



**REPUBLIC OF KENYA  
THE NATIONAL TREASURY AND PLANNING**

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File: NALM/2/2/(B)

DATE: 14<sup>th</sup> October, 2020

**NATIONAL TREASURY CIRCULAR NO. 23/2020**

**TO: ALL PRINCIPAL SECRETARIES/ACCOUNTING OFFICERS**

**ALL CHIEF EXECUTIVE OFFICERS, STATE CORPORATIONS**

**RE: PREPARATION OF ASSETS AND LIABILITIES REGISTERS IN THE  
PUBLIC SECTOR**

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**A. PREAMBLE**

This is a follow up to our Circular No. 5/2020 of 25<sup>th</sup> February, 2020 on the above subject. The Circular required Ministries, Departments and Agencies (MDA)/State Corporations through their Accounting Officers to prepare Assets and Liabilities registers and submit them to the National Treasury by 30<sup>th</sup> May, 2020.

Following the approval of the Guidelines on Assets and Liabilities Management in the Public Sector, all MDAs/ State Corporations shall prepare and submit their Assets and Liabilities Registers based on the Templates attached to the Guidelines. To support Asset and Liability Management in the Public Sector, the National Treasury, in consultation with Public Sector Accounting Standards Board (PSASB) have issued Standardized Reporting Templates for specific categories of Assets and Liabilities. The Templates will facilitate reporting to the National Treasury.

These Guidelines were issued pursuant to section 139(3) of the Public Finance Management (National Government) Regulations (2015) that require the National Treasury to provide Guidelines on Assets Management.

## B. PURPOSE OF THIS CIRCULAR

1. This Circular provides procedures for MDAs/ State Corporations on preparation and submission of comprehensive Assets and Liabilities Registers for the Financial Year 2019/2020.
2. To address gaps and challenges noted in the submissions made by some MDAs/State Corporations against the requirements of the earlier Circular.
3. To seek for information which will facilitate National Treasury to:
  - i. prepare a register of Assets and Liabilities based on consolidation of entities' assets and liabilities registers and report to Parliament,
  - ii. monitor, evaluate and review optimal use, performance of assets in the public sector and generate reports with recommendations to accounting officers for appropriate action,
  - iii. provide support to MDAs/ State Corporations and facilitate continuous capacity building and training on the policy framework and best practice on Assets and Liabilities Management.

## C. PROCEDURES FOR PREPARATION AND REPORTING ON STATUS OF ASSETS AND LIABILITIES

4. The Assets and Liabilities reporting templates approved by the PSASB can be accessed at [www.treasury.go.ke](http://www.treasury.go.ke) and should be used for reporting on the entities Assets and Liabilities as at 30<sup>th</sup> June, 2020 for financial year 2019/20.
5. Categories/templates of Assets and Liabilities required for reporting are:

Non- Financial Assets	Financial Assets	Liabilities
Land	Investments	Loans payable/ borrowings
Building and building improvements	Loans receivable	Long term employee benefits (pensions)
Investment property	Accounts receivable	Accounts payable
Intangible assets	Other receivables	Accruals
Heritage assets	Cash and cash equivalents	Provisions
Inventories	Contingent assets	Contingent liabilities
Road infrastructure	Staff Imprest	Other liabilities
Railway infrastructure	Cash at bank	Guarantees
Other infrastructure		Litigation
Motor vehicles and other transport assets		
Computers and other ICT equipment (Standard)		
Furniture, fittings and equipment (standard register)		
Plant & Machinery		
Biological assets		
Subsoil assets		
Work in Progress		

6. The Accounting Officers should ensure that the following is observed while filling information in the Assets and Liabilities reporting templates:
- i. provide information as required in all reporting templates provided and ensure that accurate information is submitted for purposes of consolidation.
  - ii. apply the reporting templates as they are, including all columns and **NOT** introducing any additional column(s).
  - iii. All requisite information for a particular asset or liability should be included, without leaving any gaps.
  - iv. Provide totals relating to a specific category of assets/liabilities.
  - v. All registers should be signed by the designed authorized officers.
  - vi. Assets/Liabilities should be classified in the relevant categories.
  - vii. All assets owned and or under the entity's possession and use/liabilities accrued by the entity should be included in the registers.
  - viii. Separate sheets should be maintained for different categories of assets required to be reported using standard assets registers.
  - ix. Each Asset and Liability should be recorded separately with specific serial/tag number in the register; no lumping of same assets.
  - x. Proper description of assets and liabilities should be provided.
  - xi. Accounting officer should report development project's Assets and liabilities under their MDA separately.
  - xii. Guidelines on Assets and Liabilities Management issued by the National Treasury provide detailed procedures on how to fill the information required on the reporting templates.

#### D. REQUEST

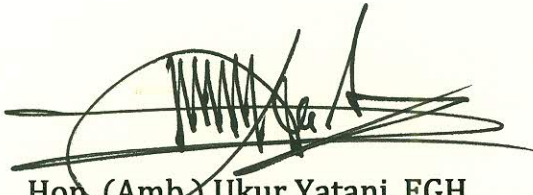
- 7. The Accounting Officers shall be required to submit to the National Treasury and Planning, Assets and Liabilities Registers/Reports as required in the Policy.
- 8. All Accounting Officers are required to submit a soft copy of Asset and Liability Management Register (s) using the prescribed template to [nalm@treasury.go.ke](mailto:nalm@treasury.go.ke) and send a hard copy to the Principal Secretary/National Treasury.
- 9. The Department of National Assets and Liability Management at the National Treasury will provide technical support to MDAs/State Corporations in the preparation of Assets and Liabilities Registers and will ensure compliance with the Reporting requirements.
- 10. For any clarification please contact the Office of the Director/ National Assets and Liability Management at the National Treasury through extension 33563.

**E. EFFECTIVE DATE**

11. The Assets and Liabilities Registers as at 30<sup>th</sup> June, 2020 should be submitted not later than 31<sup>st</sup> October, 2020.

**F. CONCLUSION**

12. Finally, Accounting Officers are required to strictly adhere to the contents of this Circular and bring it to the attention of all officers working under them, including Chief Executive Officers of State Corporations and Semi-Autonomous Government Agencies.



Hon. (Amb.) Ukur Yatani, EGH

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