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# **FINANCIAL STATEMENT**

**for the**

**Fiscal Year 2020/2021**

***(1st July – 30th June)***

**April, 2020**

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## FINANCIAL STATEMENT FOR FY 2020/21

	Printed Estimates FY 2019/20	Revised Estimates I FY 2019/20	Revised Estimates II FY 2019/20	Budget Estimates FY 2020/21
Notes	KSh.Mn	KSh.Mn	KSh.Mn	KSh.Mn
<b>1. Revenue</b>	<b>2,115,902</b>	<b>2,084,246</b>	<b>1,892,811</b>	<b>1,870,487</b>
Ordinary Revenue	Note 1	1,877,176	1,843,813	1,643,378
AIA Ministerial Recurrent	Note 2	171,572	172,150	185,098
AIA Ministerial Development	Note 3	67,153	68,283	64,335
				66,233
<b>2. Grants</b>	<b>38,785</b>	<b>41,804</b>	<b>34,458</b>	<b>36,059</b>
Programme Grants/AMISOM Receipts		5,000	4,000	11,698
Project Grants (Revenue)		14,475	17,690	8,019
Project Grants (AIA)		19,310	20,114	14,741
				20,058
<b>A. TOTAL REVENUE AND GRANTS</b>	<b>2,154,686</b>	<b>2,126,050</b>	<b>1,927,269</b>	<b>1,906,546</b>
1. Recurrent- Ministerial	Note 4 (a)	1,224,606	1,224,277	1,255,596
2. Recurrent -CFS	Note 4 (b)	550,707	550,707	525,313
3. Development Expenditure	Note 5	704,214	782,687	699,638
4. County Governments - Equitable	Note 6	316,500	316,500	286,500
				316,500
<b>B. EXPENDITURE AND NET LENDING</b>	<b>2,796,027</b>	<b>2,874,171</b>	<b>2,767,047</b>	<b>2,729,788</b>
<b>C. DEFICIT INCL.GRANTS</b>	<b>(641,341)</b>	<b>(748,121)</b>	<b>(839,777)</b>	<b>(823,242)</b>
1. Net Foreign Financing	Note 7	331,313	353,460	349,916
2. Domestic Financing	Note 8	310,027	303,914	489,861
				473,529
<b>D. ADJUSTMENT TO CASH</b>	-	<b>(90,748)</b>	-	-
<b>E. FINANCING</b>	<b>641,341</b>	<b>657,374</b>	<b>839,777</b>	<b>823,242</b>

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## NOTES TO THE FINANCIAL STATEMENT FOR FY 2020/21

	Printed Estimates FY 2019/20 KSh.Mn	Revised Estimates I FY 2019/20 KSh.Mn	Revised Estimates II FY 2019/20 KSh.Mn	Budget Estimates FY 2020/21 KSh.Mn
<b>Note 1 Ordinary Revenue</b>	<b>1,877,176</b>	<b>1,843,813</b>	<b>1,643,378</b>	<b>1,621,429</b>
Import Duty	135,422	128,221	93,442	106,762
Excise Duty	242,245	261,632	201,205	241,378
Income tax	884,369	804,497	736,268	685,014
VAT	495,980	464,468	412,629	481,612
Investment Revenue	34,528	23,657	46,057	28,568
Others	84,633	161,338	153,776	78,096
<b>Note 2 AIA Ministerial Recurrent</b>	<b>171,572</b>	<b>172,150</b>	<b>185,098</b>	<b>182,825</b>
GoK Road Maintenance Levy 15% - Counties	8,984	8,984	8,984	9,433
Ministerial Recurrent AIA	162,588	163,166	176,114	173,392
<b>Note 3 AIA Ministerial Development</b>	<b>67,153</b>	<b>68,283</b>	<b>64,335</b>	<b>66,233</b>
Railway Development Levy (RDL)	27,738	28,420	22,682	27,158
Other Local Ministerial Dev AIA (including PDL)	39,415	39,863	41,653	39,075
<b>Note 4 Recurrent Expenditure</b>	<b>1,775,313</b>	<b>1,774,984</b>	<b>1,780,909</b>	<b>1,819,902</b>
<b>(a) Recurrent Ministerial</b>	<b>1,224,606</b>	<b>1,224,277</b>	<b>1,255,596</b>	<b>1,216,906</b>
<b>(i) GoK Contribution</b>	<b>1,053,034</b>	<b>1,052,127</b>	<b>1,070,498</b>	<b>1,034,080</b>
National Government O/M Expenditure	1,047,678	1,046,772	1,065,142	1,028,854
GoK level 5 Hospitals - Counties (See note 6b)	4,456	4,456	4,456	4,326
GoK User Fees Foregone - Counties (See note 6b)	900	900	900	900
<b>(ii) Appropriations-in-Aid (Local)</b>	<b>171,572</b>	<b>172,150</b>	<b>185,098</b>	<b>182,825</b>
GoK RML 15% to Counties (See note 6e)	8,984	8,984	8,984	9,433
Ministerial Recurrent AIA	162,588	163,166	176,114	173,392
<b>(b) CFS - Recurrent</b>	<b>550,063</b>	<b>550,063</b>	<b>524,669</b>	<b>602,996</b>
Domestic Debt Interest (See note 9)	290,540	290,540	301,812	321,911
Foreign Debt Interest (See note 9)	150,941	150,941	131,868	162,434
Pension, CFS Salaries, Subs and Misc Exp (See note 9)	108,582	108,582	90,989	118,651
<b>Note 5 Development Expenditure</b>	<b>704,214</b>	<b>782,687</b>	<b>699,638</b>	<b>593,386</b>
<b>(a) Cash Payments</b>	<b>422,303</b>	<b>477,530</b>	<b>450,899</b>	<b>354,483</b>
Project Grants AIA (Revenue) Expenditure	14,475	17,690	8,019	13,001
Project Loans (Revenue) Expenditure	65,248	66,083	55,552	78,808
GoK contribution to development	323,011	374,186	378,522	242,637
Counties Conditional Grants (See note 6c)	8,805	8,805	8,805	8,505
Equalization Fund	5,765	5,766	-	6,532
Contingency Fund	5,000	5,000	-	5,000
<b>(b) Financed by Foreign and Local AIA</b>	<b>281,911</b>	<b>305,157</b>	<b>248,739</b>	<b>238,903</b>
Project Grants AIA	19,310	20,114	14,741	20,058
Project Loans - Counties Conditional Grants (See note 6d)	38,705	38,705	22,738	30,204
Project Loans AIA - National Government	118,553	123,165	95,835	129,471
Railway Development Levy (RDL)	27,738	28,420	22,682	10,816
Project Loans AIA - SGR Phase 1 & 2A	38,190	54,890	51,090	9,278
Other Local AIA (including PDL)	39,415	39,863	41,653	39,075

## NOTES TO THE FINANCIAL STATEMENT FOR FY 2020/21

	Printed Estimates FY 2019/20 KSh.Mn	Revised Estimates I FY 2019/20 KSh.Mn	Revised Estimates II FY 2019/20 KSh.Mn	Budget Estimates FY 2020/21 KSh.Mn
<b>Note 6 Total County Allocation Per CARA:</b>	<b>378,349</b>	<b>378,349</b>	<b>332,383</b>	<b>369,869</b>
<b>(a) Equitable Share</b>	<b>316,500</b>	<b>316,500</b>	<b>286,500</b>	<b>316,500</b>
Equitable Share	316,500	316,500	286,500	316,500
<b>Conditional Allocation to Counties</b>	<b>61,849</b>	<b>61,849</b>	<b>45,883</b>	<b>53,369</b>
<b>(b) Recurrent</b>	<b>5,356</b>	<b>5,356</b>	<b>5,356</b>	<b>5,226</b>
GoK level 5 Hospitals	4,456	4,456	4,456	4,326
User Fee Foregone	900	900	900	900
<b>(c) Development - GoK</b>	<b>8,805</b>	<b>8,805</b>	<b>8,805</b>	<b>8,505</b>
Leasing of Medical Equipment	6,200	6,200	6,200	6,205
Youth Polytechnics	2,000	2,000	2,000	2,000
County Headquarters	605	605	605	300
<b>(d) Development - External</b>	<b>38,704</b>	<b>38,704</b>	<b>22,738</b>	<b>30,204</b>
World Bank (THSUCP)	2,994	2,994	2,994	4,345
Worldbank NARIGP	7,233	7,233	4,900	4,262
DANIDA (Universal Health DSP)	987	987	987	900
Worldbank KDSP 1	1,410	1,410	1,410	2,115
Worldbank KDSP 2	4,890	4,890	-	-
EU Devolution Advice	493	493	322	216
Worldbank KHSSP	-	-	-	-
Other Loans and Grants	-	-	-	-
Sweden-Agricultural Sector	850	850	850	653
EU (WaTER)	495	495	-	528
Worldbank WSDP	3,500	3,500	1,180	3,400
Worldbank KCSAP	3,643	3,643	1,500	7,120
Worldbank KUSP	11,464	11,464	8,200	6,366
Worldbank KUSP Urban Institutional Grants	396	396	396	-
German Development Bank - DRPNK	350	350	-	300
<b>e) Other County Allocations</b>	<b>8,984</b>	<b>8,984</b>	<b>8,984</b>	<b>9,433</b>
Road Maintenance Levy	8,984	8,984	8,984	9,433
<b>Note 7 Net Foreign Financing</b>	<b>331,313</b>	<b>353,460</b>	<b>349,916</b>	<b>349,713</b>
<b>(a) Disbursements</b>	<b>462,696</b>	<b>484,843</b>	<b>471,393</b>	<b>523,856</b>
Programme Loans	2,000	2,000	96,178	2,000
Semi concessional Loans				124,094
Development Policy Operations - WB			150,000	150,000
Loans AIA Development	157,258	161,870	118,573	159,676
Project Loans AIA Revenue	65,248	66,083	55,552	78,808
Project Loans AIA - SGR Phase I & 2A	38,190	54,890	51,090	9,278
Commercial Financing - Sovereign Bond	200,000	200,000	-	-
<b>(b) Debt repayment - Principal</b>	<b>(131,382)</b>	<b>(131,382)</b>	<b>(121,477)</b>	<b>(174,142)</b>
<b>Note 8 Domestic Financing</b>	<b>310,027</b>	<b>303,914</b>	<b>489,861</b>	<b>473,529</b>
Net Domestic Borrowing	306,814	300,700	337,780	486,156
Other Domestic borrowing	3,213	3,213	152,082	(12,627)
Domestic Redemptions (Receipts)	4,323	4,323	4,323	4,825
Domestic Loan Repayments CBK	(1,110)	(1,110)	(1,110)	(1,110)
Government Deposits	-	-	148,869	(16,342)
<b>Note 9 Consolidated Fund Services</b>	<b>805,780</b>	<b>805,780</b>	<b>870,481</b>	<b>917,185</b>
<b>(a) Public Debt</b>	<b>696,554</b>	<b>696,554</b>	<b>778,848</b>	<b>798,678</b>
Domestic Debt Interest	290,540	290,540	301,812	321,911
Foreign Debt Interest	150,941	150,941	131,868	162,434
Foreign Debt Principal Repayment	131,382	131,382	121,477	174,142
Internal Redemptions ( Rollovers)	123,691	123,691	223,691	140,191
<b>(b) Pension, CFS Salaries, Subscriptions and Misc Exp</b>	<b>108,582</b>	<b>108,582</b>	<b>90,989</b>	<b>118,507</b>
Pensions and Gratuities	104,489	104,489	86,989	114,212
Salaries and Allowances	3,965	3,965	3,985	4,166
Miscellaneous Services	128	128	16	128
Subscriptions to International Organizations	1	1	1	1
<b>(c) Guaranteed Debt</b>	<b>644</b>	<b>644</b>	<b>644</b>	<b>-</b>