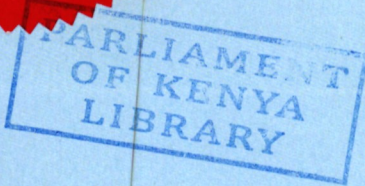


REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE



Paper Lead
By Hon A. Duale (com)
on Thurs. 20/08.2015
(pm) Mmm

REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
MINISTRY OF INDUSTRIALISATION AND
ENTERPRISE DEVELOPMENT**

**FOR THE YEAR ENDED
30 JUNE 2014**



REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON MINISTRY OF INDUSTRIALISATION AND ENTERPRISE DEVELOPMENT FOR THE YEAR ENDED 30 JUNE 2014

REPORT ON THE FINANCIAL STATEMENTS

I have audited the financial statements of the Ministry of Industrialisation and Enterprise Development set out at pages 11 to 29 which comprise the statement of assets as at 30 June 2014, statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts and a summary of significant accounting policies and other explanatory notes in accordance with Article 229 of the Constitution of Kenya and Section 8 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

The Accounting Officer - Ministry of Industrialisation and Enterprise Development is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards and the Public Finance Management Act, 2012 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Sections 4, 5, 6 and 7 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 8 of the Public Audit Act, 2003. 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 to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

1. Loan to Micro Finance Institutions

During the year under review, it was noted that out of the total amount of Kshs 320,238,768 under other payments as at 30 June 2014, an amount of Kshs. 300,000,000 was issued to Kenya Industrial Estate (KIE) for loaning to industrial micro enterprises and individuals undertaking industrial endeavour across the country. However, KIE indicates received Kshs.200,000,000 only. An enquiry made to the Agency indicated that there appear to be no policy on how the amounts would be treated after recovery suggesting that the Agency has comingled the loaning amounts with other operational finances thereby precipitating utilisation of the money for operation rather than creating a revolving fund. The amount disbursed as loans appear to be liquidated for operations after recovery of the loan. Similarly, the Ministry appear to be equally at a loss on how the amount is treated after disbursement.

In the circumstances, the accuracy and utilization of the loan and loan recoveries could not be confirmed as at 30 June 2014.

2. Grants to Collaborating Institutions

The statement of receipt and payments for the period ending 30 June 2014 indicates that an amount of Kshs. 2,344,797,634 or about 37% of the reported total expenditure of Kshs. 6,302,096,261 was disbursed as grants to organisations that collaborate with the Ministry in the realisation of its objectives. Verification records revealed that the Ministry made other disbursements to the same institutions but charged them directly to its accounts yet it was not the implementing agency. In addition, a comparison of records maintained by the receiving organisation revealed some discrepancies between the audited accounts and the Ministry financial statements as indicated thereto.

In view of the foregoing, it has not been possible to ascertain the accuracy of the financial records and whether or not the total funds were transferred to the intended beneficiaries as at 30 June 2014.

3. Loss of Cash

During the 2011/2012 financial year, the Ministry contracted a vendor to supply 32,160kg of production materials – polymer (Aquafloc 10 1085) to Pan Paper Mills Ltd at a cost of Kshs. 10,296,346. On 19 March 2012, the vendor supplied and delivered 20,000kg of the material valued at Kshs. 6,403,200 and invoiced the Ministry accordingly on 12 March 2012 and subsequently, the payment was processed on 28 May 2012, the Ministry erroneously transferred the money through its Central Bank of Kenya Account to a Company account through a Barclays bank account. The Company paid happened to be the second lowest bidder during the tendering process, instead of the Company which supplied the production materials. Upon realisation of the error, the Ministry contacted the Company instead of the Bank and requested for the amount to be refunded. The Company erroneously paid promised to refund the balance at an opportune time claiming that the Company was running an overdraft and the amount has already been taken by the bank to reduce the overdraft then.

During the 2012/2013 financial year, the Ministry drew another cheque of similar amount to the right contractor and was left to make a follow up to recover the amounts wrongly transferred. The amount was therefore reflected in the financial statement below-the-line account under General Suspense Account. Based on IPSAS, the 2013/2014 financial statements have been drawn purely on cash basis and the below-the-line balances have not been disclosed in the account. To date, over 2 years since, the Ministry does not appear to have made any progress towards the recovery of the said amount and neither has it held any one culpable for occasioning the loss of the amount.

In the circumstances, the Ministry appears to have lost the total Kshs.6,403,200 as at 30 June 2014.

4. Bank Reconciliation

The bank reconciliation statement as at 30 June 2014 under the recurrent vote revealed payment in cash book not yet recorded in the bank statements of Kshs.191,595,235.65 which includes stale cheques totalling Kshs.1,334,199.70 which have been outstanding but have not been reversed in the cash book or the relevant accounts adjusted in the ledger. Similarly, the reconciliation statement reflects under payments in the bank statements not recorded in the cash book of Kshs.14,306,407.10 which includes cheques amounting Kshs.3,699,588 which have been long outstanding for more than six months and have not been investigated to be cleared.

In view of the foregoing, the accuracy and completeness of the cash and cash equivalents balance as at 30 June could not be confirmed.

5. Late Submission of Fund Account

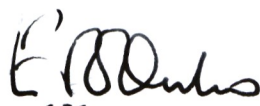
Section 11.10.2 of the Government Financial Regulations and Procedures requires that any officer administering a fund shall if so directed by National Treasury, prepare, sign and transmit to the Auditor-General an account in such a form as the National Treasury may from time to time direct by 30 September. The format and content is further explained

in Section 11.10.3. Contrary to the requirements, the Ministry did not prepare and submit for audit separate statements of the management, supervision and liquidation fund account for the year ended 30 June 2014 to enable the Auditor-General to give an assurance or otherwise on the Fund's financial position. In the circumstances, the Ministry is therefore in breach of the Public Audit Act, 2003 and other regulations.

Late submission of the financial statements do not only contravene the law but also interferes with the program for the completion of the audit by the statutory date as stipulated under the Public Audit Act, 2003

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for a Qualified Opinion paragraph, the financial statements present fairly, in the material respects, the financial position of the Ministry of Industrialisation and Enterprise Development as at 30 June 2014 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards and the Public Finance Management Act, 2012.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

23 April 2015



**MINISTRY OF INDUSTRIALIZATION & ENTERPRISE
DEVELOPMENT**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2014**

Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

Table of Contents

I.	KEY MINISTRY INFORMATION AND MANAGEMENT	1
II.	FORWARD BY THE CABINET SECRETARY	5
III.	STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES.....	7
IV.	MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS.....	8
V.	REPORT OF THE INDEPENDENT AUDITORS ON THE MINISTRY OF INDUSTRIALIZATION AND ENTERPRISE DEVELOPMENT	9
VI.	STATEMENT OF RECEIPTS AND PAYMENTS	11
VII.	STATEMENT OF ASSETS.....	12
VIII.	STATEMENT OF CASHFLOW.....	13
IX.	SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	14
X.	SUMMARY STATEMENT OF APPROPRIATION: RECURRENT	16
XI.	SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT	17
XII.	SUMMARY STATEMENT OF PROVISIONINGS	18
XIII.	SIGNIFICANT ACCOUNTING POLICIES.....	19
XIV.	NOTES TO THE FINANCIAL STATEMENTS.....	21

I. KEY MINISTRY INFORMATION AND MANAGEMENT

(a) Background information

The Ministry of Industrialization and Enterprise Development (MOIED) was formed on 20th May, 2013 through Executive Order No.2/2013 issued by His Excellency the President merging the former Ministry of Industry and the former Ministry of Cooperative Development and Marketing. The Executive Order spells out the mandate of the ministry as follows:-

- (i) Industrialization Policy
- (ii) Kenya Property Rights Policy (Patents, Trade Marks, Service Marks, and innovation)
- (iii) Private Sector Development Strategy
- (iv) Quality Control including Industrial Standards
- (v) Leather Development
- (vi) Special Economic Zones
- (vii) Co-operative Policy and Implementation
- (viii) Co-operative Financing Policy
- (ix) Micro and Small Enterprise Development
- (x) Co-operative Legislation and Support Services
- (xi) Co-operative Education and training
- (xii) Co-operative Governance
- (xiii) Co-operative Production, Marketing and Value Addition
- (xiv) Promotion of Co-operative Ventures
- (xv) Co-operative Audit services
- (xvi) Co-operative Savings, Credit and other Financial Services Policy
- (xvii) Small and Medium Enterprise Training
- (xviii) Development of Micro and Small Business
- (xix) Private Sector Development Policy
- (xx) Buy Kenya policy

At the cabinet level the Ministry is represented by a Cabinet Secretary who is responsible for the general policy and strategic direction of the Ministry.

Vision

To be a leading agent in catalyzing a diversified, globally competitive and sustainable industrial and enterprise sector in Kenya

Mission

Strategic objectives

- (i) To undertake Policy, legal and institutional reforms and create the enabling environment for establishment of Special Economic Zones, Industrial/technology parks and industrial clusters
- (ii) To create a conducive business environment to enhance private sector growth and competitiveness.
- (iii) To enhance productivity and competitiveness and leverage on existing natural resource advantages to develop competitive labour intensive sub-sectors and improve the sectors where Kenya advantages of economies of scale
- (iv) To Attract Foreign Direct Investment and mobilize local savings and investment resources for industrial and enterprise development
- (v) To Promote Micro, Small and Medium (MSMEs) and large enterprises
- (vi) To Promote Research and Development (R&D), innovation and technology adoption
- (vii) To promote value addition, and market access; and enhance standards, quality infrastructure and IPR protection;

Strategic Programmes

- (i) Industrial development and Investment
- (ii) Standards and business incubation
- (iii) Cooperative Development
- (iv) Planning, Policy and Administrative Services

(b) Principal Activities

The Principal activity/mission of the Ministry is to facilitate the creation of an enabling environment for vibrant, globally competitive, sustainable and innovative commercial and industrial enterprises.

(c) Key Management

The Ministry's day to day management is under the following key organs:-

- Cabinet Secretary
- Principal Secretary
- Industrialization Secretary and
- Commissioner for Cooperative Development

(d) Fiduciary Management

The key management personnel who held office during the Financial Year ended 30th June, 2014 and who had direct fiduciary responsibility were:-

S/No.	Designation	Name
1.	Cabinet Secretary	Mr. Adan Mohamed
2.	Principal Secretary	Dr. Wilson Songa, MBS
3.	Industrialization Secretary	Mr. Julius Korir
4.	Commissioner for Cooperative Development	Mr. Patrick Musyimi
5.	Director of Administration	Mrs. Emily Gatuguta, OGW

(e) Fiduciary Oversight Arrangements

- Ministerial Tender Committee (MTC) and Ministerial Procurement Committee (MPC) to oversee all tendering and procurement activities.
- Budget Implementation Committee (BIC) to oversee budget preparation and implementation.
- Audit committee (AC) to look at all audit matters.
- Ministerial Human Resource Management Advisory Committee (MHRMAC) for human resource issues.
- Ministerial Performance Management Committee to oversee performance
- Ministerial Training Committee (MTC) to look at all human capital development matters.

(f) Headquarters

Ministry of Industrialization and Enterprise Development
NSSF Building
Bishops Road, Capital Hill
P. O. Box 30547-00100
NAIROBI.

(g) Contacts

Telephone: 020-2731531-9
0704097021/23
0788484840/41
Fax: 020-2731511
Email: ps@industrialization.go.ke
Website: www.industrialization.go.ke

(h) Ministry Bankers

Central Bank of Kenya
Haile Selassie Avenue
P. O. Box 60000
City Square 00200
NAIROBI, KENYA

(i) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P. O. Box 30084
GPO 00100
NAIROBI, KENYA.

(j) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P. O. Box 40112
City Square 00200
NAIROBI, KENYA

II. FORWARD BY THE CABINET SECRETARY

Summary of budget performance (Achievements)

- During the Financial Year 2013/14, the Ministry developed the Country's comprehensive road map on industrialization which sets the country on the path to achieving manufacturing contribution to GDP at 20%, growing investments five-fold and drastically improving the Ease of Doing Business. The Ministry coordinated the Government reform on ease of doing business in collaboration with the Ministry of Lands and Housing, Ministry of Devolution and Planning, State Law office, Kenya Revenue Authority, Kenya Power, and KENTRADE.
- The Ministry developed a Special Economic Zones Bill that has been submitted for consideration and enactment by the National Assembly. (ii) Land was identified in Mombasa, Dong'o Kundu, for the development of a Special Economic Zone. (iii) Master-planning for the Dong'o Kundu Special Economic Zone is ongoing. During the period, the Micro and Small Enterprises Authority (MSEA) was setup and operationalised to facilitate SME growth through improved market access and ease of access to finance. In collaboration with East African Community, MSEA hosted the Jua Kali/Nguvu Kazi exhibition from 1st to 11th December, 2013 in Nairobi, Kenya thereby exposing Kenyan MSE products to the regional market. KIE disbursed Ksh 250 million to SMEs thereby creating over 3,000 direct jobs and over 6,000 indirect jobs.
- The Ministry Awarded procurement opportunities worth Kshs 125.4 Million to firms owned by youth, women and persons with disability in the categories of General Office stationary, printing works, renovation works, furniture, office equipment, ICT equipment. The Ministry, through the Kenya Industrial Estates (KIE) completed construction of 27 industrial incubators/sheds in Meru, Kwale, Sagana, and Bomet counties.
- During the period under review, Kshs 50 billion savings were mobilized and Kshs 100 billion disbursed to members through Cooperatives. 1,194 co-operative enterprises were registered, including 2 for Kenyans in the Diaspora and 200 which were Youth based. This resulted into a total of 15,867 registered cooperative enterprises with a total membership of 10.2 million. Savings and Credit Co-operatives (SACCOs) increased their asset base by Kes74 Billion. Deposit Taking Savings and Credit Cooperatives (SACCO's) increased new loans to SMEs by Kshs 184.3 billion (17.3%) in year 2013 from Kshs 157.1billion in 2012 thereby exceeding target of 10%.The Ministry, through the SACCOs Societies Regulatory Authority (SASRA) licensed addition 54 SACCOs to bring the total number of Deposit Taking SACCOS (DTS) from 140 to 184, coverage of 99.2%
- The Ministry, through the Kenya Industrial Research and Development Institute (KIRDI) has developed laboratories for research in food processing, leather processing,

renewable energy and natural products. In efforts to curb Counterfeit goods, the Ministry, through the Anti-Counterfeit Agency (ACA) trained over 34 magistrates and 10 prosecutors in an effort to improve the efficiency and effectiveness in the management of cases arising from Intellectual Property Rights (IPR) infringement or counterfeiting. The Agency also undertook training for over 600 government officers in various Ministries and Parastatals, IPR holders and community leaders drawn from public and private sectors. The Agency also received and investigated complaints relating to 180 cases and seized goods worth over KShs. 203 million. Counterfeit goods worth over Kshs 186 million were destroyed during that period.

- Under Standards and quality infrastructure, a total of 460 new standards were published and 772 standards were reviewed. KEBS National Quality Institute trained 242 firms on process management systems among which were 41 were SMEs to facilitate improvement of their processes and production systems leading to enhanced competitiveness in local and international markets. KEBS also certified 30 new firms during the year to various ISO management systems in order to improve processes and productivity of the certified organizations thus assisting to meet market requirements.

Emerging issues

- Devolution
- Ongoing Parastatals reforms

Challenges.

- Inadequate funding for programmes
- Lengthy procurement procedures
- Shortage of industrial land
- Low staffing levels

Way Forward

I propose the following to counter the challenges mentioned above:-

- The National Treasury should avail adequate funds especially on all programmes under Vision 2030.
- Donor funding in form of direct disbursements need not be captured in the budget.
- The Government should avail its land for SEZ and FTZ programmes.
- The Government should allow recruitment of key technical officers to help the Ministry build capacity.
- The restructuring of SAGAs should be fast tracked and finalized soonest possible.

Sign _____
Cabinet Secretary

III. STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Ministry shall prepare financial statements in respect of that Ministry. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the Ministry of Industrialization and Enterprise Development is responsible for the preparation and presentation of the Ministry's financial statements, which give a true and fair view of the state of affairs of the Ministry for and as at the end of the financial year ended on June 30, 2014. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Ministry; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Ministry; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the Ministry of Industrialization and Enterprise Development accepts responsibility for the Ministry's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Ministry's financial statements give a true and fair view of the state of Ministry's transactions during the financial year ended June 30, 2014, and of the Ministry's financial position as at that date. The Accounting Officer charge of the Ministry of Industrialization and Enterprise Development further confirms the completeness of the accounting records maintained for the Ministry's, which have been relied upon in the preparation of the Ministry's financial statements as well as the adequacy of the systems of internal financial control.

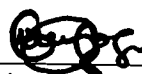
The Accounting Officer in charge of the Ministry of Industrialization and Enterprise Development confirms that the Ministry has complied fully with applicable Government Regulations and that the Ministry's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the Ministry's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The Ministry's financial statements were approved and signed by the Accounting Officer on 30 SEP 2014.



Principal Secretary



Principal Accounts Controller

IV. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Ministry's Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

V. REPORT OF THE INDEPENDENT AUDITORS ON THE MINISTRY OF
INDUSTRIALIZATION AND ENTERPRISE DEVELOPMENT


KENYA NATIONAL AUDIT OFFICE- AUDITOR GENERAL

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

VI. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2013-2014 Kshs	2012-2013 Kshs
RECEIPTS			
Proceeds from Domestic and Foreign Grants	1	20,238,768	26,484,756
Exchequer releases	2	5,980,792,414	5,426,061,100
Proceeds from Sale of Assets	4	-	164,404,195
Reimbursements and Refunds		-	-
Returns of Equity Holdings		-	-
Other Receipts	5	431,998,367	20,662,603
TOTAL RECEIPTS		6,433,029,549	5,637,612,654
PAYMENTS			
Compensation of Employees	6	558,856,852	938,543,661
Use of goods and services	7	596,068,596	1,076,069,176
Other grants and transfers	8	2,344,797,634	3,007,866,433
Social Security Benefits	9	-	8,796,478
Acquisition of Assets	10	2,482,134,412	431,842,762
Other Payments	11	320,238,768	25,429,440
TOTAL PAYMENTS		6,302,096,261	5,488,547,950
SURPLUS/DEFICIT		130,933,288	149,064,704

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on 30 SEP 2014 and signed by:


 Principal Secretary


 Principal Accounts Controller

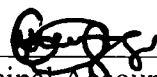
VII. STATEMENT OF ASSETS

	Note	2013-2014 Kshs	2012-2013 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	12A	75,038,211	84,841,655
Cash Balances	12B	658,795	157,916
Outstanding Imprests	12C	<u>724,413</u>	<u>622,634</u>
TOTAL FINANCIAL ASSETS		<u>76,421,419</u>	<u>85,622,205</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on 30 SEP 2014 and signed by:



Principal Secretary



Principal Accounts Controller

VIII. STATEMENT OF CASHFLOW

Receipts for operating income

Proceeds from Domestic and Foreign Grants	1	20,238,768	26,484,756
Exchequer Releases	2	5,980,792,414	5,426,061,100
Other Receipts	5	431,998,367	20,662,603

Payments for operating expenses

Compensation of Employees	6	(558,856,852)	(938,543,661)
Use of goods and services	7	(596,068,596)	(1,076,069,176)
Other grants and transfers	8	(2,344,797,634)	(3,007,866,433)
Social Security Benefits	9	-	(8,796,478)
Other Expenses	11	(320,238,768)	(25,429,440)

Adjusted for:

Adjustments during the year		-	-
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Net cash flow from operating activities		2,613,067,699	416,503,271
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CASHFLOW FROM INVESTING ACTIVITIES

Proceeds from Sale of Assets	4	-	164,404,195
Acquisition of Assets	10	(2,482,134,412)	(431,842,762)
Net cash flows from Investing Activities		(2,482,134,412)	(267,438,567)

CASHFLOW FROM BORROWING ACTIVITIES

Domestic Currency and Domestic Deposits		-	-
Net cash flow from financing activities		-	-

NET INCREASE IN CASH AND CASH EQUIVALENT		130,933,288	149,064,704
---	--	--------------------	--------------------

Cash and cash equivalent at BEGINNING of the year	12	85,622,205	(3,402,411)
Cash and cash equivalent at END of the year	12	76,421,419	85,622,205

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on 30 SEP 2014 and signed by:



Principal Secretary



Principal Accounts Controller

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Exchequer releases	6,050,123,632	-	6,050,123,632	5,980,792,414	-69,331,218	1.1459471
Other receipts	431,097,088		431,097,088	431,998,366.70	901,278.7	100%
Other Receipts AIA	149,589,000	-32,284,000.00	117,305,000	20,238,768.27	97,066,231.73	-82.75
Total Revenues/Receipts	6,630,809,720	-32,284,000.00	6,598,525,720	6,433,029,548.97	162,942,628.03	
PAYMENTS						
Compensation of Employees	528,026,610.00	30,641,635.00	558,668,245	558,856,852	188,607	100%
Use of goods and services	815,538,198	34,985,154	845,523,352	596,068,596	249,454,756	72%
Transfers to Other Government Units & Int. Organisations	1,836,259,820	512,500,000	2,348,759,820	2,344,797,634	3,962,186	99.7%
Acquisition of Assets	2,889,609,303.00	249,035,000.00	2,640,574,303.00	2,482,134,411.80	-158,439,891	0
Other payments	-	-	-	20,238,768.00		0
Other transfers	400,000,000.00	200,000,000.00	200,000,000.00	300,000,000.00	- 100,000,000	150%
TOTALS	6,469,433,931.00	129,091,789.00	6,593,525,720.00	6,302,096,261	-490,771,770	

i. Other Receipts AIA- The overutilization rate of 82.75% arose due to non-inclusion of collection of Co-operative Audit registration and Audit fees since it was assumed that the whole Co-operative function had been devolved to the counties at the time of budgeting.

Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

ii. Other Transfers- At the time supplementary estimates were out the figure of Kshs. 100,000,000 due to Micro Finance Institution of Kenya Industrial Estates had been released to the institution. A net-off on the grants was therefore made to correct the overall financial position to this institution. Therefore the correct utilization rate is 100%.

The Ministry financial statements were approved on 30 SEP 2014 and signed by:


Principal Secretary


Principal Accounts Controller

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=d-c	% of Utilisation f=d/c %
RECEIPTS						
Exchequer releases	2,804,154,229.00	-	2,804,154,229.00	2,762,050,414.00	42,103,815	98.5%
Proceeds from Sale of Assets	431,097,088.00	-	431,097,088.00	431,998,366.70	901,278.70	100%
PAYMENTS	3,235,251,317.00		3,235,251,317.00	3,194,048,781.00	43,005,094.00	
Compensation of Employees	515,917,494.00	29,197,414.00	545,114,908.00	545,108,527	6,381	100%
Use of goods and services	577,728,198	77,960,154	650,688,352	533,014,704	120,978,147	81%
Transfers to Other Government Units & Int. Organisations	1,643,584,820	367,000,000	2,010,584,820.00	2,006,622,633.60	1,142,186	100%
Other payments	-	-	-	20,238,768.00	-	0
Social Security Benefits	12,109,116	1,444,221	13,553,337	13,748,325	194,988	101%
Acquisition of Assets	10,309,900	-	10,309,900	4,786,498	5,523,402	46%
TOTALS	2,759,649,528	475,601,789	3,230,251,317	3,123,519,450	-131,970,630	96%

The Ministry financial statements were approved on 30 SEP 2014 and signed by:

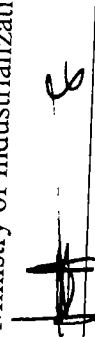

Principal Secretary



Principal Accounts Controller

I. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Exchequer releases	3,245,969,403.00	-	3,245,969,403.00	3,218,742,000.00	27,227,403	0.99%
Other Receipts	149,589,000.00	(32,284,000.00)	117,305,000.00	20,238,768.27	97,066,231.73	82.746884
TOTALS	3,395,558,403.00	(32,284,000.00)	3,363,274,403.00	3,238,980,768.00		
PAYMENTS						
Compensation of Employees						
Use of goods and services	237,810,000	(42,975,000)	194,835,000	63,053,892	(131,781,108)	32%
Transfers to Other Government Units	192,675,000	145,500,000	338,175,000	338,175,000	-	100%
Other grants and transfers	400,000,000	(200,000,000)	200,000,000	300,000,000	100,000,000	150%
Acquisition of Assets	2,879,299,403	(249,035,000)	2,630,264,403	2,477,347,914	(152,916,489)	94%
TOTALS	3,709,784,403	(346,510,000)	3,363,274,403	3,178,576,806		

The Ministry of Industrialization & Enterprise Development financial statements were approved on 30 Sep 2014 and signed by:


 Principal Secretary


 Principal Accounts Controller

XII. SUMMARY STATEMENT OF PROVISIONINGS

- Details of General Accounts On Vote

	2013 - 2014	2012 - 2013
	Kshs	Kshs
GAV Provisioning account balance	174,277,193	462,885,161
Other payables		3,986,538
Total	174,277,193	466,871,699

- Details of Exchequer Account

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Exchequer Provisioning account balance	82,381,632	493,506,232
Other Receivables	295,162,902	33,405.657
Total	377,544,534	526,911,889



Principal Secretary



Principal Accounts Controller

XIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Ministry. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the Ministry.

2. Recognition of revenue and expenses

The Ministry recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the Ministry. In addition, the Ministry recognises all expenses when the event occurs and the related cash has actually been paid out by the Ministry.

3. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

4. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The Ministry's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the Ministry's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

5. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

6. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2014.

XIV. NOTES TO THE FINANCIAL STATEMENTS

1 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2013 - 2014	2012 - 2013
			Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)				
UNDP-Standards & Labelling			20,238,768	20,099,434
Grants Received from other levels of government				
Grants				6,358,322
Total			20,238,768	26,484,756

2 EXCHEQUER RELEASES

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Total Exchequer Releases for quarter 1	1,148,600,000	1,856,170,600
Total Exchequer Releases for quarter 2	1,915,000,000	848,000,000
Total Exchequer Releases for quarter 3	1,290,142,000	1,023,000,000
Total Exchequer Releases for quarter 4	1,627,050,414	1,698,890,500
Total	<u>5,980,792,414</u>	<u>5,426,061,100</u>

The Treasury recovered kshs 176,949,586.00 and issued an exchequer in respect of the same of kshs 190,000,000.00 salary reimbursement hence a resultant exchequer issue of kshs 13,050,414.00

3 DOMESTIC CURRENCY AND DOMESTIC DEPOSITS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
10% Retention amount for swift grid for partitioning project	1,060,862.6	-
10% Retention amount for cbm international-biometric	1,022,200	-
10% Retention amount for beatel inv.	470,479.6	-
Total	<u>2,553,542.2</u>	-

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

4 PROCEEDS FROM SALE OF ASSETS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Receipts from the Sale of Inventories, Stocks and Commodities	-	164,404,195
Total	-	164,404,195

5 OTHER RECEIPTS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Receipts from Administrative Fees and Charges	431,998,367	-
Receipts from Administrative Fees and Charges - Collected as AIA	-	20,662,603
Total	431,998,367	20,662,603

This relates to fees raised from Export inspection, Audit, Tribunal and sale of goods and services.

6 COMPENSATION OF EMPLOYEES

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Basic salaries of permanent employees	329,982,060	591,292,880
Personal allowances paid as part of salary	208,148,536	347,250,781
Personal allowances provided in kind	6,977,932	-
Pension and other social security contributions	13,748,325	-
Total	558,856,852	938,543,661

7 USE OF GOODS AND SERVICES

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Utilities, supplies and services	23,554,975	38,869,735
Communication, supplies and services	31,807,807	61,959,853
Domestic travel and subsistence	40,077,527	120,506,921
Foreign travel and subsistence	25,129,442	20,857,866
Printing, advertising and information supplies & services	19,471,044	36,195,220
Rentals of produced assets	133,104,608	157,901,250

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

Training expenses	39,992,574	50,576,323
Hospitality supplies and services	17,207,891	61,173,751
Fuel and oil	19,513,699	60,786,571
Specialized materials and services	126,311,776	52,437,258
Office and general supplies and services	28,235,761	72,122,908
Other operating expenses	54,967,453	70,522,289
Routine maintenance – vehicles and other transport equipment	17,259,760	34,123,669
Routine maintenance – other assets	15,852,297	236,945,562
Membership fees and dues	277,484	1,090,000
Capacity building-Africa Capacity Building	3,304,498	-
Total	596,068,596	1,076,069,176

8 OTHER GRANTS AND TRANSFERS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Other current transfers, grants	1,807,622,634	1,268,474,437
Other capital grants and transfers	537,175,000	1,739,391,996
Total	2,344,797,634	3,007,866,433

9 SOCIAL SECURITY BENEFITS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Government pension and retirement benefits	-	8,796,478
Total	-	8,796,478

10 ACQUISITION OF ASSETS

Non-Financial Assets

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Construction of Buildings	-	8,474,592
Refurbishment of Buildings	21,204,577	14,549,533
Construction and Civil Works	-	15,249,964

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs)

Overhaul and Refurbishment of Construction and Civil Works	2,159,609,674	25,387,346
Purchase of Vehicles and Other Transport Equipment	168,000	789,681
Overhaul of Vehicles and Other Transport Equipment	411,840	-
Purchase of Household Furniture and Institutional Equipment	-	9,670,673
Purchase of Office Furniture and General Equipment	48,017,049	42,997,540
Purchase of Specialised Plant, Equipment and Machinery	129,874,500	17,918,610
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	17,000,000
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	20,268,765
Research, Studies, Project Preparation, Design & Supervision	122,848,772	1,083,778
Rehabilitation of Civil Works	-	8,452,280

Financial Assets

Domestic Public Financial Institutions	-	250,000,000
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Total	2,482,134,412	431,842,762
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11 OTHER PAYMENTS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Equity participation in domestic Public non-Financial Institutions		25,429,440
Transfer to Micro Finance Institution	300,000,000	-
Other expenses	20,238,768	-
	320,238,768	25,429,440

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs)

REASONS FOR DEVIATIONS BETWEEN THE APPROVED BUDGETS AND ACTUALS

	APPROVED BUDGET	2013 - 2014	DEVIATIONS
	Kshs	Kshs	Kshs
Employee compensation	560,668,245	558,856,852	1,811,393
Utilities, supplies and services	33,130,610	23,554,975	9,575,635
Communication, supplies and services	39,445,638	31,807,807	7,637,831
Domestic travel and subsistence	47,512,010	40,077,527	7,434,484
Foreign travel and subsistence	32,159,752	25,129,442	7,030,310
Printing, advertising and information supplies & services	21,212,727	19,471,044	1,741,683
Rentals of produced assets	134,863,515	133,104,608	1,758,907
Training expenses	43,956,321	39,992,574	3,963,747
Hospitality supplies and services	19,292,590	17,207,891	2,084,699
Fuel and oil	20,213,984	19,513,699	700,285
Specialized materials and services	139,711,264	126,311,776	13,399,488
Office and general supplies and services	29,748,857	28,235,761	1,513,096
Other operating expenses	113,667,087	54,967,453	58,699,634
Routine maintenance – vehicles and other transport equipment	24,782,860	17,259,760	7,523,100
Routine maintenance – other assets	20,462,439	15,852,297	4,610,142
Membership fees and dues	720,000	277,484	442,516
Capacity building-Africa Capacity Building	5,000,000	3,304,498	1,695,502
Other current transfers, grants	1,809,304,820	1,805,882,634	3,422,186
Other capital grants and transfers	537,175,000	537,175,000	-
Refurbishment of Buildings	30,410,998	21,204,577	9,206,421
Overhaul and Refurbishment of Construction and Civil Works	2,267,580,000	2,159,609,674	107,970,326
Purchase of Vehicles and Other Transport Equipment	0	168,000	(168,000)
Overhaul of Vehicles and Other Transport Equipment	850,000	411,840	438,160
Purchase of Office Furniture and General Equipment	56,730,300	48,017,049	8,713,251
Purchase of Specialised Plant, Equipment and Machinery	130,000,000	129,874,500	125,500
Research, Studies, Project Preparation, Design & Supervision	154,603,005	122,848,772	31,754,233

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs)

Transfer to Micro Finance Institution	200,000,000	300,000,000	(100,000,000)
Other expenses	N/A	20,238,768	

The utilities were under spent by kshs 9,575,635.00 arose as a result of the merger of the two Ministries and devolution of the co-operative function to the county.

The under expenditure of kshs 3,560,521.00 on subsistence was as a result of devolution of the Co-operative functions to the Counties.

Foreign travel under expenditure of kshs 7,030,309.50 arose as a result of the devolution of Co-operative function

The communications, supplies and services was under spent by kshs 7,637,831 which was as a result of the merger of the two Ministries and devolution of the Co-operative functions to the counties.

Printing, advertising and information supplies & services was under spent by kshs 1,513,096.40 due to austerity measures applied to curb expenditure.

Under expenditure of kshs 3,963,747 on training was occasioned by change of Government policy eg. ESAMI was deferred.

Hospitality supplies and services had an under expenditure of kshs 2,084,699 due to austerity measures applied to curb expenditure.

Specialised materials and services had an under expenditure of kshs 13,399,488.25 as a result of procurement freeze on certain specialised materials and exchequer under issue.

Office and general supplies and services had an under expenditure of kshs 1,513,095.95 was as a result of austerity measures undertaken.

The under expenditure on routine maintenance arose from contracted guards and cleaning services which were devolved to the counties.

Routine maintenance - other assets. The under expenditure of Kshs.4,610,141.80 arose from not repairing and maintaining office furniture many of which had been identified for disposal by the Ministry after the merger of the two ministries to one.

Membership fees and dues- The under expenditure of Kshs. 442,516 was occasioned by late release of these funds in the 2nd revised estimate.

Capacity building-Africa Capacity Building Foundation had under expenditure of Kshs.1, 695,501.7 due to over budgeting to membership organisations

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs)

The under expenditure of kshs 12,651,881.85 on rent and rates was due to the merger of the two Ministries and devolution of Cooperative function to county Government.

Refurbishment of Buildings item had an under expenditure of kshs 9,206,421.45 due to insufficient funds.

Overhaul and Refurbishment of Construction and Civil Works item had an under expenditure of kshs 107,970,325.85 as a result of exchequer under issue.

The under expenditure of kshs 8,713,251.35 on Purchase of ICT Networking was due to delay in movement of offices as Ministries merged.

Research, Studies, Project Preparation, and Design & Supervision had under expenditure of kshs 31,754,232.65 due to the lengthy process of acquisition of land from various places on special economic zones.

12A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Exc rate	2013 - 2014 Kshs	2012 - 2013 Kshs
Recurrent Account No: 1000181745	-	-	37,599,208	22,960,908
Development Account No: 10001181923	-	-	291,222	61,880,747
Deposits Account No: 1000182307	-	-	<u>37,147,781</u>	=
Total			<u>75,038,211</u>	<u>84,841,655</u>

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs)

12B: CASH IN HAND

	2013 - 2014 Kshs	2012 - 2013 Kshs
Development Cashbook	100,000	137,996
Deposit Cashbook	539,636	-
Recurrent Cashbook	<u>19,159</u>	<u>19,920</u>
Total	<u>658,795</u>	<u>157,916</u>

12C: OUTSTANDING IMPRESTS (Appendix I)

Name of Officer or Institution	Date Imprest Taken	Amount Taken Kshs	Amount Un- Surrendered 2013/14 Kshs	Un-surrendered Balance 2012/13 Kshs
Total			724,413	622,634

13. BALANCES BROUGHT FORWARD

	2013 - 2014 Kshs	2012 - 2013 Kshs
Receivables	-	-3,402,411
Total		<u><u>-3,402,411</u></u>

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT


Reports and Financial Statements

For the year ended June 30, 2014 (Kshs)


14. OTHER IMPORTANT DISCLOSURES

14.1: OTHER PENDING PAYABLES (See Annex 2)

	Kshs	Kshs
Amounts due to National Government entities	1,092,408.00	-
Amounts due to County Government entities	18,697,751.00	-
Amounts due to third parties-retention money	2,553,542.20	-
	<hr/> 22,343,701.20 <hr/>	-



Principal Secretary



Principal Accounts Controller

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

There were no pending bills at the closure of the financial year.

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

ANNEX 2 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2013	Outstanding Balance 2012	Comments
	a	b	c	d=a-c		
Amounts due to National Govt Entities						
1. Retention monies	1,092,408.00		0	1,092,408.00	0	The money has been transferred in the yr 2014/15.
Sub-Total	1,092,408.00					
Amounts due to County Govt Entities						
2. Salary over reimbursement	18,697,751		0	0		The Kshs. 18,697,751 was salary over surrendered from the County Governments as per attached. The amount has been transferred in the yr 2014/15.
Sub-Total	18,697,751					
Amounts due to Third Parties						
3. Retention monies	2,553,542.20		0	0		Amounts retained on Partitioning and security biometric system
Sub-Total	2,553,542.20					
Grand Total	22,343,701.20					

MINISTRY OF INDUSTRIALIZATION & ENTERPRISE DEVELOPMENT
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

The Ministry has not been maintaining an assets register but will undertake to open in the subsequent years.

APPENDIX I: OUTSTANDING IMPRESTS

APPENDIX II: DISBURSMENT TO PARASTATALS

APPENDIX III: STATEMENT OF ASSETS AND LIABILITIES (DEPOSIT)

APPENDIX IV: ANALYSIS OF RETENTION ACCOUNT

APPENDIX V : BANK RECONCILIATION STATEMENT FOR JUNE 2014

APPENDIX I

OUTSTANDING IMPREST AS AT 30TH JUNE 2014

NAME	PERSONAL NO.	WARRANT NO.	DATE ISSUED	AMOUNT	DATE DUE
IES K. MAKANGA	1994012798	1670519	10.10.2013	13,500.00	18.10.2013
AUGUSTUS M KIMU	1983035377	1670514	14.10.2013	13,500.00	18.10.2013
HENRIETTA M. SHIKUTWA	1981106009	1670715	27.11.2013	13,000.00	09.12.2013
NICKSON MKUTANO BAYA	1989075244	1670718	27.11.2013	13,000.00	09.12.2013
LEVINA LENJO	1983098406	1742601	04.12.2013	13,000.00	16.12.2013
MOHAMMED MKANGA	2006042327	1742602	04.12.2013	13,000.00	16.12.2013
DANIEL MUTISO NGUU	1985096303	1794254	08.10.2013	18,000.00	11.10.2013
MALAKI KIBET TENAI	1987019608	1794255	17.10.2013	18,000.00	11.10.2013
DAVID MURUIKI NJAMWEAH	1993029899	1794253	08.10.2013	13,500.00	11.10.2013
NATHAN MUKHWESO	1987010450	1794257	28.10.2013	18,000.00	30.10.2013
JAMES MUTHEE IKIARA	1986047527	1794259	08.10.2013	13,500.00	11.10.2013
NANCY WANGECI WAIGURU	1987011325	1794262	08.10.2013	18,000.00	11.10.2013
EZEKIEL MOYWAYWA MORACHA	1987010400	1794266	08.10.2013	18,000.00	11.10.2013
ESTHER NDUKU KIVINDYO	1993029881	1794268	08.10.2013	13,500.00	11.10.2013
CHARLES NYUNGU NALIANYA	1984092974	1794269	08.10.2013	13,500.00	11.10.2013
RHODA MULILI	1977075775	1794271	17.10.2013	13,500.00	11.10.2013
PAULINE KABUCHORU	1979156535	1794272	08.10.2013	13,500.00	11.10.2013
DICKSON NYAGAH KITHINJI	1981120574	1794273	08.10.2013	13,500.00	11.10.2013
HUSSEIN JILLO TONA	1990036415	1794274	08.10.2013	13,500.00	11.10.2013
VITALIS OKOTH OKETCH	1993029938	1794279	08.10.2013	13,500.00	11.10.2013
CHEPKWONY ARAP KINGOO	1982053160	1794280	08.10.2013	13,500.00	11.10.2013
KENNEDY ONYAMBU	1993070515	1794283	29.09.2013	13,500.00	11.10.2013
SAMWEL OKEMWA NYAKANGI	1993029912	1794284	08.10.2013	13,500.00	11.10.2013
REUBEN SANG	1977076103	1794285	08.10.2013	13,500.00	11.10.2013
ANDREW OMARE OGWINDI	1987010793	1794286	22.10.2013	18,000.00	27.10.2013
LUCY N. SISENDA	1982036583	1794287	24.10.2013	18,000.00	29.10.2013
STALIN KOECH KIPYEGON	1995014298	1794289	17.10.2013	13,500.00	11.10.2013
LOICE RATEMO	1979161742	1794291	29.09.2013	13,500.00	11.10.2013
LEONARD OTII	1997035151	1794292	08.10.2013	13,500.00	11.10.2013
MARY CHARE MUKARE	1993029302	1794293	08.10.2013	13,500.00	11.10.2013
ANDREW MWAMBOLE MBINGA	1997040651	1794294	17.10.2013	13,500.00	11.10.2013
PETER CCHERRUIYOT KILEL	1995057385	1794403	27.09.2013	18,000.00	11.10.2013
ATHMAN HIRIBE GAWAWA	1987065683	1794404	08.10.2013	10,500.00	11.10.2013
BEN OPIYO	2009082415	1876355	17.03.2014	10,500.00	25.03.2014
DOMNIC OGWARI	1990023349	1742694	28.02.2014	45,355.60	10.03.2014
BONIFACE M. KARANJA	1994012900	1794310	30.08.2013	70,200.00	26.09.2013
FRANKINSON M. MWANGI	1981089736	1799208	23.01.2014	54,000.00	30.01.2014
SIMON NDATHE NJOROGE	2004000646	1799248	07.01.2014	13,857.70	18.01.2014
DORMNIC OGWARI	1990023349	1774884	25.09.2013	50,000.00	30.06.2014
JULIANA MKONGO	1986121389	1670505	11.10.2013	4,000.00	30.06.2014
TOTAL				724,413.30	

APPENDIX II

SUMMARY OF GRANTS TO OTHER GOVERNMENT UNITS

DEVELOPMENT	
KENYA INVESTMENT AUTHORITY	47,500,000.00
EXPORT PROCESSING ZONES AUTHORITY	20,750,000.00
MICRO AND SMALL ENTERPRISES AUTHORITY	100,000,000.00
KENYA LEATHER DEVELOPMENT COUNCIL	41,625,000.00
ANTI-COUNTERFEIT AGENCY	61,500,000.00
THE SACCO SOCIETIES REGULATORY AUTHORITY	46,850,000.00
KENYA INDUSTRIAL RESEARCH AND DEV. INSTITUTE	950,000.00
KENYA INDUSTRIAL PROPERTY INSTITUTE	19,000,000.00
TOTAL	338,175,000.00
RECURRENT	
MICRO AND SMALL ENTERPRISES AUTHORITY-	106,000,000.00
KENYA INDUSTRIAL ESTATES LIMITED	107,020,800.00
THE SACCO SOCIETIES REGULATORY AUTHORITY	93,000,000.00
EXPORT PROCESSING ZONES AUTHORITY	349,544,800.00
ANTI-COUNTERFEIT AGENCY	172,051,200.00
KENYA LEATHER DEVELOPMENT COUNCIL	18,000,000.00
KENYA INVESTMENT AUTHORITY	225,000,000.00
KENYA ACCREDITATION SERVICES-	95,796,000.00
KENYA INDUSTRIAL RESEARCH AND DEV. INSTITUTE	601,300,000.00
NUMERICAL MACHINE COMPLEX	88,092,000.00
KENYA INDUSTRIAL PROPERTY INSTITUTE	139,500,000.00
STANDARDS TRIBUNAL	9,577,813.60
INTERNATIONAL ORGANISATIONS	1,740,000.00
TOTAL	2,006,622,613.60
GRAND TOTAL	2,344,797,613.60

APPENDIX III

MINISTRY OF INDUSTRIALIZATION AND ENTERPRIDE DEVELOPMENT
STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE, 2014

DEPOSIT VOTE -117

DESCRIPTION	PREVIOUS YEAR 2012-2013 KSHS.	CURRENT YEAR 2013-2014 KSHS.
ASSETS		
TEMPORARY IMPREST	415,242.20	-
PAYMASTER GENERAL	10,115,564.05	37,147,781.00
TOTALS KSHS	10,530,806.25	37,147,781.00
LIABILITIES		
MANAGEMENT & SUPERVISION FUND-PMG	2,422,686.25	9,592,319.05
LIQUIDATION FUND ACCOUNT	5,159,150.00	5,159,150.00
COFFEE WAIVER	8,782.30	8,782.00
INQUIRY FEES DEPOSIT	720.00	23,720.00
RETENTION MONIES	1,092,408.10	3,645,951.00
REFUNDS FROM COUNTY-- SALARY OVER PAID	-	18,697,751.00
PROVIDENT FUND REFUNDS	20,107.95	20,107.95
TOTALS KSHS	10,530,806.25	37,147,781.00

SIGNATURE..........DATE.....**30 Sep 2014**.....

THOMAS NJOGU

PRINCIPAL ACCOUNTANT

APPENDIX IV

DEPOSIT VOTE ANALYSIS FOR THE YEAR ENDED JUNE 2013/14.

RETENTION ANALYSIS

			AMOUNT	AMOUNT
			KSHS	KSHS
DATE	MR NO:	FROM WHOM RECEIVED	DR	CR
7/1/2013		County like Enterprises B/D	896,228.00	
7/1/2013		Airod Consultant B/D	196,180.00	
4/9/2014	4760656	Swift Grid	105,520.00	
4/30/2014	4760657	Swift Grid	83,325.00	
4/30/2014	4760658	Swift Grid	134,272.80	
5/26/2014	4760659	Swift Grid	556,682.80	
6/30/2014	4760660	C.B.M International	1,022,200.80	
6/30/2014	4760661	Swift Grid	181,062.00	
6/30/2014	4760662	Beatel Investments	470,479.60	
6/30/2014		BALANCE C/D		3,645,951.00
		GRAND TOTAL	3,645,951.00	3,645,951.00

NB: County like Enterprises and airod consultants retention has been surrendered to treasury

INQUIRY FEES ANALYSIS

			AMOUNT	AMOUNT
			KSHS	KSHS
DATE	MR NO:	FROM WHOM RECEIVED	DR	CR
7/1/2013	239149	Ngundu FCS B/D	30.00	
7/1/2013	2368623	UG Mwalimu B/D	530.00	
7/1/2013	1775160	ViwaNda SACCO B/D	30.00	
7/1/2013	2368624	Vihiga County B/D	130.00	
6/30/2014	2675974	kagunu F C S	9,800.00	
6/30/2014	2675323	KTTC Sacco	7,400.00	
6/30/2014	3570619	MEO Sacco	3,600.00	
6/30/2014	2348042	Nyamache Sacco	1,000.00	
6/30/2014	0960034	M.T.K. Sacco	1,200.00	
6/30/2014		BALANCE C/D		23,720.00
			23,720.00	23,720.00

DEBT WAIVER ANALYSIS

			AMOUNT	AMOUNT
			KSHS	KSHS
DATE	MR NO:	FROM WHOM RECEIVED	DR	CR
7/1/2013	413159	Ministry of Finance B/D	8,782.30	
6/30/2014		Balance c/d		8,782.30

PROVIDENT FUND SCHEME

			AMOUNT	AMOUNT
			KSHS	KSHS
DATE	MR NO:	FROM WHOM RECEIVED	DR	CR
7/1/2013		Cherum Kiptoo	9,737.10	
7/1/2013		Onsondo Henry Nyabuto	2,744.25	
7/1/2013		Joshua K Ngeno	2,407.70	
7/1/2013		Stephen K Mwangi	5,218.90	
6/30/2014		BALANCE C/D		20,107.00
			20,107.00	20,107.00

LIQUIDATION CONTROL ACCOUNT

			AMOUNT	AMOUNT
			KSHS	KSHS
DATE	MR NO:	FROM WHOM RECEIVED	DR	CR
7/1/2013	9586501	AGEUNI FCS B/D	56,446.85	
7/1/2013	9586550	BARINGO DIST: co-opB/D	62,183.85	
7/1/2013	83843901	CHOGORIA FCS B/D	58,867.40	
7/1/2013	8348950	GATURI BLOCKS B/D	116,132.00	
7/1/2013	8343951	KITAE NIKYUKAA SACCo B/D	167,007.20	
7/1/2013	8343400	KITANDA CS B/D	69,492.25	
7/1/2013	8343852	PONDENI FCS B/D	3,881,742.65	
7/1/2013	8343950	TALANGI FCS B/D	215,000.00	
7/1/2013	9586620	BARINGO DIST: co-opB/D	47,995.80	
7/1/2013	8343948	HFCK DEPOSIT FEES B/D	484,282.00	
6/30/2014		BALANCE C/D		5,159,150.00
			5,159,150.00	5,159,150.00

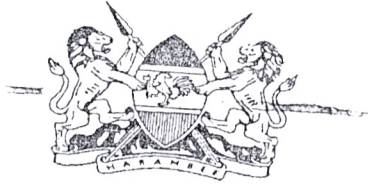
REFUNDS OF SALARY FROM COUNTIES

			AMOUNT	AMOUNT
			KSHS	KSHS
DATE		PARTICULERS	DR	CR
6/30/2014		ISIOLO COUNTY	17,035,263.00	
6/30/2014		MARSABIT COUNTY	834,940.00	
6/30/2014		MANDERA COUNTY	17,406.00	
6/30/2014		UASINGISHU COUNTY	810,142.00	
6/30/2014		BALANCE C/D		18,697,751.00
			18,697,751.00	18,697,751.00

1 JDX V

Treasury

REPUBLIC OF KENYA



MINISTRY OF INDUSTRIALIZATION AND ENTERPRISE DEVELOPMENT

TELEGRAPHIC ADDRESS "CO-PS" NAIROBI

TELEPHONE: 2731531
FAX 240096

When replying please quote

NSSF BUILDING
BISHOP ROAD
P O BOX 30547
NAIROBI

Ref: MIED/1/14/20/12

17TH, SEPT, 2014

Principal Secretary,
Ministry of Finance,
P.O. Box 30007-00100,
NAIROBI.

Attn. Accountant General


RE: BANK RECONCILIATION STATEMENTS

Attached herewith please find the above mentioned statements for the following months.

Recurrent 117 as at 30TH, JUNE, 2014

Development 117 as at 30TH, JUNE, 2014

Deposit 117 as at 30TH, JUNE, 2014


THOMAS G. NJOGU
FOR: PRINCIPAL SECRETARY

BANKI
KUU YA
KENYA



CENTRAL
BANK OF
KENYA

Haile Selassie Avenue
P. O. Box 60000 - 00200 Nairobi, Kenya
Telephone: 2860000, Fax: 340192

July 18, 2014

CBK/BD/KRA/CERT-PMG/BAL/14/15

Principal Secretary
Ministry of Industrialisation & Enterprise Development
P.O. Box 30547-00100
NAIROBI

Dear Sir,

CERTIFICATE OF BALANCES

We refer to your letter dated July 17, 2014 on the above subject.

We hereby certify that Ministry of Industrialisation & Enterprise Development had the following Credit Balances as at 30th June 2014 in the following accounts:-

ACCOUNT NO	KSHS
1000181745	26,313,879.30
1000181923	12,764,055.05
1000182307	18,517,755.55

Yours faithfully,


L. K. KIPSANAI
MANAGER
BANKING SERVICES


S. M. KAREMU
MANAGER
BANKING SERVICES

cc: Accountant General
National Treasury

*Please file
K. 25/12/14*

REPUBLIC OF KENYA

BANK RECONCILIATION

DEVELOPMENT VOTE 117

30TH, JUNE, 2014

Station NAIROBI.

	shs
Balance as per Bank Certificate ...	12,764,055.05
Payments in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)	436,598,548.55
Receipts in Bank Statement not yet recorded in Cash book	135,000.00
Payments in Bank Statement not yet recorded in Cash Book	2,926,715.00
Receipts in Cash Book not yet Recorded in Bank Statement	421,334,000.50
Bank Balance as per Cash Book	291,222.00

I hereby declare that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the Reconciliation is correct.

FOR THE ATTACHED SCHEDULE(S)

PREPARED BY: MILKA IOBUSURU


Signature

07/08/2014
Date


Signature


RAC
Designation

07/8/2014
Date

REPUBLIC OF KENYA

BANK RECONCILIATION

SIT VOTE 117

AT 30TH, JUNE, 2014

Station NAIROBI.


Balance as per Bank Certificate ...
Payments in Cash Book not yet recorded
Bank Statement (Unpresented Cheques)
Receipts in Bank Statement not yet
Recorded in Cash book
Payments in Bank Statement not yet
Recorded in Cash Book
Receipts in Cash Book not yet Recorded
Bank Statement

	shs
	18,517,755.55
	268,750.00
	1,022,200.80
	15,000.00
	19,905,976.25
Bank Balance as per Cash Book	37,147,781.00

I hereby declare that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the Reconciliation is correct.

FOR THE ATTACHED SCHEDULE(S)

PREPARED BY: MILKA IOBUSURU

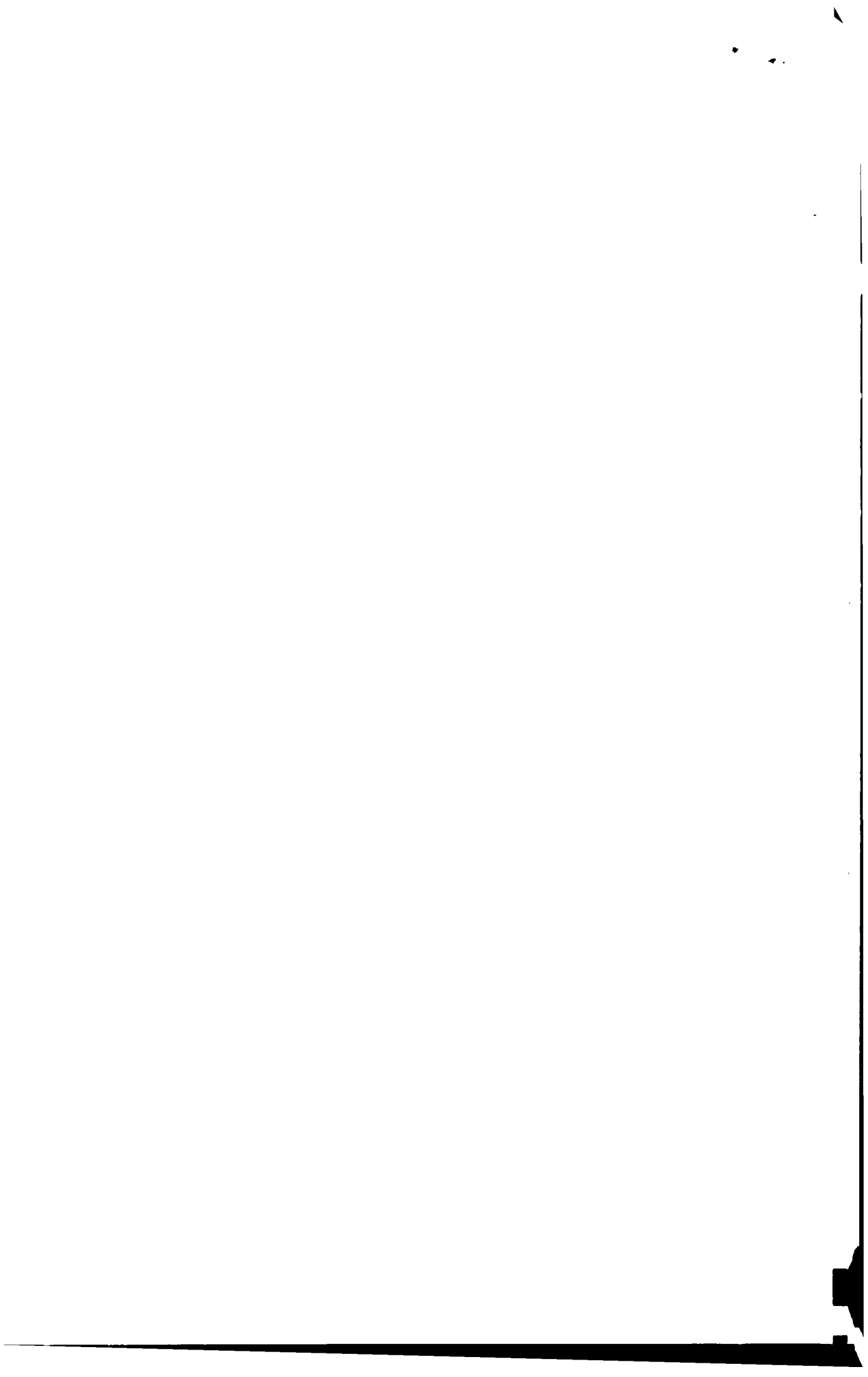

Signature

07/08/2014
Date


Signature

PAC
Designation

07/08/2014
Date



REPUBLIC OF KENYA

BANK RECONCILIATION

RECURRENT VOTE 117

AS AT 30TH, JUNE, 2014

Station NAIROBI.

Balance as per Bank Certificate ...
Less -
1. Payments in Cash Book not yet recorded
in Bank Statement (Unpresented Cheques)
2. Receipts in Bank Statement not yet
recorded in Cash book
Add -
3. Payments in Bank Statement not yet
recorded in Cash Book
4. Receipts in Cash Book not yet Recorded
in Bank Statement

Bank Balance as per Cash Book

	shs
	26,313,879.30
	191,595,235.65
	1,890,600.25
	14,306,407.10
	190,464,757.35
	37,599,207.85

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct.

AS PER THE ATTACHED SCHEDULE(S)

PREPARED BY: MILKA IOBUSURU


Signature

17/09/2014
Date


Signature


PAC
Designation

17/09/2014
Date

