

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

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ON

THE FINANCIAL STATEMENTS OF
STATE DEPARTMENT FOR ENVIRONMENT
AND NATURAL RESOURCES

FOR THE YEAR
ENDED 30 JUNE 2015





MINISTRY OF ENVIRONMENT, WATER AND NATURAL RESOURCES

STATE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2015

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



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR ENVIRONMENT AND NATURAL RESOURCES FOR THE YEAR ENDED 30 JUNE 2015

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of State Department for Environment and Natural Resources set out in pages 1 to 40, which comprise the statement of financial assets as at 30 June 2015, and the statement of receipts and payments, statement of cash flows and the statements of comparative of budget and actual amounts for the year then ended together with a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 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 State Department for Environment and Natural Resources is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards 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.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 4 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 9 of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229 (7) of the Constitution. The Audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involved performing procedure 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 risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk

assessment, 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 Department's internal control. An audit also includes the evaluating the appropriateness of the 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 a basis for my adverse audit opinion.

Basis for Adverse Opinion

1. Accuracy and Completeness of the Financial Statements

1.1 Undated Financial Statements

The financial statements forwarded for audit review for the year ended 30 June 2015 though signed have not been dated as required by the accounting standards. Further, progress on previous year audit issues has not been included in compliance with IPSASs Template as prescribed by the Public Sector Accounting Standards Board.

1.2 Comparative Figures

The comparative figures for the 2013/2014 are for the two State Departments of Environment and Natural Resources and that of Water and Regional Development when the two were merged. Further, the comparative figures were not separated or restated to reflect what belongs to the State Department of Environment and Natural Resources.

1.3 Statement of Cash Flows

The opening cash balance as at the beginning of 2014/2015 of negative Kshs.49,069,945 is at variance with the closing balance for 2013/2014 of Kshs.69,355,058 resulting to an unexplained difference of Kshs.118,423,003.

Further, the 2013/2014 closing cash and cash equivalents of Kshs.913,355,099 differs with the opening balance of Kshs.69,355,058. In addition, the net change movement in receivables and payables balances of Kshs.4,269,760 and Kshs.65,972,866 are not in agreement with the statement of assets (working capital) figures of Kshs.839,730,281 and Kshs.444,616 respectively. As a result, the accuracy of the cash flows statement could not be ascertained.

In view of the foregoing, the accuracy and completeness of the financial statements for the year ended 30 June 2015 could not be confirmed.

2. Budgetary Control and Performance

2.1 Revenue Shortfalls

The exchequer release of Kshs.13,559,041,646 as at 30 June 2015 was short of the approved budget figure of Kshs.15,083,196,218 resulting into an unexplained variance of Kshs.1,524,154,572. Further, the Ministry received other receipts of Kshs.2,749,307,943 against a budget of Kshs.4,293,493,269 as shown below.

No	Item	Budget (Kshs.)	Actual (Kshs.)	Variance (Kshs)
1	Recurrent	8,311,291,664	7,864,900,000	446,391,664
2	Development	6,771,904,554	5,694,141,646	1,077,762,908
	Sub total	15,083,196,218	13,559,041,646	1,524,154,572
3	Domestic and Foreign Grants	573,850,508	0	573,850,508
4	Proceeds from Foreign Borrowings	881,400,000	41,400,000	840,000,000
5	Sale of non-financial assets	2,345,091,761	2,329,019,269	16,072,492
6	Other Receipts Development	493,150,000	378,888,674	114,261,326
	Sub total	4,293,492,269	2,749,307,943	1,544,184,326
	Grand-Total	19,376,688,487	16,308,349,589	3,068,338,898

The overall revenue and borrowings shortfall of Kshs.3,068,338,898 reflects negatively on implementation of planned and budgeted activities of the Ministry.

2.2 Under Expenditure Budget Analysis

The analyses between the budgeted provisions against the actual expenditure reflect on overall under expenditure of Kshs.3,057,948,032 as shown below;

No.	Item	Budget (Kshs.)	Actual (Kshs.)	Variance (Kshs)
1	Compensation of Employees	1,287,401,669	1,246,087,942	41,313,727
2	Use of Goods and Services	2,251,646,994	1,348,268,943	903,378,052
3	Transfer to other Government Units	10,198,861,246	9,542,051,154	656,810,092
4	Social Benefits	14,300,000	13,929,593	370,407
5	Other Grants and Transfers	33,600,000	31,689,430	1,910,570
6	Acquisition of Assets	5,590,878,578	4,136,713,393	1,454,165,185
	Total	19,376,688,487	16,318,740,455	3,057,948,032

Further, the huge unexplained under expenditure of Kshs.3,057,948,032 implies non-delivery of planned development facilities and services. In addition, actual expenditure was not supported as described below:

2.2.1 Use of Goods and Services

During the year under review, the Ministry spent a total of Kshs.1,348,268,943 against the approved budget provision of Kshs.2,251,646,994 resulting to underspending by Kshs.903,378,052 or 40% less absorption.

The schedule provided in support of this item had a balance of Kshs.1,310,817,675 resulting to unexplained variance of Kshs.37,451,268.

2.2.2 Acquisition of non-financial Assets

The Ministry spent a total of Kshs.4,136,713,393 or 74% on acquisition of assets against the approved budget of Kshs.5,590,878,578 resulting to underutilization of Kshs.1,454,165,185. The schedule provided in support of this item had a balance of Kshs.3,129,990,135 resulting to un-explained variance of Kshs.1,006,723,258.

2.2.3 Transfers to Other Government Units

The Ministry spent a total of Kshs.9,542,051,154 as transfers to other Government entities during the year against an approved budget of Kshs.10,198,861,246 resulting to underfunding of Kshs.656,810,092 of the budget. It has not been explained why the Ministry retained funds meant for other agencies.

Further, the schedule provided to support this amount added up to Kshs.8,066,511,717 resulting to an overstatement of Kshs.1,475,539,437.

In addition, an amount of Kshs.22,500,000 was transferred to the Ministry of Foreign Affairs and another Kshs.23,328,000 was transferred to Wildlife Club of Kenya, a private entity without the necessary arrangements on how to account for it. In both instances, the Ministry has not explained the rationale for funding these entities and the accountability for the funds.

In view of the foregoing, the accuracy and propriety of the expenditure of Kshs.16,318,740,455 could not be confirmed as at 30 June 2015.

3. Pending Bills

Bills amounting to Kshs.420,576,006 chargeable to both recurrent and development votes for the ministry as at 30 June 2015 were not paid in the year 2014/2015 but were instead carried forward to 2015/2016. Had those bills been paid and expenditure charged, the statement of receipts and payments will have reflected a higher deficit of Kshs.430,966,872. Failure to settle the bills during the year to which they relate distorts the financial statements for that year and adversely affects the provisions of the subsequent year to which they have to be charged.

In addition, the list of pending bills availed for audit review did not have the details of the tender number, contract sum and the pending invoices as required.

Consequently, it has not been possible to ascertain the validity, completeness and accuracy of the pending bills balance of Kshs.420,576,006 as at 30 June 2015.

4. Cash and Cash Equivalents

The statement of financial assets reflects cash and cash equivalents of Kshs.2,244,295 as at 30 June 2015. However, examination of the bank reconciliation statement as at 30 June 2015 revealed the following unexplained reconciling items;

- (a) The recurrent cash book reflects payments in the cash book not yet presented in the bank of Kshs.172,519,369 of which Kshs.567,451 are stale cheques.
- (b) Kshs.1,961,995 being payments in bank not posted in cash book. It has not been explained how payments went through in the bank without first being recorded in the cash book.
- (c) Receipts in cash book not yet recorded in the bank of Kshs.152,642,501 include Kshs.150,000,000 being exchequer issues posted in cash book but not recorded in the bank. It has not been explained as to how the exchequer issue was captured in the cash book before it could reflect in bank account.
- (d) Receipt in bank not recorded in cash book amounting to Kshs.223,673. Management has not explained what those receipts are and why they have not been posted to the cash book.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.2,244,295 as at 30 June 2015 could not be confirmed.

5. Deposits Account

The Ministry reflects a deposits account of Kshs.65,972,866 as liability as at 30 June 2015 which had not been supported with a corresponding asset and no list of the beneficiaries of the deposits account were availed for audit verification.

Further, the ministry did not maintain a separate account for the deposits as required under Government financial regulations.

As a result, the accuracy and completeness of the deposit balance of Kshs.65,972,866 could not be confirmed as at 30 June 2015.

6. Acquisition of Non-financial Assets

The acquisition of non-financial assets balance of Kshs.4,136,713,393 as at 30 June 2015 include Kshs.341,631,075 for research, studies, project preparation design and supervision of which Kshs.27,145,395 do not relate to this item.

In the circumstances, the accuracy, validity and completeness of acquisition of non-financial assets balance of Kshs.4,136,713,393 as at 30 June 2015 could not be ascertained.

7. Irregular Procurements

7.1 Sub-contracting of Supply, Delivery, Installation and Commissioning of Integrated Metrological Data Collection System

The Ministry awarded a contract of Kshs.169,500,054 to New Edge Solutions Ltd on 2 November 2012. However, the contract was signed between the two parties on 18 October 2014 which was two years after the award.

Further, the contractor, without the approval of the contractee sub-contracted the whole contract to Ms Klass Ltd contrary to the Public Procurement and Disposal Act, 2005. No evidence of delivery of services has been provided for audit review and it appears Ms Klass Ltd was paid based on the 2012 tender documents.

In the circumstance, the expenditure of Kshs.169,500,054 is irregular charge to public funds as no value for money appears to have been obtained as at 30 June 2015.

7.2 Irregular Procurement and Payment -Construction of Embu County Office

The Metrological Department contracted M/S Cofard Construction (K) Ltd to construct a model County Office in Embu in 2009 at a contract sum of Kshs.11,532,396 by floating a quotation contrary to the Public Procurement and Disposal Act, 2005. The contract sum was revised upwards to Kshs.14,548,499 without following the procedures. No contract was prepared and signed between the two parties in accordance with Public Procurement and Disposal Act, 2005. To date the project has stalled casting doubt as to whether this was regular charge to Public funds.

The Ministry appears to have lost the Kshs.14,548,499 spent on the stalled project as at 30 June 2015.

7.3 Tender to Construct Two Observatory Units

The Ministry awarded the tender to construct two observatory units to Signature Contractors and General Supplies at a tender sum of Kshs.6,771,936. However, after two months, the Ministry awarded another similar contract to Venera Investments at contract sum of Kshs.13,543,872 double the amount awarded to the first contract for the same work.

In the circumstances, it has not been possible to ascertain the propriety of the expenditure of Kshs.13,543,872 and whether the contract fulfilled the requirements of the Public Procurement and Disposal Act, 2005 and no value for money obtained for the transactions.

7.4 Contract for the Supply, Delivery, Installation and Commissioning of Weather Observation System

During the year under review, the Ministry paid Kshs.9,491,023 to Kenya Auto Electrical Ltd being 50% payment for the above supply, delivery, institution and commissioning of weather observatory systems. The payment was made based on the purported supply procured in 2007. The LPO was dated 2007, delivery note was dated 6 October 2008.

There was no contract to support the payment besides, no mention was made regarding the previous payments and delivery was not evidenced.

In the circumstances, the validity and propriety of the payment of Kshs.9,491,023 could not be ascertained as at 30 June 2015.

7.5 Irregular Fencing Projects Payments-Kenya Metrological Service Stations

The State Department of Environment identified some contractors through floating of quotations for the construction of fencing projects at various Kenya Metrological Service stations at a total contract sum of Kshs.27,760,162 contrary to the Public Procurement and Disposal Act, 2005 where contracts exceeding Kshs.4 million should go through open public tendering. Further, the payments to the contractors did not have ETR receipts attached to confirm that the tax due to the Government was paid.

In addition, no engineers report(s) or certificates of work completion were provided for audit verification to confirm that the works were done to the expected standards and as per bills of quantities before payments were made.

In the circumstances, it has not been possible to ascertain the propriety of the expenditure of Kshs.27,760,162 as at 30 June 2015.

7.6 Payments towards the Construction of Buildings and Related Works

The State Department of Environment awarded to M/S Gracan Construction Ltd the contract to construct proposed extension and re-roofing of Administration block at Kenya Metrological Department (KMD) at a contract sum of Kshs.55,414,756. The contract appears to have been awarded in 2009/2010 but payments were being made in the current financial year. The cause for the delay was not documented anywhere. The contract sum and other contract conditions could not be established as there was no contract availed for audit verification. ETR certificates were not attached to the payments, casting doubt whether the tax due were remitted. There were no inspection and acceptance committee reports.

In the circumstances, it has not been possible to ascertain the legality and propriety of the expenditure of Kshs.55,414,756 as at June 2015.

7.7 Unverified Supplies of Seedlings

During the year under review, the State Department contracted various suppliers to supply seedlings to various destinations at a contract sum of Kshs.34,925,500.

The delivery of the seedlings could not be confirmed as delivery notes were not signed and stamped or no goods received notes were issued. This casts doubt on the existence and execution of the contracts.

In the circumstances, it has not been possible to ascertain the propriety of the expenditure of Kshs.34,925,500 as at 30 June 2015.

8. Loss of Government Vehicle

The Ministry vehicle registration number GKA 152Q (though assigned civilian number plate KAY 953F) and attached to a former Principal Secretary valued at Kshs.5,460,000 was reported lost at Mlolongo area Machakos County under unclear circumstances on 24 August 2013 at around 9.00 pm and being driven by an unauthorized person. The vehicle was not reported lost as per the Government requirements. It therefore seems that there is an intention to conceal the loss and the management appears reluctant to take any action.

Consequently, the Ministry appears to have lost Kshs.5,460,000 as no recovery of the amount had been instituted as at 30 June 2015.

9. Renovation of Staff Houses in Lodwar Town

The Meteorological Department, Turkana Sub-County made a payment of Kshs.7,398,039 to M/S Namorutunga Construction Company Limited on 29 May 2015 in respect of renovation of ten (10) houses in Lodwar Town. Although works were completed and certificate of completion issued on 15 May 2015 and technical team report issued on 20 May 2015, it was noted that the contract sum of Kshs.7,398,039 exceeded procurement threshold matrix of Kshs.3,000,000 limit allowed by Procurement Regulations 2013 for the quotations in respect of works for entities in Class B under which District Treasury entities fall. Further, the tender award was made on 6 February 2014, contractor informed on the same date, accepted the offer on the same date and contract signed on the same date contrary to the provisions of Section 67 (1) of the Public Procurement and Disposal Act, 2005 which requires that a contract be signed after lapse of fourteen (14) days after notification of award.

In addition, the full contract sum of Kshs.7,398,039 was made without withholding 6% VAT and there is no evidence that the contractor remitted the balance of 10% to Kenya Revenue Authority since the firm did not present Personal Identification Number (PIN) certificate.

Consequently, the contract was irregularly awarded and was in breach of the Public Procurement and Disposal Act, 2005 and Procurement Regulations 2013 and value for money was not obtained from the transaction.

10. Compensation of Employees

The compensation of employees reflects an amount of Kshs.1,246,087,942 as at 30 June 2015. An examination of the payroll however revealed that there are instances when those who have retired take long to be removed from payroll. Further, there were unreconciled payroll differences between some months.

In addition, some staff were commuting their leave days and at the same time are paid leave allowance which amounts to double benefit. It was also revealed that there are staff who have sought for study leave yet they continue enjoying full salary besides others who upon finalizing their study leave take long to resume but were still in the payroll. This practice negates proper internal controls in the area of payroll management.

11. Financial Performance

The State Department of Environment and Natural Resources prepares its accounts using IPSAS cash accounting which implies that expenditure should not exceed receipts. However, reflected in the statement of receipts and payment is a deficit of Kshs.10,390,866 (2014: Kshs.833,138,857) as at 30 June 2015. Further, the Department has an overall negative financial position of Kshs.59,458,811 as at 30 June 2015. This has partly been brought about by the Department having wrong opening balances. It is not clear why the Department has a deficit whereas there was huge under spending both in recurrent and development votes.

Consequently, the reliability of the financial statements and the financial performance of the Department could not be ascertained as at 30 June 2015.

12. Fixed Asset Register

The fixed asset register was never provided for audit review yet the Department has various buildings across the country as well as vehicles and other equipments of undetermined value. In absence of the register, it has not been possible to confirm that the Department's financial position is fairly stated.

Adverse Opinion

In my opinion, because of the significance of the matters described in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the statement of financial assets of the State Department for Environment and Natural Resources as at 30 June 2015, and of its financial performance and its cash flows for the year then ended, and do not comply with International Public Sector Accounting Standards (Cash Basis) Public Finance Management Act, 2012 and the Government Financial Regulations and Procedures.



FCPA Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

06 July 2016

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I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Ministry was established by Executive Order No. 2/2013 of May 2013 by merging the Ministry of Environment and Mineral Resources, Ministry of Water and Irrigation, Ministry of Wildlife and Forestry and the Ministry of Regional Development Authorities. At cabinet level, the Ministry is represented by the Cabinet Secretary for Environment, Water and Natural Resources, who is responsible for the general policy and strategic direction of the Ministry. The mandate of the Ministry is detailed in the Executive Order no. 2/2013, "to undertake protection, conservation and development of environment, water and natural resources for sustainable development".

The State Department of Environment vision is *"A clean, healthy, safe and sustainably managed environment, and Natural resources"*

The State Department of Environment mission commits, *"To facilitate good governance in the protection, restoration, conservation, development and management of environment, water and natural resources for equitable and sustainable development"*

(b) Key Management

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

- i. State Department of Environment and Natural Resources
- ii. State Department of Water

The State Department of Environment and Natural Resources is charged with responsibilities of implementing policies, strategies and development plans for conservation, protection and management of Environment and Natural Resources.

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The State Department of Water is tasked with the role of formulating, reviewing and implementation of policy on the water sector, Integrated Regional Development programmes and the reclamation of degraded lands for sustainable development of the country.

During the Financial year 2014/2015 the Principal Secretary for Environment and Natural Resources and the Principal Secretary for Water and Regional Authorities were appointed Acting Officers for their respective State Departments

The Principal Secretary State Department of Environment and Natural Resources is therefore responsible for the preparation of Financial Statements for the State Department of Environment and Natural Resources.

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Mr. Richard Lesiyampe
2.	Environment Secretary	Alice Kaudia,(Phd,HSC)
3.	Conservation Secretary	Gedion Gathara
4.	Senior Director Administration	Amb.Julius.K.Kandie,EBS
5.	Chief Economist	Anthony N. Mugane
6.	Director Kenya Wildlife Service	William Kiprono
7.	Director Kenya Forestry Service	Emilio Mugo
8.	Director Kenya Meteorological Services	James C. Kongoti
9.	Assistant Accountant General	Johnson Njuguna
10.	Principal Internal Audit	Elizabeth Kiano
11.	Director Human Resource Management & Development	M.S. Gitari
12.	Principal Supply Chain Management	Gilbert Mamati

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No.	Designation	Name
13.	Director Nairobi River Basin Programme	Erick FN Akotsi
14.	Director National Environment Management Authority	Prof. Geoffrey Wahungu
15.	Chief Finance Officer	Patrick Kinya

(d) Fiduciary Oversight Arrangements

Audit and finance committee

(i) Mandate

The mandate of the audit committee shall include:-

- Assisting the accounting officer/chief executive officer in enhancing internal controls in order to improve efficiency, transparency and accountability.
- Reviewing audit issues raised by both internal and external auditors.

Resolving unsettled and unimplemented Public Accounts and Public Investments Committees' (PAC/PIC) recommendations.

- Enhancing communication between management, internal and external audit and fostering an effective internal audit function.

However, the mandate of the audit committee shall not be limited in any way, which would prevent it from properly performing its duties and responsibilities.

(ii) Duties and Responsibilities

Duties and responsibilities covering three broad areas relating to compliance with internal controls, financial reporting and governance shall include:-

- Evaluating adequacy of management procedures with regard to issues relating to

risk management, control and governance.

- Reviewing and approving the audit charter where applicable and internal audit annual work plans.
- Reviewing the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulation, procedures, plans and ethics.
- Initiating special audit/investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the accounting officer/chief executive officer.

The above responsibilities should not prevent the audit committee from carrying out any tasks, which are within its mandate.

(e) Headquarters

P.O. Box 49720
Maji House
Ngong Road
Nairobi, KENYA

(f) Entity Contacts

Telephone: (254) (254)4900000/2716103
E-mail: ps@water.go.ke
Website: www.water.go.ke

(g) Entity Bankers

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

Nairobi, Kenya

(h) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

FORWARD BY THE CABINET SECRETARY

The State Department of Environment and Natural Resources, established by Executive Order No. 2/2013 of May 2013 is mandated to undertake protection, conservation and development of environment, water and natural resources for sustainable development. In 2013, the government, in line with the Constitution, rationalized the portfolio, responsibilities and functions of all the ministries and other government agencies..

The State Department of Environment and Natural Resources approved revised budget for the period under review was Kshs 15.082 billion. However, the actual expenditure/receipts by the ministry during the review period totalled about Kshs 13.517 billion. The ministry spent about Kshs 7.839 billion on recurrent expenditures and Kshs 5.678 billion on development expenditure. The absorption rate is 90%.

The Ministry recognises its constitutional obligation in the water and environment sector and has been taking appropriate action. The Department implemented five (5) programmes in the review period 2014/15. These programmes are: Environment Policy Development and Coordination; Environment Management and Protection; Meteorological Services; Forestry Research, Development and Management; Wildlife Conservation and Management;

A number of policies and legislations have been re-drafted and laws amended or enacted along the timelines of the constitution. The key policies, enacted bills and reviewed laws are: National Environment Policy 2014; Draft Policy on Sound chemical Management; Integrated coastal zone management (ICZM) policy 2014; Draft Forest policy Draft National Climate Change Policy; Climate Change Bill, 2015; Education for Sustainable Development Policy 2014; The Forest Conservation and Management (Amendment) Bill, 2014; National Wetlands Conservation and Management Policy 2014; Draft guidelines and Regulations on Wildlife Conservation and Management Act developed; and Agreements relating to Natural Resources (Ratification by Parliament) Bill.

The tree cover increased from 6.99% to 7.3% by raising and planting 452 Million tree seedlings nationally through farm forestry, commercial woodlots, green school programme, and rehabilitation of degraded areas. Under Green School Programme, the Ministry planted 6.46 Million tree seedlings

in partnership with 3,241 schools. Further, 547,074 ha of natural forests were rehabilitated and protected in five (5) main water towers; 141,000 ha of plantations were also established in Mau, Central highlands and North Rift Conservancies; 350,000 ha of farm forestry/ agro forestry established; 34,000 ha of commercial forests established; and production of 28,000 kg of high quality seeds. This had an impact of increasing tree cover in the country.

In the same period under review, measures such as operationalization of interagency security unit, purchase of surveillance equipment, implementation of Wildlife Act of 2013, construction of forensic and genetic laboratory and intelligence sharing, recruitment of 565 rangers helped to reduce elephants and rhino poaching by 67.6%.

To increase visitation to our National Parks, less visited parks were upgraded: Kinna Cottages & Meru guest houses (Meru Park), Sable and shimoni bandas (Shimba Hills), Udo bandas (Kakamega), Amboseli cottages and Sibiloi guest houses; Rebranded Sibiloi, Lake Nakuru N. Park, Oldonyo, Saiwa, Mombasa Marine Park, Watamu marine, Hells gate/Longonot and Mzima springs Tsavo west N. park and Developed Niche Products Programme: World War 1 site in Tsavo west and via ferrata (Climbing Bridge to cross steep ravine) in Mt Kenya. This has been complemented by construction of access roads such 23Km of Mt. Kenya Chogoria-Kinondoni gate and 73Km Park HQ-Kora road(s) among others thus enhancing mobility in the parks.

Restoration of urban Rivers and riparian areas: Work on restoration of urban rivers was intensified in recognition of the importance of clean rivers to human health; especially in high density settlements. The cleaning of Nairobi and Sosian rivers continued. About 555,000 trees –seedlings were planted along Sio Marimba River, Sosian River, Chania River, Bakerenge River, Pekella, and Migori River. 75 Km of riparian rivers were also rehabilitated. The planting was supported by 800 youths employed on temporary basis to support restoration of urban rivers and riparian areas.

Despite the achievements recorded over the review period, the Ministry faces a number of challenges. The challenges include inadequate funding, inadequate legal and policy framework, weak monitoring and evaluation, population pressure, high levels of poverty, climate change, limited value addition and product diversification and implementation of the constitution focusing on rights of the citizens. In addition, the sector faces a number of emerging issues including Carbon trade, green economy.

STATEMENT OF ENTITY MANAGEMENT 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 Entity shall prepare financial statements in respect of that entity. 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.

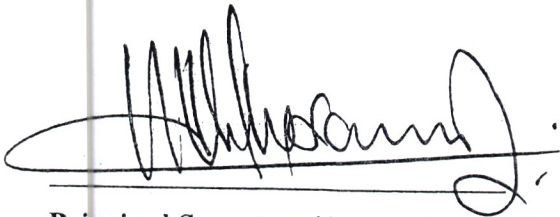
The Accounting Officer in charge of the State Department of Environment and Natural Resources is responsible for the preparation and presentation of the Departments financial statements, which give a true and fair view of the state of affairs of the Department for and as at the end of the financial year (period) ended on June 30, 2015. 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 State Department of Environment and Natural Resources 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 department's financial statements give a true and fair view of the state of ministry's transactions during the financial year ended June 30, 2015, and of the Department's financial position as at that date. The Accounting Officer in charge of the State Department of Environment and Natural Resources further confirms the completeness of the accounting records maintained for the ministry, which have been relied upon in the preparation of the Department's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the State Department of Environment and Natural Resources confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the Department'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 Department'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 _____ 2015.



Principal Secretary/Accounting Officer



Principal Accounts Controller

II. REPORT OF THE INDEPENDENT AUDITORS ON THE STATE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

We have audited the accompanying (consolidated) financial statements of State Department of Environment and Natural Resources for the year ended June 30, 2015, which comprise: (i) a statement of receipts and payments; (ii) a statement of financial assets and liabilities; (iii) a statement of comparative budget and actual amounts; (iv) a statement of pending bills as at June 30, 2015; and (v) a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The entity'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.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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

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are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at June 30, 2015, and its receipts and payments, as well as cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Auditor General

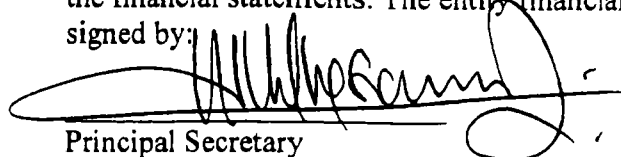
Date

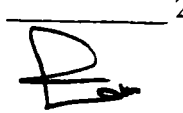
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III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015 Kshs	2013-2014 Kshs
RECEIPTS			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	-	470,133,795
Transfers from National Treasury	4	13,559,041,645	29,246,861,442
Transfers from Other Government Entities	5	-	-
Proceeds from Domestic Borrowings	6	-	-
Proceeds from Foreign Borrowings	7	41,400,000	6,913,552,697
Proceeds from Sale of Assets	8	2,329,019,269	-
Reimbursements and Refunds	9	-	-
Returns of Equity Holdings	10	-	-
Other Revenues	11	378,888,674	1,393,000
TOTAL REVENUES		16,308,349,588	36,631,940,934
PAYMENTS			
Compensation of Employees	12	1,246,087,942	2,359,950,474
Use of goods and services	13	1,348,268,943	2,224,239,384
Subsidies	14	-	-
Transfers to Other Government Units	15	9,542,051,154	-
Other grants and transfers	16	31,689,430	8,251,238,611
Social Security Benefits	17	13,929,593	10,137,707
Acquisition of Assets	18	4,136,713,393	22,953,235,901
Finance Costs, including Loan Interest	19	-	-
Repayment of principal on Domestic and Foreign borrowing	20	-	-
Other Expenses	21	-	-
TOTAL PAYMENTS		16,318,740,454	35,798,802,077
SURPLUS/DEFICIT		(10,390,866)	833,138,857

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2015 and signed by:

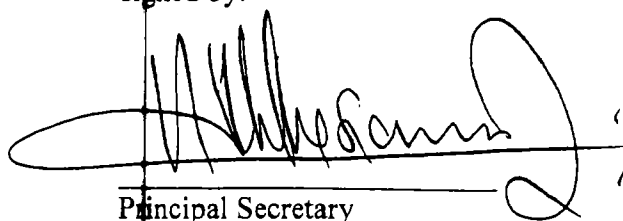

Principal Secretary



Principal Accounts Controller

IV. STATEMENT OF ASSETS

	Note	2014-2015 Kshs	2013-2014 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	22A	2,233,650	68,019,509
Cash Balances	22B	10,645	1,335,549
Total Cash And Cash Equivalents		2,244,295	69,355,058
Accounts Receivables - Outstanding Imp rest and Clearance Accounts	23	4,269,760	844,000,041
TOTAL FINANCIAL ASSETS		6,514,055	913,355,099
LESS: FINANCIAL LIABILITIES			
Accounts Payables - Deposits	24	65,972,866	65,528,250
NET FINANCIAL ASSETS		(59,458,811)	847,826,849
REPRESENTED BY			
Fund balance b/fwd	25	(49,067,945)	14,687,990
Surplus/Defict for the year		(10,390,866)	833,138,857
Prior year adjustments		-	-
NET FINANCIAL POSSITION		(59,458,811)	847,826,847

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2015 and signed by:


 Principal Secretary


 Principal Accounts Controller

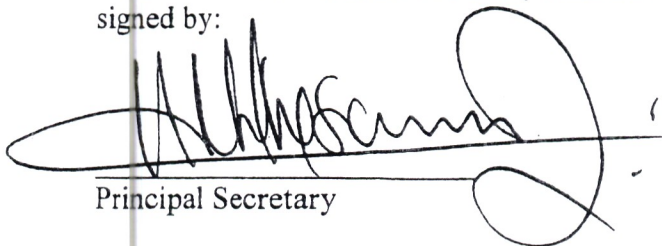
V. STATEMENT OF CASHFLOW

	Note	2014-2015 Kshs	2013-2014 Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	-	470,133,795
Transfers from National Treasury	4	13,559,041,645	29,246,861,442
Transfers from Other Government Entities	5	-	-
Reimbursements and Refunds	9	-	-
Returns of Equity Holdings	10	-	-
Other Revenues	11	378,888,674	1,393,000
		13,937,930,319	29,718,388,237
Payments for operating expenses			
Compensation of Employees	12	1,246,087,942	2,359,950,474
Use of goods and services	13	1,348,268,943	2,224,239,384
Subsidies	14	-	-
Transfers to Other Government Units	15	9,542,051,154	-
Other grants and transfers	16	31,689,430	8,251,238,611
Social Security Benefits	17	13,929,593	10,137,707
Finance Costs, including Loan Interest	19	-	-
Other Expenses	21	-	-
		12,182,027,062	12,845,566,176
Adjusted for:			
Changes in receivables		4,269,760	844,000,041
Changes in payables		65,972,866	65,528,250
Adjustments during the year		-	-

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Net cashflow from operating activities		1,817,606,364	16,094,350,270
Proceeds from Sale of Assets	8	2,329,019,269	-
Acquisition of Assets	18	(4,136,713,393)	(22,953,235,901)
Net cash flows from Investing Activities		(1,807,694,124)	(22,953,235,901)
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Domestic Borrowings	6	-	-
Proceeds from Foreign Borrowings	7	41,400,000	6,913,552,697
Repayment of principal on Domestic and Foreign borrowing	20	-	-
Net cash flow from financing activities		41,400,000	6,913,552,697
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year		51,312,240	54,667,066
Cash and cash equivalent at END of the year		(49,067,945)	14,687,990
		2,244,295	69,355,058

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2015 and signed by:


 Principal Secretary


 Principal Accounts Controller

VI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Revenue/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						
Tax Receipts	-	-	-	-	-	0%
Social Security Contributions	-	-	-	-	-	0%
Proceeds from Domestic and Foreign Grants	522,595,495	51,255,013	573,850,508	-	(573,850,508)	0%
Exchequer releases	13,320,896,768	1,762,299,450	15,083,196,218	13,559,041,646	(1,524,154,572)	90%
Transfers from Other Government Entities	-	-	-	-	-	0%
Proceeds from Domestic Borrowings	-	-	-	-	-	0%
Proceeds from Foreign Borrowings	881,400,000	-	881,400,000	41,400,000	(840,000,000)	5%
Proceeds from Sale of Assets	2,345,091,761	-	2,345,091,761	2,329,019,269	(16,072,492)	99%
Reimbursements and Refunds	-	-	-	-	-	0%
Returns of Equity Holdings	-	-	-	-	-	0%
Other Receipts	493,150,000	-	493,150,000	378,888,674	(114,261,326)	77%
Total Receipts	17,563,134,024	1,813,554,463	19,376,688,487	16,308,349,589	(3,068,338,898)	84%

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Payments									
Compensation of Employees	1,304,866,611	(17,464,942)	1,287,401,669	1,246,087,942	(41,313,727)				97%
Use of goods and services	1,613,250,339	638,396,655	2,251,646,994	1,348,268,943	(903,378,052)				60%
Subsidies	-	-	-	-	0				
Transfers to Other Government Units	8,917,777,983	1,281,083,263	10,198,861,246	9,542,051,154	(656,810,092)				
Other grants and transfers	33,600,000	-	33,600,000	31,689,430	(1,910,570)				94%
Social Security Benefits	14,300,000	-	14,300,000	13,929,593	(370,407)				
Acquisition of Assets	5,679,339,091	(88,460,513)	5,590,878,578	4,136,713,393	(1,454,165,185)				74%
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-				
Other Expenses	-	-	-	-	-				
Grand Total	17,563,134,024	1,813,554,463	19,376,688,487	16,318,740,454	3,057,948,033				84%

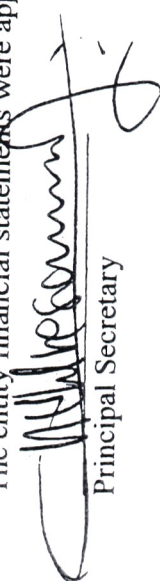
- i. Proceeds from Domestic and Foreign accounts 100% underutilization.
- ii. Proceeds from Foreign borrowings 95% underutilization.

The low utilization was due to low disbursement of the funds attributed to delay in procurement process and strict funds utilization conditions attached by the lenders of the funds.

The entity financial statements were approved on _____ 2015 and signed by:



Principal Accounts Controller



Principal Secretary

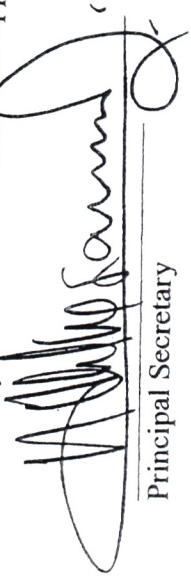
II. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=d-c	f=d/c %
RECEIPTS						
Tax Receipts	-	-	-	-	-	0%
Social Security Contributions	-	-	-	-	-	0%
Proceeds from Domestic and Foreign Grants	-	-	-	-	-	0%
Exchequer releases	6,901,976,982	1,409,314,682	8,311,291,664	7,864,900,000	(446,391,664)	95%
Transfers from Other Government Entities	-	-	-	-	-	0%
Proceeds from Domestic Borrowings	-	-	-	-	-	0%
Proceeds from Foreign Borrowings	-	-	-	-	-	0%
Proceeds from Sale of Assets	2,345,091,761	-	2,345,091,761	2,329,019,269	(16,072,492)	99%
Reimbursements and Refunds	-	-	-	-	-	0%
Returns of Equity Holdings	-	-	-	-	-	0%
Other Receipts	493,150,000	-	493,150,000	332,081,846	(161,068,154)	67%
Total Receipts	9,740,218,743	1,409,314,682	11,149,533,425	10,526,001,115	(623,532,310)	94%
PAYMENTS						
Compensation of Employees	1,120,108,611	(21,685,318)	1,098,423,293	1,085,055,218	(13,368,075)	99%
Use of goods and services	604,074,030	340,000,000	944,074,030	658,421,843	(285,652,187)	70%
Subsidies	-	-	-	-	0	0%
Transfers to Other Government Units	7,953,153,983	1,091,000,000	9,044,153,983	8,724,177,404	(319,976,579)	96%

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Other grants and transfers	33,600,000	-	33,600,000	31,689,430	(1,910,570)	94%
Social Security Benefits	6,000,000	-	6,000,000	5,655,993	(344,007)	94%
Acquisition of Assets	23,282,119	-	23,282,119	21,074,838	(2,207,281)	91%
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	0%
Other Expenses	-	-	-	-	-	0%
Grand Total	9,740,218,743	1,409,314,682	11,149,533,425	10,526,074,726	623,458,699	94%

The entity financial statements were approved on _____ 2015 and signed by:


 Principal Secretary


 Principal Accounts Controller

III. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Revenue/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						
Tax Receipts	-	-	-	-	-	0%
Social Security Contributions	-	-	-	-	-	0%
Proceeds from Domestic and Foreign Grants	522,595,495	51,255,013	573,850,508	-	(573,850,508)	0%
Exchequer releases	6,418,919,786	352,984,768	6,771,904,554	5,694,141,646	(1,077,762,908)	84%
Transfers from Other Government Entities	-	-	-	-	-	0%
Proceeds from Domestic Borrowings	-	-	-	-	-	0%
Proceeds from Foreign Borrowings	881,400,000	-	881,400,000	41,400,000	(840,000,000)	5%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Reimbursements and Refunds	-	-	-	-	-	0%
Returns of Equity Holdings	-	-	-	-	-	0%
Other Receipts	-	-	-	46,806,828	46,806,828	0%
Total Receipts	7,822,915,281	404,239,781	8,227,155,062	5,782,348,474	(2,444,806,588)	70%
Payments						
Compensation of Employees	184,758,000	4,220,376	188,978,376	161,032,724	(27,945,652)	85%
Use of goods and services	1,009,176,309	298,396,655	1,307,572,964	689,847,100	(617,725,864)	53%
Subsidies	-	-	-	-	-	0%
Transfers to Other Government Units	964,624,000	190,083,263	1,154,707,263	817,873,750	(336,833,513)	71%
Other grants and transfers	-	-	-	-	-	0%
Social Security Benefits	8,300,000	-	8,300,000	8,273,600	(26,400)	100%
Acquisition of Assets	5,656,056,972	(88,460,513)	5,567,596,459	4,115,638,555	(1,451,957,904)	74%

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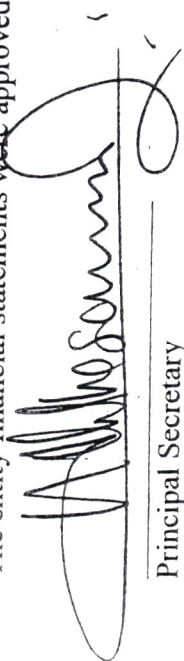
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	0%
Other Expenses	-	-	-	-	-	0%
Grand Total	7,822,915,281	404,239,781	8,227,155,062	5,792,665,728	2,434,489,334	70%

Notes

- i. Proceeds from Domestic and Foreign accounts 100% underutilization.
- ii. Proceeds from Foreign borrowing 95% underutilization.

The low utilization was due to low disbursement of the funds attributed to delay in procurement process and strict conditions attached to utilization of the funds by the donors.

The entity financial statements were approved on _____ 2015 and signed by:


 Principal Secretary



Principal Accounts Controller

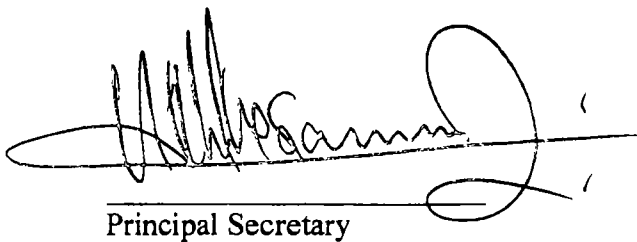
IX. SUMMARY STATEMENT OF PROVISIONINGS

- Details of General Accounts On Vote

	2014 - 2015	2013- 2014
	Kshs	Kshs
GAV Provisioning account balance	<u>1,466,956,053</u>	<u>1,328,572,483</u>
Total	<u>1,466,956,053</u>	<u>1,328,572,483</u>

- Details of Exchequer Account

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Exchequer Provisioning account balance	<u>1,524,154,573</u>	<u>495,433,625</u>
Total	<u>1,524,154,573</u>	<u>495,433,625</u>



 Principal Secretary



 Principal Accounts Controller

X. 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 of Environment, Water and Natural Resources. 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 State Department of Environment and Natural Resources.

2. Recognition of revenue and expenses

The State Department of Environment and Natural Resources 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 State Department of Environment and Natural Resources recognises all expenses when the event occurs and the related cash has actually been paid out by the Ministry.

3. In-kind contributions

In-kind contributions are donations that are made to the State Department of Environment and Natural Resources in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the State Department of Environment and Natural Resources includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. 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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the State Department of Environment and Natural Resources at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

6. 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 State Department of Environment and Natural Resources 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.

7. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation. Comparative figures for 2013/2014 financial year relate to figures appearing in the ministry's financial Statement whose accounts during the year were reported as one entity comprising both state departments (Environment, Natural Resources, Water and Regional Development Authorities).

8. 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, 2015.

XI. NOTES TO THE FINANCIAL STATEMENTS

1 TAX REVENUES	2014 - 2015	2013 - 2014
	Kshs	Kshs
Taxes on Income, Profits and Capital Gains	-	-
Taxes on Property	-	-
Taxes on Goods and Services	-	-
Taxes on International Trade and Transactions	-	-
Other Taxes (not elsewhere classified)	-	-
Total	-	-

2 SOCIAL SECURITY CONTRIBUTIONS	2014 - 2015	2013 - 2014
	Kshs	Kshs
Receipts for Health Insurance Contribution	-	-
Receipts to NHIF for Health Insurance Contributions	-	-
Receipts from Govt Employees to Social & Welfare Schemes in Govt	-	-
Total	-	-

3 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	2014 - 2015	2013 - 2014
	Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)		
(Insert name of donor)		
(Insert name of donor)		

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Grants Received from Multilateral Donors (International Organisations)		
UNDP and European Development Fund		14,114,156
UNICEF		23,754,143
OPEC/Arab Bank for Economic Development in Africa		432,265,496
Grants Received from other levels of government		
(Insert name of donor)	-	-
(Insert name of donor)	-	-
Total	-	470,133,795

4 **EXCHEQUER RELEASES**

Description and reference of the transfer	2014 - 2015	2013 - 2014
	Kshs	Kshs
1st quarter transfer	1,434,985,540	4,565,836,770
2nd quarter transfer	5,092,618,920	6,429,046,878
3rd quarter transfer	2,825,997,185	6,995,860,714
4th quarter transfer	4,205,440,000	11,256,117,080
Total	13,559,041,645	29,246,861,442

5 **TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description	2014 - 2015	2013 - 2014
	Kshs	Kshs
Transfers from Central government entities		

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		-
		-
Transfers from Counties		
(insert name of budget agency)	-	-
(insert name of budget agency)	-	-
TOTAL	-	-

6 **PROCEEDS FROM DOMESTIC BORROWINGS**

	2014 - 2015 Kshs	2013 - 2014 Kshs
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
Domestic Accounts Payable	-	-
Total	-	-

7 **PROCEEDS FROM FOREIGN BORROWINGS**

	2014 - 2015 Kshs	2013 - 2014 Kshs
Foreign Borrowing – Draw-downs Through Exchequer	-	-

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Foreign Borrowing - Direct Payments	41,400,000	6,913,552,697
Foreign Currency and Foreign Deposits	-	-
Total	41,400,000	6,913,552,697

8 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS

	2014 - 2015 Kshs	2013 - 2014 Kshs
Receipts from the Sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		-
Receipts from the Sale Plant Machinery and Equipment	17,000	-
Receipts from Sale of Certified Seeds and Breeding Stock	2,329,002,269	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Total	2,329,019,269	-

9 REIMBURSEMENTS AND REFUNDS

2014 - 2015 Kshs	2013 - 2014 Kshs
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Refund from World Food Programme (WFP)		
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Reimbursement from Individuals and Private Organisations		-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Reimbursement Using Bonds	-	-
Total	-	-

10	RETURNS OF EQUITY HOLDINGS	2014 - 2015	2013 - 2014
		Kshs	Kshs
	Returns of Equity Holdings in Domestic Organisations	-	-
	Returns of Equity Holdings in International Organisations	-	-
	Total	-	-

11	OTHER REVENUES	2014 - 2015	2013 - 2014
		Kshs	Kshs
	Interest Received	-	-
	Profits and Dividends		-
	Rents	1,200,000	-
	Other Property Income		-

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Sales of Market		
Establishments		-
Receipts from Administrative		
Fees and Charges		-
Receipts from Administrative		
Fees and Charges - Collected		
as AIA	324,567,846	1,393,000
Receipts from Incidental		
Sales by Non-Market		
Establishments		-
Receipts from Sales by Non-		
Market Establishments		-
Receipts from Sale of		
Incidental Goods	6,314,000	-
Fines Penalties and		
Forfeitures		-
Receipts from Voluntary		
transfers other than grants		-
Other Receipts Not		
Classified Elsewhere	46,806,828	-
Business Permits		-
Cesses		-
Poll Rates		-
Plot Rents		-
Other Local Levies		-
Administrative Services Fees		-
Various Fees		-
Council'S Natural Resources		
Exploitation		-
Sales Of Council Assets		-
Lease / Rental Of Council'S		
Infrastructure Assets		-
Other Miscellaneous		
Revenues		-
Other Miscellaneous		
Revenues		-
Insurance Claims Recovery		-
Medium Term Loans (1-3 Yr		
Repayment)		-
Long Term Loans (Over 3 Yr		
Rpayment)		-
Transfers From Reserve		
Funds		-
Donations		-
Fund Raising Events		-

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Other Revenues From		
Financial Assets Loan	-	-
Market/Trade Centre Fee	-	-
Vehicle Parking Fees	-	-
Housing	-	-
Social Premises Use Charges	-	-
School Fees	-	-
Other Education-Related		
Fees	-	-
Other Education Revenues	-	-
Public Health Services	-	-
Public Health Facilities		
Operations	-	-
Environment & Conservancy		
Administration	-	-
Slaughter Houses		
Administration	-	-
Water Supply Administration	-	-
Sewerage Administration	-	-
Other Health & Sanitation		
Revenues	-	-
Technical Services Fees	-	-
External Services Fees	-	-
System Required Revenue		
A/cs	-	-
Total	378,888,674	1,393,000

12 COMPENSATION OF
 EMPLOYEES

	2014 - 2015 Kshs	2013 - 2014 Kshs
Basic salaries of permanent employees	565,574,288	1,213,027,886
Basic wages of temporary employees	188,001,795	347,013,047
Personal allowances paid as part of salary	492,511,859	799,909,541
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	-

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Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	1,246,087,942	2,359,950,474

13 **USE OF GOODS AND SERVICES**

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Utilities, supplies and services	33,188,311	47,049,599
Communication, supplies and services	49,631,734	67,416,205
Domestic travel and subsistence	144,222,241	223,321,416
Foreign travel and subsistence	60,164,303	105,881,398
Printing, advertising and information supplies & services	69,318,351	87,386,459
Rentals of produced assets	106,987,670	229,653,604
Training expenses	62,005,950	141,754,475
Hospitality supplies and services	108,088,115	140,382,540
Insurance costs	6,729,750	12,949,000
Specialised materials and services	152,533,129	258,407,598
Office and general supplies and services	44,676,587	75,513,717
Other operating expenses	421,195,366	660,156,899
Routine maintenance – vehicles and other transport equipment	23,814,314	21,837,979
Fuel Oil and Lubricants	46,425,093	56,350,394
Routine maintenance – other assets	19,288,028	96,178,101

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Total	1,348,268,943	2,224,239,384
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14 **SUBSIDIES**

Description	2014 - 2015	2013 - 2014
	Kshs	Kshs
Subsidies to Public Corporations		
<i>See list attached</i>	-	-
(insert name)	-	-
Subsidies to Private Enterprises		
<i>See list attached</i>	-	-
(insert name)	-	-
TOTAL	-	-

15 **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2014 - 2015	2013 - 2014
	Kshs	Kshs
Transfers to Central government entities		
Current grants to Government Agencies	8,724,177,404	-
Capital grants to Government Agencies	751,873,750	
Other capital grants and transfers	66,000,000	
Transfers to Counties		
(insert name of budget agency)	-	-
(insert name of budget agency)	-	-

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TOTAL	9,542,051,154	-

**16 OTHER GRANTS AND
 OTHER PAYMENTS**

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Scholarships and other educational benefits		-
Emergency relief and refugee assistance		-
Subsidies to small businesses, cooperatives, and self employed		-
Other current transfers,, grants	13,528,628	5,717,643,584
Other capital grants and transfers	18,160,803	2,533,595,027
Total	31,689,430	8,251,238,611

**17 SOCIAL SECURITY
 BENEFITS**

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Government pension and retirement benefits	13,929,593	10,137,707
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	13,929,593	10,137,707

**18 ACQUISITION OF
 ASSETS**

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	2014 - 2015 Kshs	2013 - 2014 Kshs
<u>Non Financial Assets</u>		
Purchase of Buildings		-
Construction of Buildings	197,771,038	320,736,717
Refurbishment of Buildings	73,705,362	48,732,618
Construction of Roads Construction and Civil Works	617,244,176	755,997,088
Overhaul and Refurbishment of Construction and Civil Works	817,756,819	18,995,209,322
Purchase of Vehicles and Other Transport Equipment	2,700,000	13,050,000
Overhaul of Vehicles and Other Transport Equipment	28,650,000	79,504,659
Purchase of Household Furniture and Institutional Equipment	574,000	829,180
Purchase of Office Furniture and General Equipment	2,034,200	4,285,335
Purchase of Specialised Plant, Equipment and Machinery	182,252,750	386,123,589
Rehabilitation and Renovation of Plant, Machinery and Equip.	450,886,483	554,296,046
Purchase of Certified Seeds, Breeding Stock and Live Animals	2,446,400	27,906,105
Research, Studies, Project Preparation, Design & Supervision	1,040,363,585	687,548,348
Rehabilitation of Civil Works	341,631,075	514,953,314
Acquisition of Strategic Stocks and commodities	355,682,683	515,363,410
Acquisition of Land		-
Acquisition of Intangible Assets	23,014,823	48,700,170
Purchase of ICT Equipment		-
<u>Financial Assets</u>		
Domestic Public Non- Financial Enterprises		-
Domestic Public Financial Institutions		-

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Foreign financial Institutions operating Abroad		-
Other Foreign Enterprises		-
Foreign Payables - From Previous Years		-
Total	4,136,713,393	22,953,235,901

**19 FINANCE COSTS,
INCLUDING LOAN
INTEREST**

	2014 - 2015 Kshs	2013 - 2014 Kshs
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	-	-

**20 REPAYMENT OF
PRINCIPAL ON
DOMESTIC LENDING
AND ON-LENDING**

	2014 - 2015 Kshs	2013 - 2014 Kshs
Repayments on Borrowings from Domestic	-	-
Principal Repayments on Guaranteed Debt Taken over by Government	-	-
Repayments on Borrowings from Other Domestic Creditors	-	-

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Repayment of Principal from Foreign Lending & On – Lending	-	-
Total	-	-

21 OTHER EXPENSES

	2014 - 2015 Kshs	2013 - 2014 Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other expenses	-	-
Domestic Accounts	-	-
Total	-	-

22A Bank Accounts

Name of Bank, Account No. & currency	2014 - 2015	2013 - 2014
	Kshs	Kshs
<i>Reccurent Bank A/C</i>	1,623,087	1,169,646
<i>Development Bank A/C</i>	534,710	1,321,613
<i>Deposit Bank A/C</i>		65,528,250
<i>NRMP Bank A/C</i>	75,853	
Total	2,233,650	68,019,509

22B Cash in hand

	2014 - 2015 Kshs	2013 - 2014 Kshs
Cash in Hand – Held in domestic currency	10,645	1,335,549

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Cash in Hand – Held in
 foreign currency

Total	10,645	1,335,549
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Cash in hand should also
 be analysed as follows:

	2014 - 2015 Kshs	2013 - 2014 Kshs
Ministry Headquarters	10,645	1,335,549
Total	10,645	1,335,549

23 **Outstanding Imprests and
 clearance accounts**

<i>Description</i>	2014 - 2015 Kshs	2013 - 2014 Kshs
Salary Advances	1,164,990	509,805
Government Imprests	1,123,617	38,982,191
District Suspense	1,981,152	804,508,045
Total	4,269,760	844,000,041

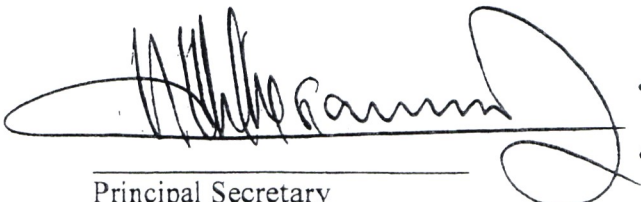
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24	Accounts Payables		
		2014 - 2015	2013 - 2014
		Kshs	Kshs
	Clearance Account	1,400	-
	Deposits	65,971,466	65,528,250
	TOTAL	65,972,866	65,528,250
25	BALANCES BROUGHT FORWARD		
		2014 - 2015	2013 - 2014
		Kshs	Kshs
	Bank accounts	-	-
	Cash in hand	-	1,733,281
	Receivables - Outstanding		
	Imprests	15,970,663	11,649,079
	Salary Advance	489,642	1,305,630
	Payables - Deposits	(65,528,250)	-
	Total	(49,067,945)	14,687,990


28 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Referen ce No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue: (Name and designation)	Status: (Resolved /Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Ministry of Water					
1.	Pending bills	Lack of liquidity/exchequer issues	Mr. Joel K. Karenju- SAAG	Resolved	N/A
2.1	Balance brought forward of cash and cash equivalents	Explanation provided	Mr. Johnson Njuguna-PAC	Resolved	N/A
2.2	Bank reconciliation	Explanation provided	Mr. Joel K. Karenju- SAAG	Resolved	N/A
3	Approved Supplementary Estimates	Explanation provided	Mr. Joel K. Karenju- SAAG	Resolved	N/A
4.	Grants to Government Agencies	Differences in amounts reflected between the ministry and Government Agencies.	Mr. Johnson Njuguna-PAC	Resolved	N/A
5.	Outstanding imprests of Kshs. 38,982,191	Explanation provided	Mr. Johnson Njuguna-PAC	Resolved	N/A
6.	Unaccounted for A.I.Es	Explanation provided	Mr. Johnson Njuguna-PAC	Resolved	N/A
7.	District Suspense	Explanation provided	Mr. Joel K. Karenju- SAAG	Resolved	N/A
8.	Compensation of Employees.	Explanation provided	Mr. Joel K. Karenju- SAAG	Resolved	N/A



 Principal Secretary



 Principal Accounts Controller

ANNEX 1 - ANALYSIS OF PENDING BILLS

DEVELOPMENT PENDING BILLS		
NO	NAME	AMOUNTS(KSHS)
1	AVIATORS RESORT INN	439,000.00
2	TELMA GENERAL MERCHANTS	1,221,000.00
3	AMACO ASSURANCE COMPANY LIMITED	1,288,307.00
4	NAMALIMA AGENCIES	1,400,000.00
5	KOMAG ENTERPRISES LIMITED	1,700,000.00
6	GENERAL MOTORS E. A. LIMITED	1,975,029.00
7	JOHAM UNIVERSAL COMPANY	2,107,500.00
8	DAN AND DAVE SERVICES	2,400,000.00
9	TECHNOLOGY HOUSE KENYA LIMITED	2,400,000.00
10	ROMSA INVESTMENTS	2,874,400.00
11	TELMA GENERAL MERCHANTS	3,000,000.00
12	POLOMARK DEVELOPMENT COMPANY	3,000,000.00
13	TELMA GENERAL MERCHANTS	3,000,000.00
14	FINE TOPS ENTERPRISES	3,000,000.00
15	LMARA MECHANICAL SERVICES	3,026,791.75
16	PLATINUM ENTERPRISES LIMITED	3,318,000.00
17	STENLEAN COMMERCIAL LIMITED	3,420,000.00
18	WAPE BORA SEIF HELP GROUP	3,720,000.00
19	FRAMMY ENTERPRISES	3,762,000.00
20	KENYA REVENUE AUTHORITY (VAT)	3,790,473.00
21	BOZZ CYBERNETICS SYSTEM LIMITED	3,800,000.00
22	NERRY GRAFTS & FURNITURE	4,500,000.00
23	NOBLE NOVELTIES ENTERPRISES	4,597,000.00
24	TIMEHALI GENERAL TRADERS	5,050,160.00
25	PEKALS LIMITED	5,087,250.00
26	NAMALIMA AGENCIES	5,357,865.00
27	JENSAA ENTERPRISES	5,461,800.00
28	FROTIER OPTICAL NETWORKS LIMITED	6,000,000.00
29	JENSAA ENTERPRISES	6,600,000.00
30	KORPINA GENERAL SUPPLIES	6,616,400.00
31	LEEREN ENTERPRISES	6,908,000.00
32	EVERSTAR ENTERPRISES SERVICES	7,150,000.00
33	GRAPE ENTERPRISES	7,331,250.00
34	TECHNOLOGY HOUSE KENYA LIMITD	8,100,000.00
35	MELONELES LIMITED	8,115,000.00
36	MERVIC COMPANY LIMITED	8,800,000.00

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37	LINA ENTERPRISES	8,800,000.00
38	ONE DROP BUSINESS SOLUTION	8,800,000.00
39	FREDRAY ENTERPRISES	9,900,000.00
40	MANJO AGENCIES	10,250,000.00
41	BENAGON CONCEPTS	11,500,000.00
42	RICHMOOD INVESTMENT K LIMITED	11,500,000.00
43	KIFORD UNIVERSAL SUPPLIERS	11,500,000.00
44	GOELICE AGENCIES	12,384,500.00
45	LACEL ELECTRNIC SUPPLIES	12,800,000.00
46	TENBEAT GENERAL MERCHANTS	16,800,000.00
47	FINE TOPS ENTERPRISE	18,195,760.00
48	FUZIKE VENTURES	80,000,000.00
	TOTAL DEVELOPMENT BILLS	362,747,485.75
NO	RECCURENT PENDING BILLS	
1	NAME	AMOUNTS(KSHS)
2	HADASSAH HOTEL	21,700.00
3	KLASS TRAVEL AND TOURS LTD	33,500.00
4	KIMUTECH AUTO SERVICES	33,900.00
5	CHARSONE AGENCIES	41,500.00
6	MASADA HOTEL	72,000.00
7	IZAAK WALTON INN-EMBU	77,400.00
8	TANGO COMPANY LIMITED	79,204.80
9	AVIATORS RESORT INN	82,750.00
10	ALFY ENTERPRISES	99,500.00
11	GENERAL MOTORS E.A LTD	125,597.00
12	AFRICAN TOURS SAFARIS LTD	155,200.00
13	LONGROCK TOURS & TRAVEL	161,000.00
14	IMARA MECHANICAL SERVICES	169,012.00
15	JISAM GENERAL SUPPLIES	176,300.00
16	LONGROCK TOURS & TRAVEL	198,730.00
17	MERICA HOTEL	200,000.00
18	CMC MOTORS GROUP LTD	210,478.70
19	AFRICAN TOURS SAFARIS LTD	231,500.00
20	FLY HIGH AGENCY	239,220.00
21	SERENA HOTELS	272,380.00
22	BECHY TOURS & TRAVEL LTD	275,900.00
23	SAROVA STANLEY	320,000.00
24	AFRICAN TOURS SAFARIS LTD	320,500.00

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25	SHALMAR DREAMS LODGE	350,000.00
26	TOYOTA KENYA LIMITED	353,144.00
27	HAPPEMY SERVICES	371,700.00
28	BECHY TOURS &TRAVEL LTD	400,495.00
29	NECAMO INVESTMENT	420,000.00
30	BIKERA TRADING COMPANY	436,800.00
31	YALE CAMEL CAMP	490,000.00
32	BIMLAY SUPPLIES	498,800.00
33	AFRICAN TOURS SAFARIS LTD	684,615.00
34	BECHY TOURS &TRAVEL LTD	877,040.00
35	TRAVELLERS BEACH HOTEL	897,000.00
36	CRADLE COMMUNICATION LTD	969,000.00
37	KENYA SCHOOL OF GOVERNMENT-1075331	1,125,000.00
38	KLASS TRAVEL AND TOURS LTD	1,766,000.00
39	KLASS TRAVEL AND TOURS LTD	2,175,700.00
40	ALBERT MUMMA	3,000,000.00
41	BECHY TOURS &TRAVEL LTD	3,127,200.00
42	EXPRESS PLUMBERS (K) LTD	5,000,000.00
43	AIRBOUNE LOGISTICS	5,999,716.25
44	TRIMPHOLDING	7,436,000.00
45	UMITA LIMITED	7,500,000.00
46	LLOYD MASIKA LIMITED	10,353,038.08
	TOTAL RECCURENT BILLS	57,828,520.83
	GRAND TOTAL	420,576,006.58

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ANNEX 2 – OUTSTANDING IMPRESTS AST AT 30 JUNE 2015

Payroll no.	Name	Amount
1981116143	Enosh Osoro Nyakweba	83,118.00
1982116170	John Mwago Weru	107,712.00
2001011672	Asbel Koech Kiprotich	32,879.30
2007001544	Teresia Wangui Gitaka	400,000.00
2008092093	Consolata Wangechi	6,000.00
2009001118	Juma Mwadzaphara	360,000.00
2009009611	Agnes Yobteric Chepkorir	22,500.00
KWS 4262	Mambo Price Kwezi	99,208.00
1990112712	Dorothy Adhiambo Atieno	2,400.00
1994026959	Mbaiyo Lelesit	9,800.00
	Total	1,123,617.30

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ANNEX 3 – SALARY ADVANCES AST AT 30 JUNE 2015

Payroll no.	Name	Amount
1979015420	Fredrick Mutiso Mbaluto	5,867.00
1979038088	Damaris Josiah Jabeya	15,658.00
1980137146	Esther Mfache Echenje	30,741.75
1983000500	Julius Ochieng Kanga	9,972.40
1983034591	Henry Ndeto Nguti	14,540.00
1984136079	Lucy Watetu Gichaga	21,720.00
1986056940	Mutua Muathe	10,040.00
1987117919	Charles Moranga Obara	16,924.00
1991062532	Edward Mundia Ngugi	21,768.00
2009047300	Maureen Indiviza Kinyagi	11,684.40
2009047318	Leah Nyanchama Oinde	13,400.00
1987048136	Elsamma Omiya Ndegwa	62,823.20
1987106497	Margaret W K	28,785.25
Training levy		
1991023318	Margaret Wambui Mwangi	417,886.25
1995010105	Magdalene Wanjiku Gateri	218,860.00
2005002968	Geofrey Evans Ogutu	264,320.00
	Total	1,164,990.25

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ANNEX 4 –DISTRICT SUSPENSE AS AT 30 JUNE 2015

	RECCURENT			
	NAME	AMOUNT ISSUED	EXPENDITURE	BALANCE
1	MOMBASA-KMD	4,643,500.00	4,642,920.20	579.80
3	KWALE-KMD	912,480.00	912,460.00	20.00
4	MALINDI AIRPORT-KMD	2,928,000.00	2,928,000.00	
6	TANA RIVER-KMD	314,000.00	313,930.00	70.00
7	LAMU-KMD	1,019,000.00	1,018,751.90	248.10
8	TAITA-TAVETA-KMD	832,000.00	832,000.00	-
9	GARISA-KMD	1,464,000.00	1,463,712.00	288.00
10	WAJIR-KMD	2,348,000.00	2,347,560.00	440.00
12	MANDERA-KMD	956,000.00	956,000.00	-
13	MARSABIT-KMD	2,221,500.00	2,221,500.00	-
14	ISIOLO-KMD	436,000.00	435,365.00	635.00
16	MERU-KMD	470,000.00	470,000.00	
17	THARAKA NITHI-KMD	308,000.00	308,000.00	-
18	EMBU-KMD	1,343,000.00	1,326,300.00	16,700.00
20	KITUI -KMD	484,000.00	477,790.00	6,210.00
21	MACHAKOS-KMD	412,000.00	412,000.00	-
22	MAKUENI-KMD	1,172,000.00	1,172,000.00	-

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23	NYANDARUA-KMD	632,000.00	632,000.00	-
24	NYERI-KMD	673,600.00	667,264.00	6,336.00
25	KIRINYAGA-KMD	308,000.00	308,000.00	-
26	MURANG'A-KMD	954,000.00	953,440.00	560.00
27	KIAMBU-KMD	432,000.00	431,120.00	880.00
28	TURKANA-KMD	1,618,000.00	1,618,000.00	-
29	WEST POKOT-KMD	364,000.00	364,000.00	-
30	SAMBURU-KMD	328,000.00	328,000.00	
31	TRANS NZOIA-KMD	416,000.00	415,651.00	349.00
32	UASIN GISHU-KMD	3,482,000.00	3,481,025.00	975.00
34	ELGEYO-MARAKWET-KMD	308,000.00	308,000.00	-
35	NANDI-KMD	308,000.00	308,000.00	-
36	BARINGO-KMD	308,000.00	210,000.00	98,000.00
37	LAIKIPIA-KMD	3,921,900.00	3,921,573.00	327.00
39	NAKURU-KMD	1,310,000.00	1,309,630.00	370.00
40	NAROK-KMD	1,052,000.00	1,051,999.10	0.90
41	KAJIADO-KMD	590,000.00	590,000.00	-
43	KERICHO-KMD	690,000.00	690,000.00	
44	BOMET-KMD	308,000.00	308,000.00	
45	KAKAMEGA-KMD	1,078,500.00	1,078,275.80	224.20
46	VIHIGA -KMD	1,027,000.00	1,024,171.55	2,828.45

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47	BUNGOMA-KMD	308,000.00	307,960.00	40.00
48	BUSIA-KMD	950,672.50	950,672.50	-
49	SIAYA-KMD	308,000.00	308,000.00	-
50	KISUMU-KMD	1,094,000.00	1,094,000.00	
51	KISUMU-IA KMD	2,999,500.00	2,999,500.00	
52	HOMA-BAY-KMD	1,035,750.00	1,032,904.00	2,846.00
53	MIGORI-KMD	328,000.00	327,875.00	125.00
54	KISII-KMD	604,000.00	603,999.00	1.00
55	NYAMIRA -KMD	438,400.00	438,355.00	45.00
	TOTAL	50,438,802.50	50,299,704.05	139,098.45
	DEVELOPMENT			
	NAME	AMOUNT ISSUED	EXPENDITURE	BALANCE
1	MOMBASA-KMD	2,800,000.00	2,773,218.00	26,782.00
3	KWALE-KMD	500,000.00	500,000.00	-
4	MALINDI AIRPORT -KMD	5,900,000.00	5,899,644.00	356.00
7	TANA RIVER-KMD	650,000.00	648,070.00	1,930.00
8	LAMU-KMD	2,800,000.00	2,798,545.00	1,455.00
9	TAITA-TAVETA-KMD	21,800,000.00	21,800,000.00	-
10	GARISA-KMD	800,000.00	798,048.00	1,952.00
11	WAJIR AIRPORT MET STN-KMD	4,800,000.00	4,799,999.10	0.90
12	MANDERA-KMD	1,800,000.00	1,797,480.00	2,520.00

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13	MARSABIT-KMD	4,800,000.00	4,796,289.80	3,710.20
15	ISIOLO-KMD	800,000.00	799,970.00	30.00
16	MERU-KMD	800,000.00	800,000.00	
18	THARAKA NITHI-KMD	500,000.00	500,000.00	-
19	EMBU-KMD	800,000.00	800,000.00	-
20	KITUI KMD	12,800,000.00	12,799,000.00	1,000.00
22	MACHAKOS-KMD	800,000.00	799,656.25	343.75
23	MAKUENI-KMD	800,000.00	800,000.00	-
24	NYANDARUA-KMD	800,000.00	799,906.00	94.00
25	NYERI-KMD	2,800,000.00	1,704,976.30	1,005,023.70
26	KIRINYAGA-KMD	500,000.00	499,999.00	1.00
27	MURANG'A-KMD	500,000.00	499,905.00	95.00
28	KIAMBU-KMD	800,000.00	799,627.00	373.00
29	TURKANA-KMD	15,800,000.00	15,799,999.40	0.60
31	WEST POKOT-KMD	500,000.00	500,000.00	-
32	SAMBURU-KMD	15,500,000.00	15,500,000.00	
33	TRANS NZOIA-KMD	800,000.00	798,975.00	1,025.00
34	UASIN GISHU-KMD	6,800,000.00	6,799,995.00	5.00
36	ELGEYO-MARAKWET-KMD	500,000.00	500,000.00	-
37	NANDI-KMD	500,000.00	500,000.00	-
38	BARINGO-KMD	500,000.00	499,450.00	550.00

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39	LAIKIPIA-KMD	15,800,000.00	15,799,973.00	27.00
41	NAKURU-KMD	900,000.00	899,997.00	3.00
42	NAROK-KMD	800,000.00	763,200.00	36,800.00
43	KAJIADO-KMD	800,000.00	799,370.00	630.00
45	KERICHO-KMD	3,200,000.00	3,200,000.00	
46	BOMET-KMD	500,000.00	500,000.00	
47	KAKAMEGA-KMD	12,800,000.00	12,799,904.80	95.20
48	VIHIGA-KMD	12,500,000.00	12,499,040.00	960.00
49	BUNGOMA-KMD	6,500,000.00	5,745,907.00	754,093.00
50	BUSIA-KMD	2,800,000.00	2,800,000.00	-
51	SIAYA-KMD	500,000.00	498,688.00	1,312.00
52	KISUMU-KMD	12,900,000.00	12,900,000.00	
53	HOMA-BAY-KMD	900,000.00	899,320.00	680.00
54	MIGORI-KMD	500,000.00	500,000.00	-
55	KISII-KMD	800,000.00	799,840.00	160.00
56	NYAMIRA-KMD	500,000.00	499,953.50	46.50
	TOTAL	182,950,000.00	181,107,946.15	1,842,053.85
	GRAND TOTAL	233,388,802.50	231,407,650.20	1,981,152.30