



REPUBLIC OF KENYA

THE NATIONAL TREASURY AND PLANNING

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Circular No. 5/2020

Date: 25th February 2020

All Principal Secretaries/ Accounting Officers

**PREPARATION IN FIXED ASSETS AND LIABILITIES
REGISTERS THE PUBLIC SECTOR.**

The Public Accounts Committee (PAC) report for the FY 2016/2017 noted a continuing trend in many Public Entities which did not keep and Maintain Fixed Assets Registers as required under PFM Act, 2012 and Regulations.

The PAC report recommends that it is mandatory for all Public Entities to keep a comprehensive asset registers to protect Public Assets, and directs that the Cabinet Secretary to the National Treasury and Planning ensures that all Accounting Officers of the National Government Entities, prepare and submit up to date Registers of Assets to the National Treasury who will compile a National Register of Assets for all Assets owned by the National Government and submit a comprehensive report to the National Assembly within six months.

To comply with this directive and section 139 of the Public Finance Act Regulations, 2015, the National Treasury has drafted Policy and Guidelines on Asset and Liability Management in the Public Sector. Copies of the said draft policy and guidelines are herein enclosed for your review and input. Please note that reporting templates are annex

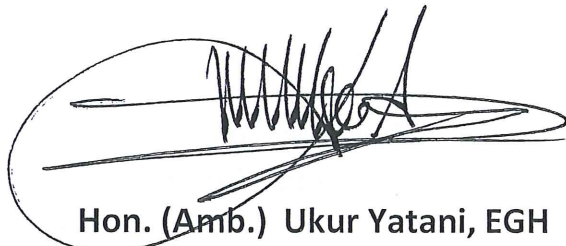
to the guidelines for preparation of Asset and Liability registers (copies are enclosed herewith for your review and input.)

In view of the above, you are requested to: -

- 1) Prepare comprehensive Assets and Liabilities Registers, using the Templates attached and submit the same to the National Treasury by 30th May 2020. Please instruct the Public Entities under your State Department to comply with this directive.
- 2) Review the draft Policy and Guidelines and submit your comments/input by 30th March 2020 to the National treasury for consideration.

It is emphasized that by Public Entities adopting a standard format of generating and maintaining Assets/Liabilities registers, this will bring out clear framework of accounting and maintaining public assets hence minimizing wastage and creates efficiency as well as bring out uniformity and standardization in the management, administration and accounting for the same across the public sector.

Please treat this exercise as urgent and very important for all Public Entities to comply without exception.



Hon. (Amb.) Ukur Yatani, EGH

CABINET SECRETARY/THE NATIONAL TREASURY & PLANNING

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