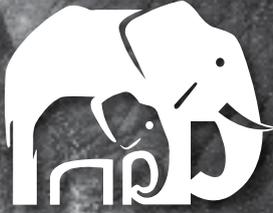


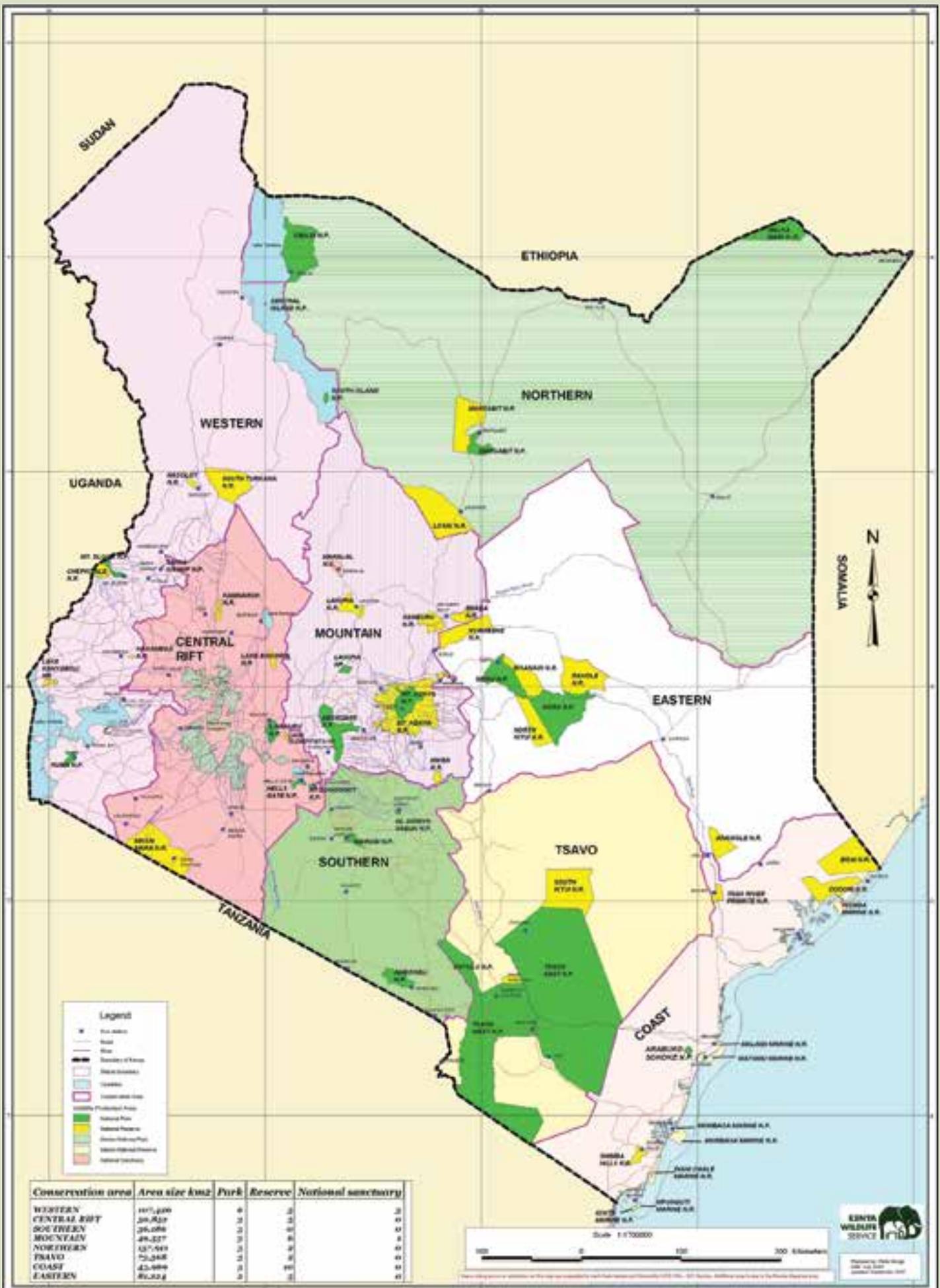
KENYA
WILDLIFE
SERVICE



ANNUAL REPORT 2013

Our Heritage, Our Pride

KENYA WILDLIFE SERVICE CONSERVATION AREAS



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CORE STATEMENTS

Our Vision

Save the last great species and places on earth for humanity

Our Mission

Sustainability conserve, manage and enhance Kenya's wildlife, its habitats and provide a wide range of public uses in collaboration with stakeholders for posterity

Core Values

Passion, Professionalism, Innovation and Quality

Service Delivery

We will provide our customers with:

- High quality and secure parks
- Wildlife conservation education - publication and information about wildlife in a form suitable for and accessible to all
- Sustainable wildlife population
- Protection of agriculture and animal husbandry against destruction of wildlife
- Data and information service to scientific, advisory and consultancy organisations involved in wildlife conservation
- Professional services in a friendly, responsive and professional environment

What We Do

- Formulate policies regarding the conservation, management and utilisation of all types of fauna and flora (excluding domestic animals)
- Manage national parks and reserves
- Provide wildlife conservation, education and extension services to create public awareness and support for wildlife policies
- Strive to achieve the competence and fairness in the care and development of the parks and reserves through the conduct of research, the deliberate acquisition, use and dissemination of relevant information from research and other sources
- Administer and coordinate international protocols, conventions and treaties regarding wildlife in all its aspects

Our Customers

Our customers may be involved or participate in, or represent any or all of the critical areas- tourism, recreation, marine and conservation, and include:

- Individuals, groups, governments and private organisations that use the national parks and reserves for tourism, recreation, and research;
- Individuals, groups or organisations that have any level of interest in or impact on the development and conservation of wildlife.

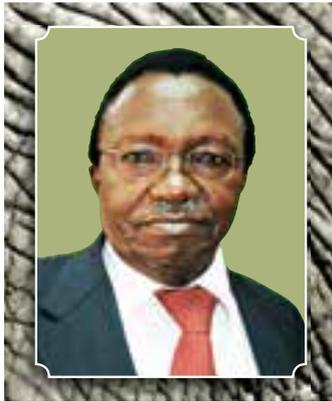
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KWS Administers and coordinates international protocols, conventions and treaties regarding wildlife in all its aspects.

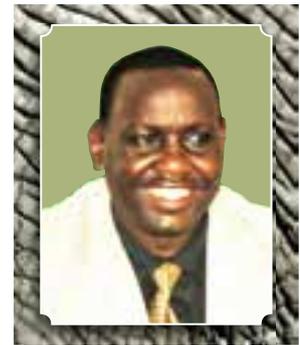
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BOARD OF TRUSTEES



Hon. David Mwiraria, EGH
Chairperson



William K. Kiprono
Ag. Director General



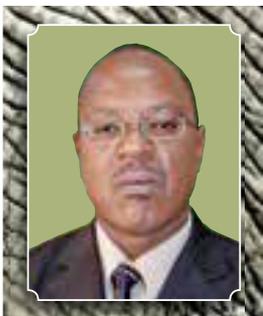
Margaret Wawuda
Vice Chairperson



Adil Khawaja



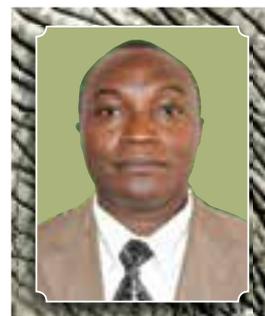
Dr. Winnie Kiiru



Dr. Thomas Manga



Monica Kalenda



Stephen Karani



Patricia Awori



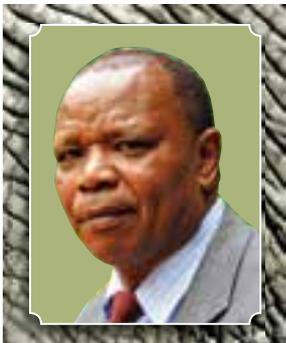
Ian Craig



Eddyson Nyale



H. Kipkosgei Barmao, MBS



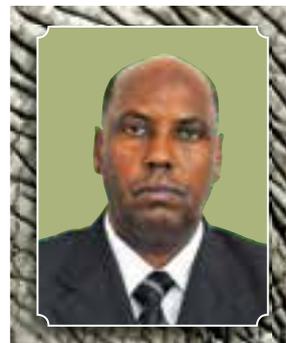
Edward Ngigi



Nicholas Ole Kamwaro



Gideon Gathaara



Hassan Noor Hassan



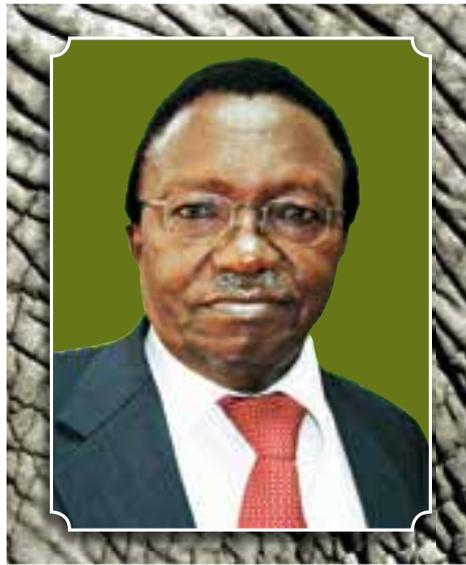
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KWS is a unique and complex organisation in that apart from offering a service, we also deal with policy and regulation, security, training and research.

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CHAIRMAN'S STATEMENT



Hon. David Mwiraria, EGH

Within the period under review, twenty thirteen, I am glad to report that KWS diligently implemented its Strategic Plan 2.0. (2012-2017), challenges notwithstanding. We encountered a number of challenges during this period, the most daunting being that of wildlife poaching, smuggling and/or trafficking of trophies like ivory and rhino horn through Kenya.

The escalating poaching crisis became a national security issue as well as an economic one. Urgent and decisive actions needed to be taken by the Government and KWS to reverse this trend. The government of Kenya demonstrated her commitment in ensuring that our wildlife is secured by establishing an Inter-Security Agency Anti-Poaching Unit comprising of 121 officers drawn from specialised units of Kenya Wildlife Service, Administration Police and the General Service Unit. The contingent is under the command of KWS and underwent a joint training at KWS Law Enforcement Academy in Manyani before being deployed at three designated hotspot field stations in Narok, Tsavo and Isiolo. These elite rapid response units are to provide support to KWS officers, already deployed in these areas and elsewhere, on need to basis.

The government made a commitment early this financial year to support the recruitment and deployment of 1,000 rangers, to boost KWS capacity to execute their mandate effectively.

The enactment of Wildlife Conservation and Management Bill, 2013 on the eve of Christmas is a major boon to our conservation efforts. Stiffer penalties for wildlife crime will serve to deter participation in the vice. Furthermore, the wildlife forensic and genetics laboratory under construction at KWS headquarters will support wildlife crime prosecution.

Other challenges were climate change, which adversely affected ecological integrity, especially in the more arid areas such as the Tsavos. In fact, the area is among those that suffered a serious water shortage resulting in loss of pasture for herbivores. Invasive plant species also posed a remarkable challenge to the integrity of the various ecosystems across the country.

We have also had to deal with environmental degradation within our Protected Areas that has affected our conservation efforts. Activities such as charcoal burning and illegal logging have had a negative impact on habitats

and water towers and we are stepping up community involvement to stem this.

It was in this period that the Board approved the implementation of conservation and management strategies of endangered species as well as their Management Plans. These included: the launch of Olerai Community Wildlife Conservation Management Plan in Kajiado, and Conservation Area Management Plan for Kiunga, Boni and Dodori. KWS also launched the conservation and management strategies for the Sable Antelope, the Bongo, Gravy's Zebra and Invasive Species. In addition, KWS also built and/or repaired Rhino Sanctuaries in Chyulu, Tsavo and Aberdares.

Approximately 57% of Kenya's wildlife is found outside Protected Areas. KWS has therefore continued promoting community conservation in these areas. We have initiated development projects for the communities affected such as construction of classrooms, water dams, boreholes, dispensaries in addition to providing education bursaries for deserving children. We are also actively involved in helping these communities create and manage their own conservancies. Furthermore, KWS is providing game scout training for interested members of these communities at our Law Enforcement Academy (LEA) in Manyani. This enables them to assist KWS in security and intelligence gathering to fight the aforementioned wildlife crimes. We have also reinforced security in large ranches, to assist the owners in protecting wildlife within their properties.

In order to encourage visitation to our parks and reserves, we have sought development partners willing to invest in accommodation facilities. This is especially true for Meru National Park which rivals the famous Maasai Mara Game reserve in the variety of wildlife it has to offer. This park lacks accommodation facilities, which limits visitor numbers. Action is being taken to repossess the undeveloped hotel sites which were allocated to the present owners more than eight years ago, and give them to other investors who are willing to develop facilities without delay.

In addition, Mt. Kenya National Park is being promoted as a premier park in the Mountain Conservation Area. We have improved the access roads/routes to the mountain, built a technical climbing bridge to across steep ravines (via ferrata), and added rest stops to make hiking easier.

With the recent travel advisories issued by western countries, KWS is aggressively promoting domestic tourism. In the period under review, 60% of visitors to our parks and reserves have been domestic. Our commitment to visitors is that KWS and the government will work to improve security in the parks and reserves, while KWS encourages them to visit these beautiful places regularly.

For the future, we are hoping that the proposed Endowment Fund, which will be administered by KWS, the government and other global benefactors, will be fully implemented to provide financial security for KWS's conservation efforts. We are also improving our staff welfare by refurbishing existing living quarters, building new ones, and, providing better allowances.

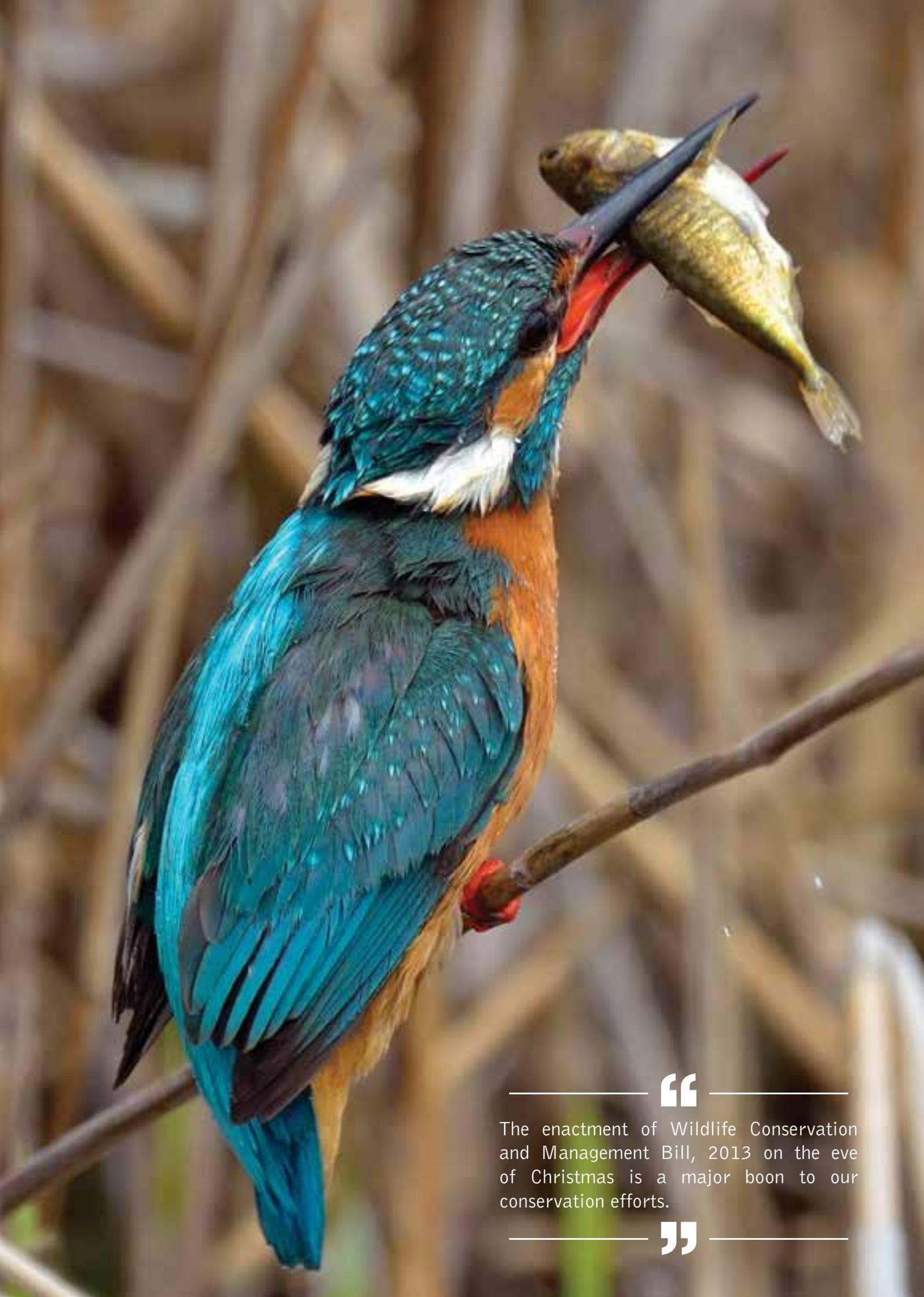
I would like to thank the President, His Excellency Uhuru Kenyatta, for his interest in wildlife conservation and for his total commitment to the protection of our country's valuable heritage.

Finally, I would like to extend my heartfelt appreciation to members of the last KWS Board of Trustees. Their dedication to duty and excellent technical work was critical in realising the strategic plans that KWS has for conservation.



Hon. David Mwiraria, EGH

Chairperson
KWS Board of Trustees



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The enactment of Wildlife Conservation and Management Bill, 2013 on the eve of Christmas is a major boon to our conservation efforts.

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DIRECTOR'S STATEMENT



William K. Kiprono MBS

I would like to affirm that KWS discharged its core mandate of wildlife conservation and remained a stable organisation implementing our roadmap, the Strategic Plan 2.0, 2012-2017.

We faced a number of challenges but we devised various ways of dealing with them. The challenges ranged from wildlife crime, environmental degradation, climate change, drought, loss of habitat and human wildlife conflict arising from increased need for agricultural land and human settlements.

We adopted a three-pronged approach to solve some of these issues. One is improved law enforcement where we have partnered with other government departments to improve our intelligence gathering. We worked with the Kenya Police and the Administration Police to this end. We took full advantage of the new wildlife law that imposes harsher punishment on criminals. We also sought new and improved equipment for our field personnel such as night vision devices and high caliber firearms to better combat the poaching menace.

On the community side, we raised the public's awareness towards the benefits of conservation in their areas. They need to understand that the wildlife around them is for their benefit and we had active forums with them on how to better safeguard and protect the wildlife. Community involvement is key to our mandate because sustainable conservation begins at the grassroots level.

To this end, we have on-going and planned projects such as schools, hospitals and water dams in various areas. We are offering training on how to establish and manage conservancies in their home areas, which provide employment and therefore empowerment of these communities. We believe that when the people benefit from the heritage, they are more likely to preserve it.

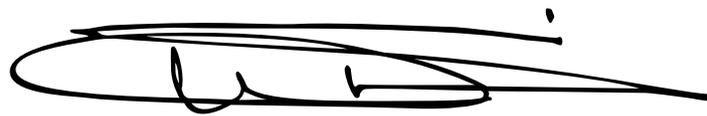
Visitation to our parks and reserves was affected by the prevailing security situation. Travel advisories from key source markets about the Coastal region where many foreign tourists frequent, were a notable detriment to visitor numbers especially to the Tsavo and Amboseli parks. Competition from our regional competitors has also contributed to this reduction in visitor numbers. We, however, are not fazed by this and we are constantly improving our product and service offering by improving security and giving our guests, both local and international, memorable experiences that will make them want to keep coming back.

To promote local tourism, we implemented a media campaign on television and print media encouraging Kenyans to visit their national parks and reserves. This was in conjunction with reductions in tariffs and improvement of infrastructure to simplify access. Roads in national parks and reserves are better and more accessible with saloon cars so that more people can visit them. We also issued complimentary entry tickets to groups such as schools so that the future generations can appreciate and understand what greatness lies in the country's wilderness. Our accommodation facilities were refurbished and offered affordable rates compared to the pricier lodges and hotels.

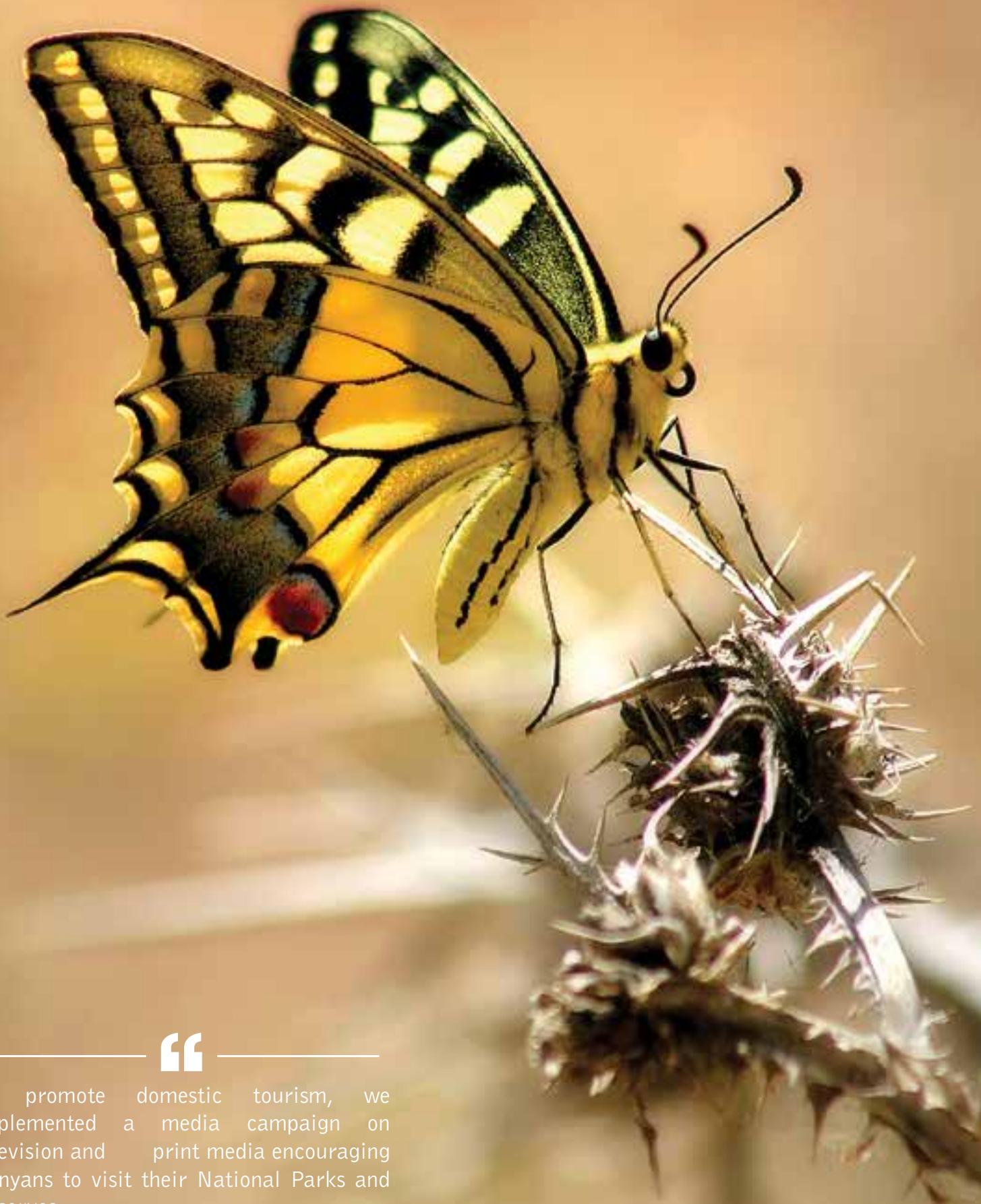
There is a lot to expect in the coming year. There is, of course, continued improvement of our services and facilities. We are opening up different and new areas of operation e.g. Kisumu Impala Sanctuary, Ndere Island, Sibiloi and Marsabit to increase options that visitors, both local and international can enjoy. As mentioned before, security is key and this was reinforced for both wildlife and the public.

Better staff motivation leads to better service provision and we have done this through better housing for our staff and improved field allowances for our rangers. We are striving towards accountability and transparency in our operations and also engaging in collaborative partnerships with our stakeholders to strengthen our conservation efforts.

I am proud of our highly dedicated staff who have accomplished a great deal, often with limited resources. We are ready to go the extra mile to protect our wildlife for this generation and those to come. If we don't act, history will not be kind to us. I would like to extend my gratitude to the law enforcement agencies which are working with us to fight the poaching menace as well as the Kenya Revenue Authority and the Kenya Ports Authority for their role in curbing smuggling and profiteering from illegal wildlife trade. I believe with everybody on board, we will succeed in our mission.



William K. Kiprono
Ag. Director General



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To promote domestic tourism, we implemented a media campaign on television and print media encouraging Kenyans to visit their National Parks and Reserves.

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LAW ENFORCEMENT

Wildlife Conservation Stewardship

Wildlife crime has evolved over time and the situation is presenting increased challenges to wildlife conservation in the country. As is the general trend globally and in the region, we are witnessing an emergence of new challenges in wildlife security. The rise in demand for wildlife products in the international market has led to a resurgence of elephant and rhino poaching. Locally, a shift in terms of poaching hotspots areas and modus operandi has compounded the matter.

In the recent past, wildlife crime has been exacerbated by climate change, human population pressure and dynamics in the global economic and political order. Growing affluence and economic growth in East and South-East Asia contributed immensely to increased demand for rhino horn and ivory. The rising demand and price of ivory and rhino horn in the illicit market continues to drive poaching. This situation was further complicated by the approval by CITES of the one-off sale of elephant ivory by Southern African countries in 2007 and the sale of ivory stockpiles, which continues to haunt wildlife security in Kenya and the region. Consequently, Kenya's wildlife (rhinos, elephants and cat family) are among the contraband products driving illegal wildlife trade globally.

The mode of operation for poachers has also changed drastically, including use of highly sophisticated weapons, modification of firearms to fire higher caliber rounds and use of night vision devices. Poachers are now using more poison arrows to kill elephants. Off take of wildlife in form of bush meat was also witnessed in many wildlife areas.

Livestock incursion in the protected areas was a major concern especially in the Tsavos. This threatens the healthy existence of the ecosystem by degrading the habitat in addition to competition for pasture and spread of zoonotic diseases.

In spite of these challenges, the team was equal to the task in ensuring wildlife is protected. Several security strategies were developed to deal with poaching and its dynamics. Proactive measures were deployed and personnel deployed effectively based on the foreseen threats to pre-empt any incidences. Monitoring of wildlife movement and migration was done to inform deployment of personnel. Several ground and aerial patrols were executed to secure the wildlife.

The law enforcement personnel were involved in 34 engagements (contacts) with armed poachers, which led to arrest and elimination of poachers and recovery of firearms and trophies. A total of 66 firearms and 2,630 rounds of ammunitions targeted at both wildlife and tourists were recovered in these security operations. Three rangers were killed and two others injured in these engagements. Numerous game trophies were also recovered. See table 1.0 below

Trophy Recoveries

S/No.	Trophy type	2012		2013	
		Pieces	Kg	Pieces	Kg
1.	Skin	377	-	140	-
2.	Bushmeat		6746*	-	10,106*
3.	Rhino horns	6	14	17	45.05
4.	Ivory	1443**	2646.32***	15,689**	23,145***

Our Heritage, Our Pride

A total of 1,549 suspects were arrested and prosecuted for various wildlife offences. This reflected a 20.6% decrease compared to the previous year, which can be attributed to increased law enforcement efforts by KWS and other agencies. Possession of game trophies represented 34% of all arrests made. This can be attributed to the demand for ivory and rhino horns worldwide, especially in Asia.

Fifty nine rhinos were poached during the year representing a 96.7% increase compared to the previous year, with most cases occurring inside KWS Protected Areas (31 poached rhinos) representing 52.5% of the total rhinos poached this year

Rhino Poaching

S/No.	Year	Inside KWS Pas	Outside KWS PAs	Total
1.	2012	7	23	30
2.	2013	31	28	59

Three hundred and two elephants were poached during the year representing 21.4% decrease compared to the previous year which had 384 elephants killed.

Our water towers were also safeguarded to ensure ecosystem services continued uninterrupted.

Other law enforcement agencies were engaged in combating wildlife crime which bore more fruit as gangs were nabbed and cartels dismantled. An inter-agency Anti-Poaching Unit comprising of KWS, GSU and AP was formed to assist in curbing poaching.

The fight against poaching was extended to our neighbouring countries. The 24th Kenya-Tanzania Cross-Border Wildlife Security meeting was held in Tanga, Tanzania to strengthen strategic partnerships between the two countries in addressing cross border wildlife security issues. Joint security operations were conducted with Tanzania and Uganda.

Synchronized patrols with the Tanzania Wildlife Division and national parks were undertaken between Tsavo West and Mkomazi in July and with Tanzania APU along the Kilimanjaro/Amboseli border. Amboseli Platoon also conducted joint operation with TANAPA game scouts. International operations were also conducted such as Operation COBRA II targeting the illegal trophy trade.

The law enforcement units worked closely with other law enforcement agencies in all matters of wildlife security both at local, regional and international arena. Engagements with the County Administration, Kenya Police Service, Kenya Forest Service, local communities, customs and immigration, Kenya Airports Authority, private ranches and other conservation stakeholders were intensified to address matters of mutual interest.

Regionally, cross border collaborations were intensified which yielded results in tackling crime along the shared borders. INTERPOL and Lusaka Agreement Task Force were instrumental in facilitating, coordinating and offering support where crimes of international nature occurred. The collaboration and engagement with the Judiciary in many parts of the country was also intensified.

WILDLIFE CONSERVATION

WILDLIFE CONSERVATION STEWARDSHIP

During the year 2013, KWS carried out wet and dry season wildlife censuses for the Amboseli-West Kilimanjaro-Magadi-Natron landscape.

These censuses covered an area of approximately 25,623km². The censuses found a general increase in the number of large herbivores. The increase was attributed to the recovery of the populations after the severe drought of 2007-2009 and to a lesser extent, the increase in the survey area.

For the wet and dry season, zebra was the most populous wildlife species with a population of approximately 29,867 and 19,693, respectively. In the wet season census, the elephant population was found to have increased from a 2010 figure of 1,420 to 1,930.

KWS also started to plan for the 2014 total aerial wildlife census of the Tsavo/Mkomazi Ecosystem. Elephant surveillance was undertaken in Shimba Hills and Mwaluganje Wildlife Sanctuary, while an assessment of the status of whale sharks and sea turtles was carried out in Tiwi and Chale Islands.

Towards enhanced conservation of endangered species, four proposals and decisions were submitted to CITES COP16 and adopted for implementation. With regard to species strategies, the Sable Conservation and Management Strategy was completed and launched.

In way of enhancing ecosystems and landscapes, invasive species were removed in Nairobi, Ol Donyo Sabuk, Mt. Elgon, Saiwa and Tsavo East national parks. Additional invasive species removal was done in Lake Nakuru, Mt. Longonot and Meru national parks. At the same time, the proposal on the Naivasha Wildlife Sanctuary-Lake Naivasha-Hell's Gate-Mt. Longonot corridor was completed.

To keep research alive, KWS reviewed and authorised 94 research projects. Further, in the Central Rift Conservation Area, research indicated that the depth of Lake Nakuru had reached 6.1 metres. This was the greatest depth in recent decades and it led to a submersion of 15km² of terrestrial habitat.

In further conservation work, KWS created a Black rhino sanctuary in Borana Ranch of Laikipia County. It also extended the Meru rhino sanctuary by 36km².

With regard to environmental impact assessments (EIA), KWS undertook EIA for staff housing projects in the Mombasa Marine, Tsavo West, Nakuru and Isiolo stations. In addition, it participated in a KWS/KENGEN joint environmental audit for the impact of geothermal activities on conservation of Hell's Gate National Park.

With regard to planning, KWS completed and launched the Kiunga-Boni-Dodori Conservation Area (KBDCA) Management Plan.

Clinical Cases Interventions

The over 300 reported wildlife cases requiring veterinary intervention in the year 2013 were promptly attended to. Wildlife treatments were performed on various species of wildlife. Top among them were elephants, rhinos, lions and other ungulate species.

However, the most disconcerting occupation throughout the period was the response to emergency clinical cases of both very severe and fatal injuries from gunshots to critically endangered species such as black and white rhinos, elephants, cheetahs and lions. Cases of wildlife injuries due to human-wildlife conflicts and hunting for commercial and subsistence bush meat formed the bulk of reported incidents. The injuries were caused by snaring, arrow, spear and bullet wounds. Infectious diseases to wildlife were also treated including mange in the cheetahs of Maasai Mara. Vaccinations and deworming of captive animals was also done at the Nairobi Animal Orphanage.



Wildlife Translocations

Wildlife translocations have become part and parcel of contemporary wildlife management strategies. It is indeed a tool deployed in an effort to maintain ecological balance and integrity in the face of diminishing habitat, human-wildlife conflict, hunting for bush-meat and illegal poaching. The most remarkable animal movement during this period was the establishment of a new rhino sanctuary at Borana Ranch in Laikipia County. Ten black rhinos (5 males and 5 females) were moved from Lake Nakuru National Park (LNNP) into this private sanctuary adjacent to Lewa Downs Conservancy in August and September 2013.

Another major wildlife translocation was the movement of 10 white rhinos to Ruma National Park to start off a new sanctuary for white rhinos. Seven white rhinos were moved from Oserian Wildlife Conservancy (OWC) and three from Lake Nakuru National Park. Five white rhinos were also translocated from OWC to the Ol Pejeta Wildlife Conservancy. The removal of white rhinos from Oserian spared the rhinos the rampant poaching risk prevalent in the area and helped to start a new white rhino sanctuary at Ruma National Park.

A total of 32 vervet monkeys were successfully captured by KWS and relocated to Institute of Primate Research (IPR).

Rhino Ear-Notching Exercise

In 2013, KWS undertook rhino ear-notching exercises in Maasai Mara and Oserian Wildlife Conservancy. This was to ensure accurate individual identification for effective surveillance and monitoring. Nine black rhinos were successfully captured and ear-notched in Maasai Mara and all the 12 white rhinos in Oserian were notched. The ear-notching exercise was supported by funds from World Wildlife Fund (WWF) and KWS.

Field Veterinary Units/ Mobile Veterinary units

In 2013, a new field veterinary unit was established in Meru National Park and proposals are on to establish another unit in Amboseli National Park with the support of the David Sheldrick Wildlife Trust (DSWT). The additional field veterinary units came as a boon in the provision of veterinary services and subsequent boost on wildlife health and conservation.

An initiative referred to as 'SkyVet Program' was established by KWS in partnership with DSWT. It involved a rapid response strategy where KWS veterinarians were airlifted by chartered planes to respond to emergency wildlife cases countrywide. Through this initiative, many endangered species including rhinos, elephants, cheetahs and lions were treated and saved from imminent death.

Trainings and Conferences

Between 15th and 22nd November 2013, three laboratory technicians underwent training on ISO 15189:2012 for Medical Laboratory requirements for quality and competence. Two animal keepers and a senior technician also trained on Integrated Waste Management.



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During the year, KWS carried out wet and dry season wildlife censuses for the Amboseli-West Kilimanjaro - Magadi-Natron landscape

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Over 300 reported wildlife cases requiring veterinary intervention in the year were promptly attended to.

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SERVICE DELIVERY

Service excellence is a model that the KWS strives to achieve at all times. It has given the organisation a competitive advantage that has helped build customer loyalty, which is priceless in today's business environment.

The organisation has endeavoured to continuously improve the employees' customer service knowledge and skills. It has also embarked on continuous training of all staff across the organisation, geared towards the objective of improving customer service skills and to mobilize the staff to provide service excellence to customers.

Telephone research was conducted to measure and ensure consistency in service delivery. It was an intensive and coherent exercise where different parks and departments were called and assessed on how they answered phones and gave information on product knowledge. This research enhanced telephone handling skills which has also greatly contributed to service excellence.

The establishment of a call centre was a milestone that the organisation achieved during the year. KWS secured two toll free numbers: 0800 597 000 and 0800 221 5566, for customer queries, reports of human - wildlife conflict, wildlife security, complaints and suggestions.

PRODUCTIVITY IMPROVEMENT AND QUALITY ASSURANCE

To further enhance our ability to offer quality service, besides the ISO 9001:2008 quality management system in place, KWS was one among six organisations in Kenya selected by the Kenya Bureau of Standards to pilot a new standard: ISO 26000. The standard provides guidelines for best practice in social responsibility and governance and while it is not for certification, it places KWS once again on the international map in terms of quality service delivery. We are proud to have been selected to champion this new standard, and celebrate it as an additional feather in our corporate cap.

Institutional Capacity

Having reviewed our standard operating procedures (SOPs) in 2012 to adopt a process-based approach to service delivery, and having set the stage for a comprehensive ISO awareness campaign, the year 2013 was dedicated to training in ISO 9000 quality management systems.

The training started with an awareness session for top management and cascaded to lower cadre staff drawn from all departments throughout the country. The objective of the training was to break departmental silos which tend to be a barrier to productivity, introduce the concept of quality service delivery, as well as instil a sense of personal responsibility in the participants for the success of the quality management system. The training methodology was tailored to be simple, fun and memorable to participants, such that they would find it easy to apply in their day-to-day activities at work. The expected outcomes of the awareness campaign are improved service delivery, customer satisfaction and a succession plan for the quality management system.

Monitoring and Evaluation

The main objective for introducing this function was to monitor and evaluate implementation of Strategy 2.0 and other related plans that are developed at lower levels and plans developed and funded by external parties for the purposes of assisting KWS achieve its mandate.

Key activities implemented included performance management training for top, senior, mid-level management and over 500 lower-cadre staff. We also developed the 2013-14 Performance Contract in addition to cascading the annual work plans and conducting status evaluation of KWS activities.

We worked with external partners in evaluating USAID-funded projects in the Amboseli Ecosystem, the Manyani KWS Law Enforcement Academy and in developing the Sea Grass and Coral reef strategy through the Kenya Coastal Development Project (KCDP).



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Government support for wildlife protection, conservation and management will contribute significantly to the enhancement of the country's economy.

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BUSINESS DEVELOPMENT

Property Management – A Vision 2030 Project

As part of the Vision 2030 targets, KWS successfully negotiated commercial leases with reputable hoteliers to enable them construct lodges within several national parks. These are summarized as follows:

COMPANY	TYPE OF FACILITY	PARK/SITE NAME
Tarakuwet Ltd.	60-bed climbers camp	Mt. Kenya – Liki North site
	60-bed climbers camp	Mt Kenya - Mintos site
	30-bed forest eco-lodge	Mt. Kenya – Sirimon Glade site
NaroMoru River Lodge Ltd.	60-bed climbers camp	Mt. Kenya - Makinders camp
	60-bed climbers camp and restaurant	Mt. Kenya – Met Station
Enkolong Tented Camp Ltd.	24-bed tented camp	Ruma – Nyati campsite
Eleser/Olive Tree Holdings	24-bed tented camp	Aberdares – Dyers Salt lick
	24-bed forest eco-lodges	Aberdares - Sahmata site
Africa Eco-camps Ltd.	12-bed eco-lodge	L. Nakuru National Park
Shani Lodges Ltd.	24-bed eco-lodge	Chyulu Hills National Park
Chyulu Development Co. Ltd.	12-bed eco-lodge	Tsavo East – Ithumba Hill

The new lodges are set to increase bed space within our less visited national parks and hence increase revenue through rental income and park entry fees.

Refurbishment of Guesthouses

Several popular guesthouses were given a much-needed facelift in order to improve visitor experience. These included Kamboyo Guesthouse in Tsavo West, Naishi Guesthouse in Lake Nakuru National Park, Kinna Guesthouse in Meru National Park and Fishing Lodge in Aberdare National Park. A comprehensive refurbishment programme is underway to complete the remaining houses. The KWS self-catering guesthouses are located in most national parks and are popular with Kenyan residents and citizens.

Training of Housekeepers

Guesthouse caretakers underwent a rigorous one-month training course at Utalii College in Nairobi. The course covered Kitchen Techniques, Laundry and Housekeeping leading to the Utalii Certificate. Our customers can now be



assured of first class services at any of our self-catering guesthouses scattered throughout the network of national parks.

Improvement of Visitor Facilities

Several campsites and picnic sites were renovated or rebuilt. These included a new ablution block for the Ol Donyo Sabuk public campsite, Backpackers in Lake Nakuru, Kamboyo campsite in Tsavo West, two campsites in Hell's Gate National Park and a new campsite at Naivasha Station, among others. All these were achieved by working in close collaboration with park managers in order to encourage visitors to stay longer in parks and to truly experience living in the wild.

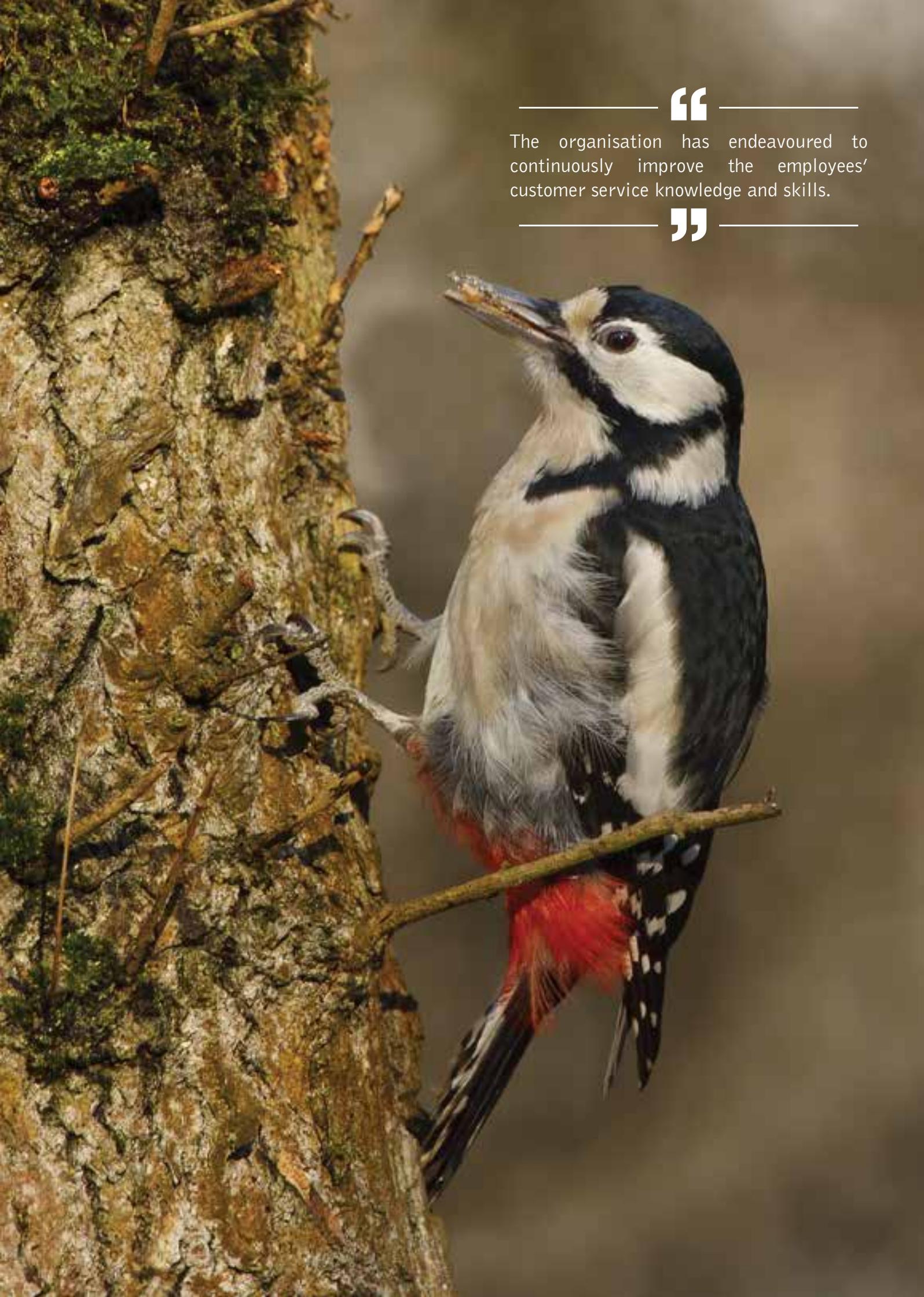
Engaging our Customers

In order to increase our revenue, KWS engaged in number of promotional and publicity activities to encourage Kenyans to go out and visit their parks. These included participation in a number of consumer holiday exhibitions. Engaging customers on social media was also a key objective for the year and 2013 saw the KWS Facebook page placed among the top 20 most liked brand pages in Kenya.

Working with our Travel Trade Partners

KWS recognizes that one of our biggest partners is tour operators who help to bring visitors from Kenya and across the world to our parks. In order to enhance this relationship, the Service engaged the trade in a number of product knowledge activities to boost their ability to sell diverse itineraries to their clients.

These included workshops on Sibiloi National Park and the Northern Kenya Circuit – in preparation for the solar eclipse of November 2013, the Safari Sellers training for Malindi and Mombasa operators, South Coast Sales Blitz as well as familiarisation trips to Ol Donyo Sabuk and Mt. Longonot national parks. KWS believes that by equipping our trade partners with the right knowledge and skills, the country will achieve its projected tourism numbers.



“

The organisation has endeavoured to continuously improve the employees' customer service knowledge and skills.

”

WORKING WITH PARTNERS

Enhancing Conservation through Events

In a bid to enhance conservation efforts nationally, KWS continues to enlist the participation of local communities in conservation. During the year, KWS in collaboration with the various partners hosted three annual conservation fundraising events. These events, namely 'To Hell's Gate on a Wheelbarrow', 'Cycle with the Rhino' and the 'Kisumu Impala Boat Race' were held at Hell's Gate National Park -Naivasha, Lake Nakuru National Park -Nakuru and Kisumu Impala Sanctuary in Kisumu, respectively.

To Hell's Gate on a Wheelbarrow

The Naivasha conservation area is home to over 67,000 wild animals with over 90% of these living outside the protected areas of Hell's Gate and Mt. Longonot national parks. As a result, there has been an increase in illegal game meat trade, human encroachment and loss of habitat, conflict in land use, land sub division and fencing, all of which lead to human-wildlife conflict.

For the sixth year running, this spectacular fundraising-cum-fun event continued to generate money to support the much needed awareness and conservation education for the over 1,000,000 inhabitants from communities in the Naivasha area. The ultimate purpose of the Hell's Gate event is the construction of a fully-equipped Conservation Education Centre within the Hell's Gate National Park. The centre's proposed plan is ready and construction of the facility is to begin after the 2014 event.

The proposed Conservation Education Centre (CEC) will be 'wild office space' that contains information related to the services and products offered by Hell's Gate and Mt. Longonot national parks as well as offer education programmes and create awareness on the ecosystem of the two parks. The Centre will develop educational materials for students and teachers of wildlife conservation and establish a library of natural history and tourism potential of the ecosystem.

Apart from being a Centre for informal and pleasurable nature and wildlife education for children, the centre will play a vital role in conserving the two national parks. The Centre will further have a wildlife conservation room, a display room for exhibits, an auditorium and nature trails for guided or unguided exploration of the park's ecosystem. It will not only be a place to delight children but also a catalyst for conservation education throughout Kenya.

The Centre aims to sensitize key groups like journalists, civil servants, business executives, and legislators besides reaching out to populations in and around the two parks and sanctuaries. The Centre will be a fertile ground for awareness, sensitization and knowledge to save what remains of our precious but rapidly vanishing forests and wildlife. When funds permit, the Centre will have dormitory facilities and tents for overnight camps and workshops.

During 2013, the Hell's Gate event received both in kind and cash donations from corporate organizations and individual sponsors. A total of Ksh. 9 million was realised. Sponsors for the event included KenGen, Kenya Tourism Board, Capital FM, Mabati Rolling Mills, KPLC, Enashapai, Tents & Treats, Uchumi, Tuskys, Kichaka Creative, Sketchers, Oserian, Veg Pro (K) Ltd, Florensis, Njabini Service Station, Kedong Ranch, Crater Lake, ARN Securities, KWSTI, LaBelle Inn, Longonot Farm, Naivasha Children's Centre, Bidii Investment, Panorama Hotel and Kongoni.

Cycle with the Rhino

The 2013 edition of Cycle with the Rhino was held on 21st September 2013 at the magnificent Lake Nakuru National Park and along the streets of Nakuru Town. This event continues to focus its attention on rhino conservation and community projects around Lake Nakuru National Park. These include fencing, human-wildlife conflict management, tree planting and awareness creation on environmental resource management.

Stakeholders' support for this event has continued since its inception with the 2013 event receiving cash sponsorship from Standard Chartered Bank, the Nakuru County Government, Nakumatt Supermarkets, Sinai Hospital, Maasai

Our Heritage, Our Pride

Mara (SOPA) Lodge, Merica Hotel, The Big Five Wildlife Conservation Ladies, Farm Parts, Valley Hospital, CFC Life, Jalaram Hardware, Committed Movers, Flamingo Gift Shop, Bhogal's, Reliable Concrete Works Ltd, Lake Nakuru Flamingo Lodge and from member organizations of the Lake Nakuru Park Action Committee including Bontana Hotel, Flamingo Hill Camp and the Nakuru Business Association.

The event also received in kind support from Sketchers Design, Kichaka Creative, Sinai Hospital, Docure, Citimax, Mbweha Camp, Flamingo Hill Camp, Sarova, Jalaram Hardware and Jamia Foodmart. Various schools from the county including Excel Academy, Melvin Jones, Crater Academy, Lions Academy, Greensted, Shah Lalji, Laiser Hill and Heshima Primary participated in the event. A total of Ksh. 3 million was raised in cash. The 2013 event integrated a clean-up exercise within the park to celebrate the World Clean-up Day.

Kisumu Impala Boat Race

Without a doubt, the Kisumu Impala Boat Race 2013 was the spectacular and energized event that it was meant to be. This event saw the registration and participation of various fishermen groups from Kisumu and its neighbouring counties.

A sporting-cum-awareness-raising initiative, the Kisumu Impala Boat Race aims to enhance conservation education awareness, promote sports tourism in western Kenya as well as the conservation of the rare Sitatunga antelope found at the Kisumu Impala Sanctuary – an important open grazing and swampy area and home to this rare antelope.

The event, held on 29th November 2013, was organized by Kenya Wildlife Service in collaboration with Kenya Tourism Board, Utalii College, Integritour, Kisumu Municipal Council, Kenya Investment Authority, Kenya Association of Manufacturers, Lake Basin Development Authority, Lake Victoria Tourism Association, Lake Paddlers Association, the Kenya Maritime Authority and relevant government ministries.

SUPPORT FROM DEVELOPMENT PARTNERS

The Northern Kenya Biodiversity Conservation Project

The Northern Kenya Biodiversity Conservation Project (Marsabit) was conceived and formulated by the Government of Kenya with the overall goal of achieving sustainable use of natural resources while at the same time optimizing ecological service functions, particularly water, grazing and energy provision in an area of northern Kenya that centres on Marsabit Forest and its ecological and economic connections.

The project was officially declared effective on 23rd July 2013 after fulfilling all the conditions of effectiveness for an implementation period of five years (2013-2018). The total cost of the project is € 12.64 million with a co-financing of €8.0 million from Agence Française de Développement (AFD), € 2.41 million from the Government of Kenya and €1.5 million from the Fonds Français pour l'Environnement Mondial (FFEM).

The contracting authority will be the Ministry of Finance with the Kenya Wildlife Service having the overall responsibility for the implementation and execution of the AFD financed activities and working with other partners.

PASMAP

The Partnership for Accountability in School Management Around Parks (PASMAP) project implemented several initiatives including networking and cross-learning among Local School Trusts, facilitating community and school dialogue forums, supporting essay competitions on accountability and transparency, exchange visits for the best managed schools around the parks to share experiences and awarding schools that had adopted best school management practices and capacity building of newly formed trusts.

PASMAP interventions in schools have encouraged participation of various stakeholders. From project reviews, 80% of PASMAP schools across all the eight KWS conservation areas have fully understood the essence of having transparency boards and have not only publicly displayed funds received but also other relevant information concerning their schools. More sensitization and capacity building is on-going for the remaining 20% of schools. The transparency boards have put checks and balances on the school management team and as such have attracted members of the public who are keen on what is happening in these schools. These schools are winning community confidence in asking questions concerning utilization of funds and other aspects of their schools.

PASMAP sponsored countrywide primary and secondary school essay competitions titled 'How Schools Can Be Made Better Learning'. Stacey Sesoi from Magadi Soda Primary School scooped the overall top prize in both regional and national lower primary category.

PASMAP aims to increase participation of local communities and other key stakeholders in school management in areas adjacent to the national parks, thus ensuring better access to quality education and service delivery.



“

In the period under review, 60% of visitors to our terrestrial and marine Parks and Reserves, have been from the domestic market.

”

PICTORIAL



Dr. Samuel Kasiki, KWS Deputy Director in Charge of Biodiversity, Research and Monitoring (2nd right) receiving the Clark R. Bavin Wildlife Law Enforcement Award from Mr. John Scanlon, CITES Secretary General. Dr. Kasiki received the award on behalf of 13 KWS rangers, who died in the line of duty.



Cabinet Secretary for Environment, Water and Natural Resources, Prof. Judi Wakhungu and BOT Chairman, Hon. David Mwiraria in a solemn moment during the KWS Heroes' Day to commemorate conservation heroes



Cyclists battle it out on an uphill stretch during the Cycle with Rhino fund raising event held at the Lake Nakuru National Park.



Contestants at the "To Hell's Gate on a Wheelbarrow" race being flagged-off at the annual event held in Hell's Gate National Park, Naivasha.



Vet capture team releasing Impalas to Shimba Hills National Park after translocating them from Marula farm in Naivasha . The translocation is aimed at restocking male impalas to the park which is having a shortage of the species.



Dr. Margaret Wawuda (third right), vice chairperson KWS BOT sampling some of the invasive species on display during the launch of Invasive Species Management Strategy. Looking on among others is the director of wildlife, ministry of environment, water and natural resources Mr. Stephen Manegene (second left).



Cabinet Secretary, Prof. Judi Wakhungu introducing KWS team to President Uhuru Kenyatta (2nd Left) who hosted them at State House, Nairobi. The team led by Senior warden Simon Gitau scaled Mt. Kenya to hoist the Kenyan flag on the peak to commemorate Kenya's 50th independence anniversary.



Participants at the popular Kisumu Boat race paddling their way to victory at the annual fund raising event.

PICTORIAL



Mr. Benjamin Kavu, Deputy Director Community Service and Devolution presenting an award to one of the graduating students of the Republic of Southern Sudan at KWSTI. Looking on is the institute's Principal Prof. George Otiang'a Owiti.



The Chairman KWS BOT Hon. David Mwiraria witnessing the signing of performance contract by KWS Director, Mr. William Kiprono. Looking on is the Deputy Director Human Capital, Mrs Lynette Muganda.



Senior KWS officials receiving a surrendered firearm from a reformed poacher at Lewa Downs Conservancy in Laikipia County.



KWS capture and translocation team collecting vital biological data during a rhino translocation exercise at Lake Nakuru National Park.



Rhino Ark Executive Director Christian Lambrechts receiving Kshs. 90 million "Rhino Charge", funds raising Cheque, together with KWS Director William Kiprono and Kenya Water Tower Agency CEO Hassan Noor Hassan at the prize giving event at Ol Doinyo Nyokie Group Ranch in Kajiado County.



Traditional dancers entertaining guests attending the viewing of the rare solar eclipse in Turkana County. KWS director, in the background, joins the dancers in a jig.



Principal Secretary, Ministry of Environment, Water and Natural Resources, Dr. Richard Lesiyampe flagging off the elite inter-agency anti-poaching crack unit deployed to poaching hotspots across the country.



KWS Director Mr William Kiprono (left) receiving a scanner and Microchip from the WWF Country Director, Mohamed Awer. WWF handed over 1000 Microchips and five Scanners to KWS valued at over Sh1.3 million which will be used to strengthen active rhino monitoring as well as stockpile audits (of rhino horn) in the country.

“

Communities need to understand that the wildlife around them is for their benefit and we had active forums with them on how to better safeguard and protect their heritage.

”



REPUBLIC OF KENYA

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Website: www.kenya.go.ke



P.O. Box 30084-00100
NAIROBI

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON KENYA WILDLIFE SERVICE FOR THE YEAR ENDED 30 JUNE 2013

REPORT OF THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Kenya Wildlife Service set out on pages 6 to 20, which comprise the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of changes in equity 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.

Trustees' Responsibility for the Financial Statements

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

The Trustees are 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 these 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 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 judgment, 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 Service's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, 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, Plants and Equipment

The property, plant and equipment balance of Kshs.8,202,884,000 as at 30 June 2013 excludes value of various parcels of land across the country without title documents on which the Service has put up various developments including buildings. These comprise twelve (12) National Parks, twenty nine (29) National Reserves, nine (9) Sanctuaries, nine (9) Marine Parks and one hundred and twenty seven (127) field plots. This situation is indicative of significant impairment on properties. Consequently it is not possible to confirm whether the carrying values as stated in the financial statements reflect the fair values of the properties as at the statement of financial position date.

2. Irregular Inter-vote Transfers

The Service during the year under review received an amount of Kshs.1 186,174,130 as development funding on various capital projects. This amount included Kshs.897,214,130 that was earmarked for the construction and rehabilitation of non-classified roads and other related civil works (construction of bridges, ferry and airstrips). However, out of the Kshs.897,214,130, only Kshs. 12,679,768 or 13% was used for the intended purpose while the balance of Kshs.784,534,362 or 87% was irregularly reallocated and expended as recurrent expenditure. No justification has been provided for the irregular inter-vote transfers which also hampered the development of essential infrastructure for effective conservation and management and protection of wildlife during the year.

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 Kenya Wildlife Service as at 30 June 2013 and of its financial

performance and its cash flow for the year then ended, in accordance with International Financial Reporting Standards and comply with the Wildlife Conservation Act, Cap 376 of the Laws of Kenya.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

25 June 2014

FINANCIAL STATEMENTS AS AT 30 JUNE 2013

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CORPORATE INFORMATION

1. INCORPORATION

Kenya Wildlife Service (KWS) is a state corporation established by an Act of Parliament Cap 376 which came into effect in 1989. A Board of Trustees manages KWS.

2. PRINCIPAL ACTIVITY

The activity of Kenya Wildlife Service (KWS) is to conserve and manage Kenya's wildlife for the Kenyan people and the world and to enforce related laws and regulations.

3. BOARD OF TRUSTEES

Date Appointed

1.	Hon. David Mwiraria, EGH	Board Chairman	25/10/11
2.	Mr. William Kibet Kiprono	Board Secretary	1/10/2012
3.	Principal Secretary-The National Treasury		
4.	Principal Secretary -Environment, Water and Natural Resources		
5.	Director of Veterinary Services		
6.	Principal Secretary- Devolution and Planning		
7.	Inspector General Kenya Police Service		
8.	Director of Kenya Forest Service		
9.	Principal Secretary- Interior Coordination of National Government		
10.	Ms. Winnie Kiiru		28/10/11
11.	Ms. Margaret W. Mwakima		28/10/11
12.	Mr. Nicholas Ole Kamwaro - Ceased to be a member		28/10/11
13.	Mr. Adil Khawaja		28/10/11
14.	Ms. Patricia Awori		28/10/11
15.	Mr. Ian Craig		28/10/11
22.	Mr. Julius Kipng'etich, EBS, CBS Resigned		30/09/12

4. REGISTERED OFFICE 5. AUDITOR

KWS Complex
Langata Road
P.O. Box 40241-00100
NAIROBI

5. Auditor General

Kenya National Audit Office
Anniversary Towers
P.O. Box 30084-00100
NAIROBI

CORPORATE INFORMATION

6. BANKERS

a) Kenya Commercial Bank Limited

P.O. Box 484000-00100
Moi Avenue Branch
NAIROBI

c) Equity Bank Limited

Upper Hill
P.O. Box 75104-00200
NAIROBI

e) Citi Bank

Upper hill
P.O. Box 30711-00100
NAIROBI

b) Standard Chartered Bank Kenya Limited

P.O. Box 30003-00100
Langata Branch
NAIROBI

d) Cooperative Bank of Kenya

Business Centre, Ngong Road
P.O. Box 30415-00100
NAIROBI

f) Commercial Bank of Africa Ltd

Upper Hill
P.O. Box 30437-00100
NAIROBI

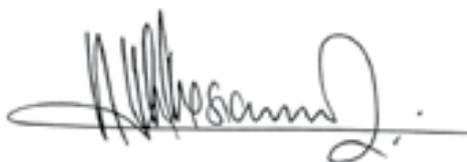
STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Wildlife Conservation and Management Amendment Act requires the Trustees to prepare financial statements for each financial year which include a balance sheet showing in details the assets and liabilities of the Kenya Wildlife Service, a statement of income and expenditure and such other statements that the Trustees may deem necessary. It also requires the Trustees to ensure the Kenya Wildlife Service keeps proper books of account and other books and records in relation to the Kenya Wildlife Service and to all the undertakings, funds, investments, activities and property of the Kenya Wildlife Service. They are also responsible for safeguarding the assets of the Kenya Wildlife Service.

The Trustees accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies, supported by reasonable and prudent judgments and estimates, in accordance with International Financial Reporting Standards and in the manner required by the Wildlife Conservation and Management Amendment Act. The Trustees are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Kenya Wildlife Service and of its operating result. The Trustees further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements as well as adequate systems of internal financial control.

The financial statements have been prepared on a going concern basis on the assumption that the Government of Kenya and the donors will continue to provide financial support for the foreseeable future to the Kenya Wildlife Service to enable it to meet its obligations as they fall due.

Signed on behalf of the Trustees by



DR. RICHARD LESIYAMPE, MBS
FOR CHAIRMAN



WILLIAM K. KIPRONO, MBS
BOARD SECRETARY

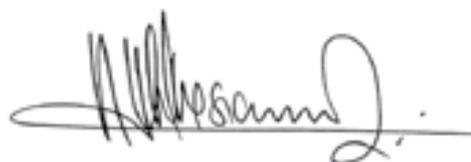
DATE: 3/6/2014

STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2013

ASSETS	Note	2013 KShs'000	2012 KShs'000
Non Current Assets			
Property, plant and equipment	2	8,202,884	8,145,137
Current Assets			
Inventories	11	353,366	321,174
Receivables	12	534,743	371,271
Cash and Cash Equivalents	13	810,660	966,500
		1,698,769	1,658,945
TOTAL ASSETS		9,901,653	9,804,082
EQUITY AND LIABILITIES			
Equity			
Capital Reserve			
Revaluation Reserve		1,271,887	1,271,887
Capital Grants		2,805,102	2,805,102
Revenue Reserve		7,853,019	7,371,845
		(3,301,626)	(3,150,945)
		8,628,382	8,297,889
Current Liabilities			
Payables	14	817,052	903,335
Unexpended specific donations	15	273,219	347,558
Retirement benefit obligation	16	183,000	255,300
		1,273,271	1,506,193
TOTAL EQUITY AND LIABILITIES		9,901,653	9,804,082

Signed by:



DR. RICHARD LESIYAMPE, MBS
FOR CHAIRMAN

DATE: 3. 06 . 2014



WILLIAM K. KIPRONO, MBS
BOARD SECRETARY

Date: 3. 06 . 2014

The notes set out on pages 42 to 52 form an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 KShs'000	2012 KShs'000
INCOME			
Turnover	3	3,742,917	4,286,892
Other income	4	557,708	429,904
Net interest income		61,287	58,321
TOTAL INCOME		4,361,912	4,775,117
EXPENDITURE			
Salaries, allowances and benefits	5	3,309,959	2,755,276
Operating and maintenance expenses	6	2,750,934	2,951,778
Depreciation	7	470,414	432,991
Community services	8	139,204	122,557
Training and development	9	150,955	197,268
Auditor's remuneration		5,000	3,543
TOTAL EXPENDITURE		6,826,467	6,463,414
OPERATING DEFICIT		(2,464,554)	(1,688,297)
GRANTS FOR RECURRENT EXPENDITURE	10	2,313,873	1,959,714
NET SURPLUS / (DEFICIT) FOR THE YEAR		(150,681)	271,417

The notes set out on pages 42 to 52 form an integral part of these financial statements



STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 KShs'000	2012 KShs'000
Cash flows absorbed by operating activities	17(a)	(2,362,196)	(1,276,892)
Investing activities			
Additions to property, plant and equipment		(528,901)	(725,756)
Cash outflows from investing activities		(528,901)	(725,756)
Net cash flows before financing activities		(2,891,097)	(2,002,648)
Grants for recurrent expenditure		2,313,873	1,959,714
Pension Actuarial Deficit		(72,300)	(148,600)
Disposal of Assets		12,510	-
Capital donor funds Received		481,174	357,545
Cash inflows from financing activities		2,735,257	2,168,659
Increase /(Decrease) in cash and cash equivalents	17(b)	(153,840)	166,011
Cash & Cash Equivalent at the begging of the year		966,500	800,489
Cash & Cash Equivalent at the end of the year		810,660	966,500

The notes set out on pages 42 to 52 form an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	Capital Reserve KShs'000	Revaluation Reserve KShs'000	Capital Grants KShs'000	Revenue Reserve KShs'000	Total KShs'000
1 July 2011	1,271,887	2,805,102	7,014,300	(3,303,762)	7,787,527
Adjustment – Pension Actuarial Deficit				(118,600)	(118,600)
Capital Donor Funds Received	-	-	357,545	-	357,545
Net Surplus for the year	-	-	-	271,417	271,417
30 June 2012	1,271,887	2,805,102	7,371,845	(3,150,945)	8,297,889
1 July 2012	1,271,887	2,805,102	7,371,845	(3,150,945)	8,297,889
Capital Donor Funds Received	-	-	481,174	-	481,174
Net Deficit for the year	-	-	-	(150,681)	(150,681)
30 June 2013	1,271,887	2,805,102	7,853,019	(3,301,626)	8,628,382

Capital reserve represents the aggregate value of the property, plant and equipment taken over from the Wildlife Conservation and Management Department of the Ministry of Tourism and Wildlife (MTW) at the value agreed at that time.

The notes set out on pages 42 to 52 form an integral part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment.

b) Depreciation

Airstrips and roads are not depreciated because adequate maintenance is carried out to ensure that these assets maintain their value. Depreciation on the property, plant and equipment portfolio revalued as at 23rd October, 2008 is computed based on the remaining useful life to reduce their values to a 5% residual value. Subsequent additions are depreciated on a straight line basis at the following rates until they are reduced to their residual value of 5%.

Freehold land	Nil
Buildings on long leasehold and freehold land	2%
Buildings on short leasehold land	Over the lease period
Fences and Barriers	10%
Machinery and Water Supplies	10%
Furniture and Equipment	10%
Motor Vehicles and Tractors	20%
Computer and Accessories	20%
Aircraft	7.5%
Boats and Boat engines	10%
Roads and Bridges	Nil
Airstrips	Nil

c) Stores

Stocks are carried at historical cost of acquisition plus any incidental costs incurred to bring them at their present location and condition. Obsolete stocks are segregated and not included in the valuation of stocks. Consumable stores are valued at the lower of cost and net realizable value.

d) Translation of foreign currencies

Transactions during the year are converted into Kenya Shillings at rates ruling at the transaction dates. Assets and liabilities at the balance sheet date that are expressed in foreign currencies are translated into Kenya Shillings at rates ruling at the balance sheet date. The resulting differences from conversion and translation are dealt with in the income and expenditure account in the year in which they arise.

e) Bad and doubtful debts

Specific provisions are made in respect of accounts considered to be bad or doubtful.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

f) Income

Income is accounted for on an accrual basis except for prepaid park entry tickets and smartcard income, which is recognized on a receipt basis.

g) Capital grants

In addition to an annual subvention, the Government of Kenya (GOK) has negotiated financing packages with various donors to fund the Service. This finance is in the form of loans and grants to GOK, all of which are passed on to the Service in the form of government grants. Grants received from and through the GOK have been treated as Capital Grants whether in respect of either development expenditure or acquisition of fixed assets. Assets acquired from these grants are capitalized and then depreciated in accordance with the depreciation policy per note 1(b). The computed depreciation charge is expensed in the profit and loss account.

h) Grants for recurrent expenditure

Grants received from and through the GOK have been treated as revenue receipts when in respect of funding recurrent expenditure. Related operating and maintenance expenses are charged to revenue expenditure.

i) Employee benefits

The Service employees are eligible for retirement benefits under defined benefit and defined contribution schemes. The funds are administered independently of the Service's assets.

(a) Defined Benefit Scheme – KWS Staff Superannuation Scheme

The Scheme operates on a defined benefits basis and has been closed to new entrants and to future accrual of benefits with effect from 31 December 2006.

The closure of the scheme to new entrants and to future accruals benefits followed a fundamental review by Kenya Wildlife Service of its retirement benefits arrangements. As part of this review, KWS also set up a new defined contribution scheme with effect from 1 January 2007 in which all the pensionable employees participate in with effect 1 January 2007.

To this end, KWS discontinued contributions to the Scheme with effect from 31 December 2006.

(b) Defined Benefit Scheme – KWS Staff Superannuation Scheme

The amount in the balance sheet is determined as the present value of the defined past service benefits obligation net of value placed on existing scheme assets as computed by an independent actuary. The deficit/surplus arising is recognized in the accounts.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

(c) Defined Contribution Scheme – KWS Staff Retirement Benefits Scheme 2006

The service operates a defined contribution scheme whereby it matches contributions to the scheme made by the employees up to 10.57% of the employee's gross salary while the employees contribute 5% of their pensionable salaries.

The Service's contributions to the fund are charged in the income statement in the year to which it relate.

The Service also contributes to the statutory National Social Security Fund for its non pensionable employees. The Service's obligation is limited to a specified contribution per employee per month.

Currently, the contribution is limited to a maximum of Kshs. 200.00 per employee per month. The Service's contributions are charged to the income statement in the year to which they relate. The Service has no legal obligation to pay further contributions if the fund does not hold sufficient assets to pay all the employees benefits relating to employee service in the current and prior periods.

(d) Provision for Staff Leave

A provision is made to recognize staff entitlements in respect of annual leave not taken at the end of financial year.

j) Cash and Cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, bank balances, and short term deposits held with various banks.

k) Impairment of assets

The carrying amounts of the organisation's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the assets recoverable amount is estimated and an impairment loss recognised whenever the carrying amount of an asset exceed its recoverable amount. No impairment loss has been recognised as at 30th June, 2012.

l) Currency

The financial statements have been presented in Kenya shillings (Kshs).

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

2. PROPERTY PLANT AND EQUIPMENT

	Buildings		Computers & Accessories Supplies	Machinery & Water & Tractors	Motor Vehicles	Aircraft	Boats & Boat Engines	Roads & Bridges	Airstrips	Fences & Barriers	Furniture & Equipments	Work-in-Progress	Total
	Non-Residential	Residential											
	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
At 30th June 2011	1,150,176	1,541,990	216,782	613,400	1,771,632	335,968	14,356	3,735,872	384,225	429,034	703,651	545,054	11,442,140
Additions	-	-	4,934	13,113	89,262	301,931	1,506	-	-	109,573	82,102	123,334	725,756
At 30th June 2012	1,150,176	1,541,990	221,716	626,513	1,860,894	637,899	15,862	3,735,872	384,225	538,607	785,753	668,388	12,167,896
At 1st July 2012	1,150,176	1,541,990	221,716	626,513	1,860,894	637,899	15,862	3,735,872	384,225	538,607	785,753	668,388	12,167,896
Additions	-	-	15,429	17,984	148,245	-	20,678	-	-	99,867	70,679	156,019	528,901
Disposals	-	-	-	-	(14,814)	-	-	-	-	-	-	-	(14,814)
At 30th June 2013	1,150,176	1,541,990	237,145	644,497	1,994,325	637,899	36,540	3,735,872	384,225	638,474	856,432	824,407	12,681,983
DEPRECIATION													
At 30 June 2011	592,433	380,224	175,957	418,052	1,097,246	102,679	13,079	-	-	269,743	540,356	-	3,589,768
Charge for the year	46,023	22,140	27,796	6,530	219,716	25,278	1,943	-	-	21,867	61,698	-	432,991
At 30 June 2012	638,456	402,364	203,753	424,582	1,316,962	127,957	15,022	-	-	291,610	602,054	-	4,022,759
At 1 July 2012	638,456	402,364	203,753	424,582	1,316,962	127,957	15,022	-	-	291,610	602,054	-	4,022,759
Disposal	-	-	-	-	(14,074)	-	-	-	-	-	-	-	(14,074)
Charge for the year	46,021	22,140	30,320	8,720	237,211	28,950	2,061	-	-	26,882	68,109	-	470,414
At 30th June 2013	684,477	424,504	234,073	433,302	1,540,099	156,907	17,083	-	-	318,492	670,163	-	4,479,099
NET BOOK													
VALUE At 30th													
June 2013	465,699	1,117,486	3,072	211,195	454,226	480,993	19,458	3,735,872	384,225	319,982	186,269	824,407	8,202,884
At 30th June 2012	511,720	1,139,626	17,963	201,931	543,932	509,943	841	3,735,872	384,225	246,997	183,699	668,388	8,145,137

Property and equipment excluding capital work in progress were professionally valued by CB Richard Ellis as at 23rd October, 2008 on the basis of depreciated replacement cost, market value or estimated replacement cost applicable in the existing circumstances and the results were incorporated in the figures above.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

3. TURNOVER	2013 KShs'000	2012 KShs'000
Park entry fees	3,694,385	4,216,756
Accommodation	48,532	70,136
	3,742,917	4,286,892
4. OTHER INCOME		
Rental income	153,800	72,267
Hire of aircrafts and vehicles	41,412	64,405
Airwing Sales	48,630	51,802
Telecommunication Facilities	6,485	8,956
Insurance Compensation	3,824	12,580
Training Services	113,421	24,866
Tuition fees – KWSTI	38,725	34,268
KWS Officers Mess	8,400	6,020
Accommodation & hire of training facilities – KWSTI	58,175	74,555
KWS Shops	18,943	21,621
Other miscellaneous income	65,893	58,564
	557,708	429,904
5. SALARIES, ALLOWANCES AND BENEFIT		
Salaries and allowances	2,791,550	2,227,975
Leave pay accrual	70,761	138,539
	2,862,311	2,366,514
Gratuity contributions, pension and NSSF	200,723	161,390
Passage and leave expenses	39,027	46,387
Medical expenses	207,898	180,985
	3,309,959	2,755,276

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

6. OPERATING AND MAINTENANCE EXPENSES

	2013 KShs'000	2012 KShs'000
Food and Rations	151,722	132,922
Office and Other Related Expenses	14,201	31,539
Motor Vehicle Running Expenses	273,252	258,627
Animal Feeds	36,450	31,340
Uniform and Clothing	40,303	82,877
Specimens Veterinary Supplies	7,468	11,788
Fence Running Expenses	447	1,661
Insurance	146,683	182,166
Legal and Professional Fee	30,099	21,397
Cleaning and Sanitary Expenses	12,954	7,520
Radio Licenses	1,618	1,557
Estates Maintenance Expenses	16,702	19,741
Motor Vehicle Maintenance	129,659	100,179
Maintenance of Computer Software	18,046	21,029
Maintenance of Water Supplies	3,937	3,835
Maintenance of Game Proof Defenses	10,154	3,083
Maintenance of Bandas and Camp Sites	27,812	20,520
External Training – MFTS	70,305	41,561
Purchase of Tyres	39,652	38,119
Travel and Accommodation	235,950	194,796
External Travel	41,460	41,830
Field Allowance	83,525	74,638
Hospital Referral Expenses	6,116	10,418
Transfer Expenses	12,467	12,068
Court Case Expenses	6,490	4,456
Entertainment	24,451	18,592
Advertising and Publicity	27,194	39,957
Sports and Recreation Expenses	1,854	27,238
Special Events / Public Affairs	33,673	38,279
Signage and Display	6,637	7,221



NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

6. OPERATING AND MAINTENANCE EXPENSES (CONTINUED)	2013 KShs'000	2012 KShs'000
Staff Tea	10,921	12,285
Subscriptions	23,402	12,674
Printing and Publishing	13,301	13,846
DSTV Subscription	6,300	7,134
Bank Charges	12,953	18,591
Wildlife Compensation	92,580	72,145
Endowment Fund	473	20,604
Plant and Machinery Maintenance	33,302	32,351
Aircraft Running Expenses	155,332	72,262
Equipment, Boats & Furniture Maintenance	21,975	24,489
Shop Merchandise 13,905 12,532		
Maintenance of Buildings and Bandas	86,410	103,951
Roads Maintenance	425,745	746,361
Telephone and Postage	55,248	61,395
Electricity and Water	62,164	70,508
Stationery Expenses	27,431	27,550
Consultancy and Professional fees	15,425	19,653
BOT Allowances & Expenses	17,413	10,388
Food and Drinks	54,301	40,694
Other Operating and Maintenance Expenses	111,072	91,411
	2,750,934	2,951,778

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

	2013 KShs'000	2012 KShs'000
7. DEPRECIATION		
Buildings – Non Residential	46,021	46,023
Buildings – Residential	22,140	22,140
Computers and Accessories	30,320	27,796
Machinery & Water Supplies	8,720	6,530
Motor Vehicles and Tractors	237,211	219,717
Aircrafts	28,950	25,278
Boats and Boat Engines	2,061	1,943
Fences and Barriers	26,882	21,867
Furniture and Equipments	68,109	61,697
	470,414	432,991
8. COMMUNITY SERVICES		
Community Projects Support	134,187	113,538
Tree Nurseries Support	5,017	9,019
	139,204	122,557
9. TRAINING AND DEVELOPMENT		
In-service Training	13,908	14,072
Seminars, Conferences & Meetings	84,357	74,729
Other Training's	52,690	108,467
	150,955	197,268
10. GRANTS FOR RECURRENT EXPENDITURE		
Donor Agencies	594,023	419,555
Donations	80,042	83,223
GOK subvention	1,639,808	1,456,936
	2,313,873	1,959,714



NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

11. INVENTORIES	2013 KShs'000	2012 KShs'000
Spare parts and tools	44,868	48,413
Aircraft spares	38,300	68,040
Ammunition	103,948	74,650
Stationery	6,825	6,655
Telecommunication equipment spares	2,633	2,119
Building, water and fencing materials	42,763	36,608
Uniforms and compo- rations	92,762	54,544
Shop items	8,977	6,385
Fuel and oils	7,377	12,842
General stores and tools	4,913	10,918
	353,366	321,174
12. RECEIVABLES		
Trade receivables	241,616	189,473
Staff receivables	117,002	79,774
Grants receivable	118,078	5,156
Prepayments and deposits	117,112	152,272
Mobilization funds	7,758	10,893
	601,566	437,568
Less Provision for bad debts	(66,823)	(66,297)
	534,743	371,271
13. CASH AND CASH EQUIVALENTS		
Bank balances – KWS Operations	213,101	212,120
Bank balances – Projects	279,127	327,173
Cash in Hand – KWS Operations	76,036	41,585
Short-term Deposits	242,396	385,622
	810,660	966,500

NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

14. PAYABLES

	2013 KShs'000	2012 KShs'000
Trade Payables	321,766	358,452
Accruals	190,720	298,757
	512,486	657,209
Payroll Deductions	145,288	67,632
Contract Retentions Payable	55,795	61,750
Other Payables	103,483	116,744
	817,052	903,335

15. UNEXPENDED SPECIFIC DONATIONS

Balance at 1 July	347,558	351,769
Additions	297,742	249,379
Utilized in the year	(372,081)	(253,590)
	273,219	347,558

The amounts relate to unutilized funds for specific projects financed by various donors.

16. RETIREMENT BENEFITS OBLIGATIONS

This represents the amount due to KWS Staff Superannuation Scheme (Defined Benefit) from the sponsor (KWS).

Balance at the beginning of the year	255,300	285,300
Actuarial Revaluation adjustments	-	118,600
Paid during the year	(72,300)	(148,600)
	183,000	255,300



NOTES TO THE FINANCIAL STATEMENTS

AS AT 30TH JUNE 2013 - Cont'd

17. NOTES TO THE CASH FLOW STATEMENT

	2013 KShs'000	2012 KShs'000
a) Reconciliation of the net deficit to Cash outflows from operating activities		
Operating deficit for the year	(2,464,554)	(1,688,296)
Depreciation	470,414	432,991
Gain on Disposal	(11,770)	-
Interest Income	(61,287)	(58,321)
Operating Deficit before Working Capital Changes	(2,067,197)	(1,313,626)
Increase in Inventories	(32,192)	(82,949)
(Increase) / Decrease in receivables	(163,472)	(11,605)
Increase in payables	(86,283)	77,179
(Decrease) / Increase in unexpended specific donations	(74,339)	(4,211)
Cash utilized by operations	(2,423,483)	(21,586)
Interest received (net)	61,287	58,321
Cash flows absorbed by operating activities	(2,362,196)	(1,276,891)
b) Movement in cash and cash equivalents Change		
Opening balance	966,500	800,489
Closing balance	810,660	966,500
Increase/(Decrease) in cash and cash equivalents	(153,840)	166,011
18. CONTINGENT LIABILITIES		
Pending Litigations	44,927	32,097
19. CAPITAL COMMITMENTS		
Authorized and contracted for	151,515	256,117
Authorized but not contracted for	36,731	98,525
	188,246	354,642

LISTS OF PARTNERS

African Fund for Endangered Wildlife (AFEW)	Freidrich Loeffler Institute of Animal Health(FLI)
African Union - Inter – Africa Bureau of Animal Resources(AU- IBAR)	French Development Agency (AFD)
African Wildlife Foundation(AWF)	French Embassy.
African World Heritage Fund.	German Embassy.
	Global Environment Facility.(GEF)
ARN Security.	Greenline.
ATA Interpol.	International Centre for Insect.
Bill Jordan Wildlife Defense Fund.	Physiology and Ecology (icipe)
Birdlife International.	International Fund For Animal Welfare (IFAW)
Bloodlink Foundation.	International Livestock Research Institute(ILRI)
Bonde Conservation.	INTERPOL.
Born Free Foundation.	Italian Embassy.
Brookside.	Japan International Cooperation Agency (JICA)
Capital FM.	Karen Hospital.
Care for the Wild international (CFTW)	Ken Gen.
Center for Disease Control (CDC)	Kenya Agricultural Research Institute.
CHF International.	Kenya Airports Authority.
CITES Mike Programme.	Kenya Airways.
CMC Motors	Kenya Association of Hotel keepers and caterers.
Crater Lake Hotel	Kenya Association of Manufacturers
Cray Fish.	Kenya Association of Tours Operation
David Sheldrick Wildlife Trust.	Kenya Brazil Co-operation.
Development Alternative Inc.	Kenya Commercial Bank.
EABL Foundation.	Kenya Forestry Research Institute.
Earth Watch Institute.	Kenya Land Conservation Trust.
Eco Bank.	Kenya Medical Research Institute.
Eden Wildlife Trust.	Kenya Organization for Environmental Education (KOE)
Elephant Research Trust Fund.	Kenya Power.
Enashpai.	Kenya Tourism Board.
Equator Bottlers Ltd.	
Equity Bank.	Kenya Veterinary Board.
European Union.	Kesal.
Family Health International.	Kichaka Creative.
Finlays Horticulture.	Lake Nakuru Lodge.
Flamingo Hill camp.	Lusaka Agreement Task Force.
Florensis Kenya.	Mabati Rolling.
Fonds Fran Sais pour Environmental Mondial FFEM	Main Event.
Food and Agriculture Organization (FAO)	Maridadi Flowers Ltd.
Forestry Bureau, COA TAIWAN	Marwell Preservation Trust.
FREI GEBOREN (Germany)	Mater Hospital.
Meridian Medical Centre.	Tanzania National Parks (TANAPA)
Nakumatt Supermarket.	Tanzania Wildlife Research Institute (TAWIRI)
Netherlands Environment Assessment Agency.	The Boma Hotel.
Nic Bank.	The World Conservation Union.
Northern Rangelands Trust (NRT)	Toyota Kenya.
Novartis Animal Health.	Treats and Tents.
Orpower.	Tuskys Supermarket.
Oserian Development Co. Ltd.	Uchumi Supermarket.
Park Action Committee Nakuru.	Uganda Wildlife Authority.
Parks Canada.	UNESCO.
Ramsar Convention.	United Nations Educational, Scientific and Cultural organisation
Rhino Ark.	United Nations Environment Programme (UNEP)
Royal Dutch Airlines (KLM)	United States Agency for International Development. (USAID)
Royal Media Services.	United States Embassy
Safaricom.	University of Nairobi, Faculty of Veterinary Medicine.
Sarova Lion H. Game Lodge.	US Fish and Wildlife Services (USFWS)
Savannah Club Japan	Vad Den Berg.
Save the Elephant Foundation.	Wildlife Clubs of Kenya (WCK)
Save the Mau Trust.	World Organisation of Animal Health (OIE)
Sketchers.	World Wide Fund for Nature.
Somak Travel.	Zoo D Amneville.
Springboard Promotion.	Zoological Society Of London.
Standard Chartered Bank.	







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