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**ANNUAL REPORT
AND
ACCOUNTS**

For the year ended 30th June, 2008

**NATIONAL ENVIRONMENT MANAGEMENT
AUTHORITY (NEMA)**

P.O. Box 67839 - 00200

Nairobi, Kenya.

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THE PRINCIPAL OFFICERS OF THE AUTHORITY

Director General
Dr. A. Muusya Mwinzi

Director, Finance and Administration

Mr. David K. Cheruiyot

Ag. Director, Legal Services

Ms Anne Angwenyi

Director, Research and Planning

Dr. Kennedy I. Ondimu

Director, Compliance and Enforcement

Mr. Benjamin M. Langwen

Director, Environmental Education and Public Participation

Dr. Ayub Macharia

Ag. Deputy Director, Coastal Marine and Fresh Waters

Mr. Stephen Katua

CORE BUSINESS OF NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY

The core business of the Authority is provided for in the Environment Management and Coordination Act, 1999.

The Act provides in section 9 (i) the functions and objectives of the Authority, which includes: -

1. Coordinating the various environmental management activities being undertaken by the lead agencies.
2. Promote the integration of environmental considerations into development policies, plans, programmes and projects, with a view to ensuring the proper management and rational utilization of environmental resources, on sustainable yield basis, for the improvement of the quality of human life in Kenya.
3. To take stock of the natural resources in Kenya and their utilization and conservation.
4. To establish and review land use guidelines.
5. Examine land use patterns to determine their impact on the quality and quantity of natural resources.
6. Carry out surveys, which will assist in the proper management and conservation of the environment.
7. Advise the Government on legislative and other measures for the management of the environment or the implementation of relevant international conventions, treaties and agreements.
8. Advise the Government on regional and international conventions, treaties and agreements to which Kenya should be a party and follow up the implementation of such agreements.
9. Undertake and coordinate research, investigation and surveys, collect, collate and disseminate information on the findings of such research, investigations or surveys.
10. Mobilize and monitor the use of financial and human resources for environmental management.
11. Identify projects and programmes for which environmental audit or environmental monitoring must be conducted under this Act.
12. Initiate and evolve procedures and safeguards for the prevention of accidents, which may cause environmental degradation and evolve remedial measures where accidents may occur such as floods, landslides and oil spills.

13. Monitor and assess activities, including activities being carried out by relevant lead agencies, in order to ensure that the environment is not degraded by such activities. Management objectives must be adhered to and adequate early warning on impending environmental emergencies is given.
14. Undertake, in cooperation with relevant lead agencies, programmes intended to enhance environmental education and public awareness, about the need for sound environmental management, as well as for enlisting public support and encouraging effort made by other entities in that regard.
15. Publish and disseminate manual codes or guidelines relating to environmental management and prevention or abatement of environmental degradation.
16. Render advice and technical support, where possible, to entities engaged in natural resources management and environmental protection, so as to enable them to carry out their responsibilities satisfactorily.
17. Prepare and issue an annual report on the State of Environment in Kenya and in this regard, may direct any lead agency to prepare and submit to it a report on the state of sector of the environment under the administration of that lead agency.

CHAIRPERSON'S REPORT FOR THE YEAR ENDING 30TH JUNE 2008

The Environmental Management and Coordination Act of 1999 was enacted against a backdrop of deteriorating state of Kenya's environment. Under the Act, the National Environment Management Authority (NEMA), is the principal instrument of Government in the implementation of all policies relating to the environment.

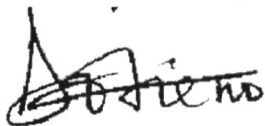
In the past year, my able Board has been committed to ensuring that the available financial, technological, physical and human resources are used efficiently to achieve the stated environmental management objectives.

Some of the structures we have put in place to address environmental issues include establishing an environmental police unit with the help of the police force. Under EMCA, NEMA is mandated to work with lead agencies including law enforcing agencies to implement environmental regulations, particularly in the prosecution and enforcement of stop orders. The unit will ensure compliance with all environmental regulations through law enforcement.

We also embarked on a decentralization exercise meant to take environmental services nearer to the grassroots. Our aim is to strengthen the Provincial Environment and District Environment Committees mandated to ensure proper environmental management in their areas of jurisdiction.

Last year we also finalized the development of Kenya's Education for Sustainable Development (ESD) Implementation Strategy. The ESD has been acknowledged in Kenya's Vision 2030 as a cross cutting issue in all sectors. Sectoral guidelines have been produced to support the implementation of the ESD strategy in the various sectors.

Finally I wish to acknowledge with gratitude the vital support given by my board members and management in working towards achievement of clean and health environment for all persons in Kenya.



Dr. Dorcas B. Otieno
Chairperson

DIRECTOR GENERALS REPORT FOR THE YEAR ENDING 30TH JUNE 2008

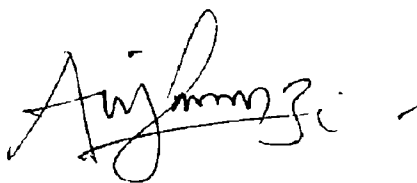
It is my pleasure to present the Annual Report and Accounts of the National Environment Management Authority for the year ended 30th June 2008.

During the year under review, the Authority recorded a surplus of Kshs. 87,189,674 of the Government grant, donor funds and internally generated funds all amounting to Kshs.570,122,192

During the year, we continued to undertake various activities meant to protect the environment from further degradation. These included:

- . Enforcement of Environmental Impact Assessment and Audit, Water Quality and Waste Management regulations;
- . Drafting of environmental regulations on air quality, noise pollution and chemical management;
- . Undertaking the Keep Kenya Clean (3K) campaign through clean-up exercises;
- . Production of various environmental awareness materials targeting diverse stakeholders;
- . Coordination of the commemoration of international environment events such as the World Environment Day.
- . Development of the provincial and district environmental action plans;
- . Coordination of Donor Funded Projects
- . Restoration of degraded sites all over the country.

I wish to thank members of NEMA staff who have worked tirelessly in achieving set targets. My gratitude also goes to the Board of management and the Ministry of Environment and Mineral Resources for their technical guidance during the entire financial year. On behalf of the Authority, I thank the Kenya government and the donor for their continued support.



Dr. A. Muusya Mwinzi.
Director General

**STATEMENT OF NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY
(NEMA) BOARD MEMBERS RESPONSIBILITIES FOR THE YEAR ENDED 30TH
JUNE 2006**

National Environment Management Authority (NEMA) is required to prepare statements, which give a true and fair view of the state of affairs of the Authority as at the end of the financial year, and of its surplus or deficit for that year. The Authority's Board of Management is required to ensure that the Authority maintains proper accounting records, which disclose, with reasonable accuracy, the financial position of the Authority. The Board of Management is also responsible for safeguarding the assets of the Authority.

The Board of Management accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, consistent with previous years and in conformity with International Financial Reporting Standards. The Board of Management is of the opinion that financial statements give a true and fair view of the state of the financial affairs of the Authority as at 30th June 2008 and of its surplus for the year then ended.

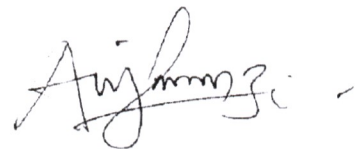
The Board further confirms the accuracy and completeness of the accounting records maintained by the Authority, which have been relied upon in the preparation of the financial statements, as well as on the adequacy of the system of internal financial control.

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

This statement is approved by the Board and is signed on its behalf by:



Dr. Dorcas Otieno
CHAIRPERSON



Dr. A. Muusya Mwinzi
DIRECTOR GENERAL

AUTHORITY INFORMATION

PRINCIPAL PLACE OF BUSINESS

Eland House
Popo Road, Nairobi
P. O. Box 67839- 00200
Nairobi, Kenya

REGISTERED OFFICE

Eland House
Popo Road, Nairobi
P. O. Box 67839- 00200
Nairobi, Kenya

BANKERS

Kenya Commercial Bank Ltd.
KICC Branch
P. O. Box 24030- 00502
Nairobi, Kenya

Commercial Bank of Africa
Mama Ngina
P. O. Box 30437-00100
Nairobi, Kenya

Co-operative Bank of Kenya Ltd.
Haile Selassie
P. O. Box 48231- 00100
Nairobi, Kenya

AUDITORS

Controller & Auditor General
P.O. Box 30084 - 00100
GPO, Nairobi, Kenya

ADVOCATES

Mohamed & Kinyanjui Advocates
Corner House
Mama Ngina Street
P.O. Box 79692-00200
Nairobi, Kenya

M/S Simba & Simba Advocates
Finance House
Loita Street
P. O. Box 74815
Nairobi, Kenya

Mereka & Co Advacates
Ukulima Co-operative
Haile Selassie Avenue
P. O. Box 41620-00100
Nairobi, Kenya

AUTHORITY'S BOARD MEMBERS

Dr Dorcas B .Otieno	Chairperson
Dr A .Muusya Mwinzi	Director General- NEMA
Mr Maurice O. Mbegera	Director- NEMA
Dr Ayub Macharia	Director- NEMA
Dr Kennedy Ondimu	Director- NEMA
Mr Paul M .Kereru	Member
Mr Parklowa H. Mustafa	Member
Mrs Sabdiyo B. Dido	Member
Mrs Stella K .Maranga	Member
Mr Kamithi Ng'ang'a	Member
Mr Maluki Mwendwa	Member
Prof. Mwakio P. Tole	Member
PS. Ministry of Environment and Natural Resources	Member
PS. Ministry of Finance	Member
Attorney General	Member

FUNCTIONS AND RESPONSIBILITIES OF THE BOARD

The board is the governing body of the Authority. Its responsibilities are:

1. Control, supervise and administer the assets of the board in such a manner as best promotes the purpose for which the Board is established.
2. Determine the provisions to be made for capital and recurrent expenditure and for reserves for the Board.
3. Receive any grants, gifts, donations or endowments and make legitimate disbursements there-from.
4. Enter into association with other bodies or organization within or outside Kenya as the Board may consider desirable or appropriate and in furtherance of the purpose for which the Board is established.
5. Open a banking account or banking accounts for the funds of the Board, and
6. Invest any funds of the Board not immediately required for its purpose in the manner provided under section 32 of the EMCA 1999.



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY FOR THE YEAR ENDED 30TH JUNE 2008

I have audited the financial statements of National Environment Management Authority for the year ended 30 June 2008 set out on pages 11 to 20 which comprise the balance sheet as at 30 June 2008 and the income and expenditure statement, statement of changes in equity and cash flow statement for the year then ended, together with a summary of significant accounting policies and other explanatory notes in accordance with the provisions of 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.

Board's Responsibility for the Financial Statements

The Board is responsible for the preparation of financial statements which give a true and fair view of the Authority's state of affairs and its operating results in accordance with the International Financial Reporting Standards. This responsibility includes; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the Controller and Auditor General

My responsibility is to express an independent opinion on the financial statements based on the audit. The audit was conducted in accordance with the International standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed with a view to obtaining reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board, as well as evaluating the overall presentation of the financial statements. I believe the audit provides a reasonable basis for my opinion.

1. Property, Plant and Equipment

As disclosed in note 7 to the financial statements, property, plant and equipment balance of Kshs. 54, 739, 099 as at 30 June 2008 include an amount of Kshs. 21, 141, 288 in respect of vehicles. However the balance includes thirteen (13) G.K. vehicles valued at Kshs. 4,400,000 being operated by the Authority and whose logbooks were not produced for audit view. According to the authority the logbooks for the said vehicles have not been transferred to the Authority by the parent ministry. Under the circumstances it was not possible to ascertain the ownership status of the vehicles or to confirm that the property, plant and equipment balance of Kshs. 54, 739, 099 as at June 2008 is fairly stated..

2. Chairman's Honoraria and Committee Members Allowances

The Office of the President Circular Ref: OP/CAB/189A of 4 December 2003 approved payment of the chairman's honoraria in respect of the National Environment Tribunal at a monthly rate of Kshs. 15,000. However, the Authority during the year under review paid the Tribunal chairman who was also the chair to the National Environment Trust Fund honoraria at the rate of Kshs.80,000 per month contrary to the circular. The chairman was therefore, paid a total amount of Kshs.1,920,000 for chairing both the Tribunal and the Fund at the rate of Kshs. 80,000 per month instead of Kshs. 360,000 at the rate of Kshs. 15,000 per month, resulting in an overpayment of Kshs. 1,560,000. In addition a total of Kshs. 800,000 was paid to members of the Tribunal in respect of writing of rulings at the rate of Kshs. 50,000 per member per ruling without any approval from Office of the President Guidelines. Although the Authority has explained that the honoraria and allowances were paid on accordance with approval given by the parent ministry, no evidence was produced to show that the ministry complied with the Office of the President circular of 25 November 2004 and letter of 26 September 2005 addressed to the parent ministry. In the circumstances it is not possible to confirm the propriety of the total irregular expenditure of Kshs. 2,360,000 paid to the chairman and members of the Tribunal or that such expenditure is a proper charge to public funds.

3. Opinion

Except for the foregoing reservations, in my opinion, proper books of account had been kept and the financial statements give a true and fair view of the state of the financial affairs of the Authority as at 30th June 2008 and of its surplus and cash flows for the year then ended in accordance with the International Financial Standards and comply with the Environmental and Coordination Act, 1999.



**P. N. KOMORA, CBS
CONTROLLER AND AUDITOR GENERAL**

Nairobi

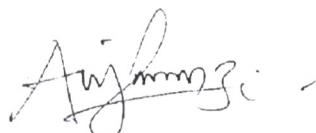
22nd January 2009

NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

BALANCE SHEET

AS AT 30TH JUNE 2008

	Notes	2008 Kshs.	2007 Kshs.
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	54, 739, 099	53, 142, 035
CURRENT ASSETS			
Trade and Other debtors	13	28, 548, 290	16,990,289
Fixed Deposits	11	120,000,000	
Cash and Bank Balances	9,10	268,573,110	241,195,081
TOTAL ASSETS		471,860,499	311,327,405
FUNDS AND LIABILITIES			
Capital Fund	12(a)	89,267,531	48,537,531
Revenue Reserves	12(b)	303,025,527	218,106,925
		392,293,058	266,644,456
Current Liabilities			
Trade and Other payables	8	79,567,440	44,121,600
Bank overdrafts	10	—	561,348
TOTAL FUNDS AND LIABILITIES		471,860,499	311,327,405

DR. A. MUUSYA MWINZI.....


DIRECTOR GENERAL


MR. DAVID K. CHERUIYOT.....
DIRECTOR, FINANCE & ADMINISTRATION

DR. DORCAS OTIENO.....

BOARD CHAIRPERSON

NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

INCOME AND EXPENDITURE STATEMENT

FOR THE YEAR ENDED 30TH JUNE 2008

		2008	2007
	Notes	Kshs.	Kshs.
Government Grants	4	296,157,288	299,416,475
Other Income	5	273,964,904	119,252,167
		<hr/>	<hr/>
		570,122,192	418,668,641
Less: Expenditure:			
Administrative Expenses	6	482,932,517	361,322,721
		<hr/>	<hr/>
Surplus		87,189,974	57,345,921

NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

CASH FLOW STATEMENT AS AT 30TH JUNE 2008

	Notes	2008 Kshs.	2007 Kshs.
Cash flow operating activities:			
Surplus during the year		87,189,674	57,345,921
Adjustment for:			
Provision for depreciation	6	15,424,229	15,679,971
Intrest received		(2,986,918)	
Changes in Working Capital:			
(Increase) Decrease in Trade Debtors	9	(11,547,137)	(14,481,389)
Increase (Decrease) in Trade Creditors	11	35,445,840	26,564,390
Net cash from operating activities		123,514,824	85,108,893
Cash Flow from Investing Activities:			
Purchase of property, plant and equipment	10	(17,021,291)	(17,922,843)
Government Development grant received		40,000,000	4,194,096
Motor Vehicle Donation		730,000	
Interest Received		2,986,918	
		150,210,451	71,380,146
Cash and Cash equivalent at the beginning of the year		240,633,732	169,253,585
Prior year adjustment		(2,271,072)	
		388,573,110	240,633,732
Analysis of Cash and Cash equivalent			
Cash at Bank		386,200,357	238,690,940
Cash in hand		2,372,753	1,942,792
Cash and Cash equivalent at the end of the year		388,573,110	240,633,732

NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2008

	Accumulated Fund Kshs.	Revenue Reserve Kshs.	Total Kshs.
Balance as at 1st July 2007	48,537,531	218,106,925	266,644,456
GOK Development grant	40,000,000		40,000,000
Motor Vehicle Donation	730,000		(1,541,072)
Prior Year Adjustment	-	(2,271,071)	
Net Surplus for the year		87,189,674	87,189,674
As at 30th June 2008	89,267,531	303,025,527	392,293,058

**NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY
NOTES TO THE ACCOUNTS 30TH JUNE 2008**

ACCOUNTING POLICIES

1. GENERAL INFORMATION

The National Environment Management Authority is a State Corporation established by the Environmental Management and Co-ordination Act No. 8 of 1999 of the laws of Kenya.

The principal activities of the Authority are to exercise general supervision and co-ordination over all matters relating to the environment and to be the principal Instrument of Government in the implementation of all policies relating to the environment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements are prepared under the historical cost convention and are in compliance with International Financial Reporting Standards (IFRS).

(b) Property, plant and equipment

All property, plant and equipment are initially recorded at cost and thereafter stated at historical cost less depreciation. Depreciation is calculated on the reducing balance to write down the cost of each asset to its residual value over its estimated useful life using the following rates:

Motor Vehicles	25%
Furniture & Fittings	12.5%
Computer & Printers	30%
Office Equipment	12.5%

Fixed assets purchased in the course of the year are charged with full depreciation for the year using the applicable rates.

(c) Inventories

Stationeries, Computer accessories and other Consumable materials are expended in the year of purchase. No inventories therefore are carried forward at the end of the financial year.

(d) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and credit balances at the bank less bank overdraft.

3. PRINCIPAL ACTIVITY

The Authority's principal activity is to coordinate, educate and conduct public awareness campaigns, ensuring compliance and enforcement of standards and regulations on matters of environmental concerns.

NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY
NOTES TO THE ACCOUNTS FOR YEAR ENDED 30TH JUNE 2008

4. GOVERNMENT GRANT

Government grant represents the amount received during the year from the Kenya Government to meet the operational and development expenditures for the Authority and its EMCA institutions as broken down below.

		2008	2007
		Kshs. •	Kshs.
(a) NEMA-Recurrent Grant	NEMA	259,357,296	266,616,475
	PCC	20,799,996	17,800,000
	NET	15,999,996	15,000,000
		296,157,288	299,416,475
(a) NEMA-Recurrent Grant	NEMA	40,000,000	4,194,096
		336,157,288	303,610,571

5. OTHER INCOME

		2008	2007
		Kshs.	Kshs.
5. (a) Donor Funds	EU-Capacity Building Facility	36,294,035	8,295,805
	PadeliaProject	-	1,659,878
	UNEP-Municipal waste water mgt	2,431,392	
	DANIDA/SIDA-EPS Project	50,205,300	
	UNDP-SOE Project	5,154,000	
	NEPAD Project	2,418,192	
	NBK-MERCEP	734,767	
	NEMA/KU National Envnt Conference	283,100	
	IKO Toilet Project	1,732,713	
	USAID	12,831,357	2,593,492
		112,084,856	12,549,175
5. (b) Internally Generated Funds	Revenue Receipts	150,947,451	90,679,747
	Miscellaneous Income	7,451,893	5,671,065
	Interest Received	2,986,918	352,180
	Net Fund		10,000,000
	Public Compalins Committee	18,390	
	National Environment Tribunal	475,395	
		273,964,904	119,252,167

NATIONAL ENVIRONMENTAL MANAGEMENT AUTHORITY

NOTES TO THE ACCOUNTS FOR YEAR ENDED 30TH JUNE 2008

6. EXPENDITURE

Account Code	2008 Kshs.	2007 Kshs.
Personal Emoluments	194,447,017	156,769,394
Employer's Pension / Gratuity	23,392,864	19,105,256
Employer's NSSF Contribution	598,350	474,000
Fees Commissions and Honararia	3,060,000	960,000
Training Expenses	18,671,139	6,675,207
Transport Operating Expenses	11,955,309	5,621,850
Local Travelling & Accommodation	11,754,311	20,283,849
Foreign Travelling & Accommodation	5,905,270	1,382,282
Postal & Telegrams	1,749,540	2,,031,931
Telephone Expenses	8,853,192	8,601,540
Internet Services	1,191,436	
Board Expenses	29,966,753	59,081,801
National Environment Council	202,340	
Technical Advisory Commitee	737,927	-
National Environment Action Plan	1,172,494	
Provincial/Districts Environment Committees & EIA Facilitations	5,947,238	
Celebration of Official Ceremonies	6,065,876	1,935,622
Environment Clean Ups	1,100,423	-
Ex-Gratia Payments	1,842,486	-
Staff Welfare Expenses	125,190	-
EIA Review Taskforce	4,702,286	-
Donations-CSR	894,349	-
Electricity Expenses	1,478,270	1,617,435
Water & Conservancy	631,620	122,004
Office & General Supplies & Services	17,589,828	13,085,758
Publishing & Printing	5,306,432	2,847,005
Advertising & Publicity	6,541,394	7,411,355
Trade shows & Exhibitions	494,275	-
Purchase of uniform	837,411	264,830
Purchase of Photographic Materials	27,521	-
Supplies for production	18,645	-
Rent	10,551,924	10,513,084
Contracted Professional Services	5,933,392	3,119,059
Insurance	12,115,870	9,082,141
Miscallaneous Expenses		1,735,427
Restoration Expenxses	2,270,922	
Rehabilitation Of Nairobi River	177,100	
Bank Charges and Commission	951,699	374,755
Maintainance of Plant,Equipment & Furniture	3,110,675	774,734
Maintainance of building & Station	3,248,169	3,544,458
Subscription to International Organizations	966,548	2,322,027
Annual Professional Membership fees	43,568	-
Audit fees	348,000	300,000
Customer Satisfactory Survey	942,120	-
Depreciation	15,424,229	15,679,971
SOE Express	5,601,573	2,372,546
Padelia Project expenses	406,900	-
Ncsa Project Expenses	715,689	3,223,400
EPS DANIDA/SIDA Projects Expenses	5,314,051	-
USAID-Project expenses	8,617,173	-
NEPAD-Project expenses	1,254,766	-
Mercep Project Expenses	932,940	-
EU-CBF Project expenses	9,779,743	-
UNEP/GPA-Minicipal Wastewater Expenses	2,215,475	-
UNEP-WIOLab Project Expenses	1,238,829	-
Commission for European Economic Union	21,230,988	-
KU/NEMA National Environment Conference	778,900	-
IKO Toilet Project Expenses	1,500,000	-
	482,932,517	361,322,721

NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2008

7. PROPERTY, PLANT & EQUIPMENT SCHEDULE

DETAILS	LAND & BUILDINGS Kshs.	MOTOR VEHICLES Kshs.	FURNITURE & FITTINGS Kshs.	COMPUTERS, PRINTERS & SOFTWARE Kshs.	OFFICE & COMMUNICATION EQUIPMENT Kshs.	TOTAL Kshs.
DEPRECIATION RATES	2.5%	25%	12.5%	30%	12.5%	
COST / VALUATION:						
As at 1st July 2007	-	78,668,880	12,895,569	37,309,845	9,333,881	138,208,174
Additions during the year :	-	896,713	5,019,877	7,772,793	3,331,909	17,021,291
As at 30th June 2008	-	79,565,593	17,915,446	45,082,638	12,665,790	155,229,466
PROVISION FOR DEPRECIATION:						
As at 1st July 2007	-	51,377,209	4,123,737	27,195,412	2,369,782	85,066,139
<i>Depreciation charge</i>	-	7,047,096	1,723,964	5,366,168	1,287,001	15,424,229
As at 30th June 2008	-	58,424,305	5,847,701	32,561,580	3,656,783	100,490,368
NET BOOK VALUE AS AT :						
As at 30th June 2008	-	21,141,288	12,067,745	12,521,058	9,009,007	54,739,099
As at 30th June 2007	-	27,291,672	8,771,832	10,114,433	6,964,099	53,142,035

NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2008

8. TRADE AND OTHER PAYABLES	2008 Kshs.	2007 Kshs.
Controller & Auditor General	348,000	900,000
Topdeck Travel	684,140	684,140
NEMA Pension Fund	60,926,516	34,019,353
Sundry Creditors	17,106,845	8,518,107
NSSF	498,300	-
NHIF	640	-
Returned Salaries	3,000	-
	79,567,440	44,121,600
9. CASH IN HAND	2008 Kshs.	2007 Kshs.
Cash in hand:		
Recurrent Account	351,630	701,889
Development Account	-	3,448
USAID Account	-	7,284
NEPAD Account	-	22,803
NEFT General Account	-	15,912
Capacity Building Account	-	21,000
Revenue account	-	663,265
Micellaneous Receipts	1,363,520	-
EU Capacity Building Facility-Petty cash	115,519	-
National Environment Tribunal (NET)	79,459	280,971
Public Complaints Committee (PCC)	462,625	226,221
	2,372,753	1,942,793
10. CASH AT BANK	2008 Kshs.	2007 Kshs.
Development Account	42,539,370	8,397,833
Recurrent Account	8,165,123	-
Restoration Account	15,967,469	52,228,308
Coop-Revenue Account	5,872,589	99,072,050
KCB- Revenue Account	24,398,844	-
NEFT -Desertification Account	4,827,333	4,381,135
EU-Capacity Building Facility	20,869,073	7,361,519
N.C.N.S -Assessment Account	165,035	674,165
NEPAD Account	3,132,275	385,757
USAID Account	11,549,460	3,229,273
NETF General Account	313,628	8,609,431
Padelia Account	4,666,139	1,884,060
Pension Account	60,926,616	34,019,353
EU Strategic Plan Account	726,059	-
UNEP-Capacity Building Facility (Biodiversity)	1,541,318	-
National Environment Tribunal Account	10,077,807	12,040,311
Public Complains Committee	4,390,267	1,455,768
NEMA: EU Capacity Building (BA Account)	-	21,230,988
CFC-EMM-NEMA/EPS Account	45,745,731	-
Mercep Account	326,223	-
	266,200,357	254,969,952
EU- Strategic Plan Account	-	(561,348)
Recurrent Account	-	(15,717,663)
	266,200,357	238,690,940
11. FIXED DEPOSITS	2008 Kshs.	2007 Kshs.
KCB- KICC Branch	50,000,000	-
Coop Bank- Coop Hse	70,000,000	-
	120,000,000	-

NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2008

12. RESERVES	2008	2007
	Kshs.	Kshs.
(a) Accumulated Fund	48,537,531	44,343,435
Motor Vehicle donation	730,000	-
GOK Development Grant	40,000,000	4,194,096
	89,267,531	48,537,531
	2008	2007
	Kshs.	Kshs.
(b) Revenue reserve	218,106,925	160,761,004
Prior year Adjustment	(2,271,072)	-
Restated revenue reserve	215,835,853	-
Surplus/(Deficit)	87,189,674	57,345,921
	303,025,527	218,106,925
13. TRADE AND OTHER RECEIVABLES	2008	2007
	Kshs.	Kshs.
Debtors:		
NEMA- Outstanding Imprest	15,853,529	6,890,958
PDE/DEO Outstanding Imprest	9,251,331	9,251,331
NET- Outstanding Imprest	1,130	1,130
PCC Outstanding Imprest	675,510	675,510
ESAMI	171,360	171,360
MEMR	1,491,130	-
EU- CBF Reimbursements	254,334	-
Skytop Restaurant	50,000	-
Ozone Clearance Account	799,966	-
	28,548,290	16,990,289