
Acc. Depreciation	29,145,158	2,369,032	13,728,226	9,143,602	54,386,018
Net book value as at 30.6.12	30,615,352	7,310,332	9,017,392	5,059,534	52,002,610
Net book value as at 30.6.11	25,569,973	3,399,795	10,835,104	5,183,006	44,987,878

One vehicle KBG 547 C Toyota Rav 4 was involved in an accident mid June 2012 and claim will be launched with the insurance company in the year 2012/2013.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE
2012 (Cont'd)**

3. Cash and cash equivalent

	2011/2012	2010/2011
	Kshs	Kshs
Cash on hand	18,115	241,542
Bank account	16,227,217	28,308,487 *
Total	<u>16,245,332</u>	<u>28,550,029</u>

*Restated as explained in note 16

4. Trade and other receivables

	2011/2012	2010/2011
	Kshs	Kshs
Imprest debtors	28,006	28,006
Other receivables	4,548,133	3,990,978
Prepayments	2,868,530	8,111,655
Provision for doubtful debts	(1,511,346)	-
Total	<u>5,933,323</u>	<u>12,130,639</u>

5. Accounts payables

	2011/2012	2010/2011
VAT	81,075	618,354
P.A.Y.E.	4,650	401,535
Subscription fees	92,179	92,179
Motor vehicle repairs	162,266	162,266
Consultancy fees	1,208,656	2,140,570
Telkom (K) Ltd	138,537	82,367
Rev John Gatu	-	1,900
Simba Colt Motors	-	84,023
SPSS East Africa	-	1,851,930
Apex Management Systems	-	1,720,000
Rift Valley Machinery	-	210,000

Peak Vision	998,800	1,426,800
Cellnet Ltd	-	127,900
Advatech Office Supplies	-	1,407,805
Classic 105 FM/Radio Africa Group	-	70,760
KEPHIS	-	175,682
Kenya Broadcasting Corporation	-	900,000
Alcoholic Drinks Control Fund	58,000	18,000
Apex Communications Ltd	1,000,000	1,000,000
Kenafic Diaries Manufacturers	-	709,600
NW Realite Ltd	-	487,200
Safaricom Ltd	133,625	12,729
Standard Group Ltd	777,432	-
Kenya Pipeline	146,750	-
Total	4,802,522	13,701,600

6. Staff Costs

	2011/2012	2010/2011
	Ksh	Ksh
(a) Basic Salaries	43,288,064	48,222,620
(b) Gratuity	8,316,274	24,661,102
(c) Personal Allowances	30,405,884	17,392,932
Total	82,010,222	90,276,654

7. Travelling Costs

	2011/2012	2010/2011
	Ksh	Ksh
(a) Domestic Travelling and Subsistence	18,730,600	15,792,139
(b) Foreign Travelling and Subsistence	2,288,595	1,649,704
Total	21,019,195	17,441,843

Notes to the Financial Statements for the year ended 30th June 2012 Cont'd**8. Campaign expenses**

	Ksh	Ksh
(a) Printing and Publishing Expenses	5,513,700	5,745,813
(b) Advertising and Publicity	72,501,573	49,051,096
(c) Subscription Fees for Newspapers	1,487,557	386,180
(d) Trade Shows & Exhibitions	2,887,705	2,300,904
(e) Specialized Materials and Supplies	182,264	-
Total	<u>82,572,799</u>	<u>57,483,993</u>

9. Administrative Expenses

	Ksh	Ksh
(a) Communication & Supplies	4,578,712	3,914,583
(b) Rent	15,312,955	13,969,245
(c) Subscription Fees	30,000	52,000
(d) Office and General Supplies Services	1,906,886	2,775,773
(e) Fuel Oil and Lubricants	6,063,478	3,544,253
(f) Contracted Guards	553,000	974,647
(g) Hospitality, Supplies and Services	5,232,265	4,221,488
(h) Water	-	41,200
(i) Electricity	-	66,222
(j) Medical Insurance	10,453,179	5,008,508
(k) Motor Vehicle Insurance	1,581,358	780,518
Total	<u>45,711,833</u>	<u>35,348,437</u>

Notes to the Financial Statements for the year ended 30th June 2012 Cont'd

10. Board Expenses

	2011/2012	2010/2011
	Ksh	Ksh
Total Expense	14,524,224	7,755,161
Included in the Board expenses is payment to the Chief Executive Officer as follows:		
– Basic pay	997,333	-
– Allowances	645,333	-
Total	1,642,666	

Previously the CEO was on secondment

11. Training Expenses

	2011/2012	2010/2011
	Ksh	Ksh
(a) Staff Training Expenses	2,608,211	1,106,002
(b) Contracted Professional Services	13,947,029	16,500,076
(c) Hire of Training Facility	10,398,875	7,648,364
Total	<u>26,954,115</u>	<u>25,254,442</u>

12. Maintenance Costs

	2011/2012	2010/2011
	Ksh	Ksh
(a) Motor Vehicles	2,768,976	1,976,670
(b) Other assets	533,633	923,873
Total	<u>3,302,609</u>	<u>2,899,543</u>

Notes to the Financial Statements for the year ended 30th June 2012 Cont'd

13. Other Expenses Relating to Reimbursable Income 2011/2012

	Ksh	Ksh
(a) DAYTOP Trainers	1,539,764	184,992
(b) Alvarez & Associates	1,006,461	337,900
(c) Colombo Plan	-	1,797,346
(d) Other Reimbursable Incomes	4,516,530	4,279,536
Total	7,062,755	6,599,774

14. Unspent Balances

The cash and cash equivalent at the year-end as per the cash flow statement represent the unspent balances from various sources of funds during the financial period as indicated below.

Source	Revenues	Expenditures	Balances
GOK Recurrent Grants	311,050,705	311,050,705	-
Appropriation in Aid	1,633,348	-	1,633,348
DAYTOP Trainers	1,672,900	1,539,764	133,136
Colombo Plan	178,969	-	178,969
Alvarez & Associates	3,198,398	1,006,461	2,191,937
Others	21,624,471	9,516,530	12,107,941
Refund from O.P	1,410,000	1,410,000	-
Total	340,768,791	324,523,460	16,245,331

Notes to the Financial Statements for the year ended 30th June 2012 Cont'd

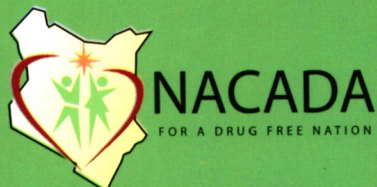
15. The GOK funds were received on the account on the following days:

1 st Quarter	5 th August 2011	77,500,000
2 nd Quarter	12 th October 2011	77,500,000
3 rd Quarter	15 th February 2012	77,500,000
4 th Quarter	18 th May 2012	67,500,000
Total		300,000,000

16. Prior Year Adjustment

* Kshs 10,000 represents sale of tender documents to five security companies which was subsequently cancelled and the money refunded.

* Kshs 30, 000 represents provision for communication consultation which never took place. Kshs 12,750 represents VAT element on payment to consultants which was erroneously overstated, the correction has since been made.



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