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REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE ACCOUNTS
OF KENYA RAILWAYS CORPORATION FOR YEAR ENDED 30 JUNE 2000

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REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF KENYA RAILWAYS CORPORATION FOR THE YEAR ENDED 30 JUNE 2000

I have examined the financial statements of Kenya Railways Corporation for the year ended 30 June 2000 in accordance with the provisions of Section 29 of the Exchequer and Audit Act, (Cap.412). I have obtained all the information and explanations considered necessary for the purpose of the audit. Proper books of account have been kept and the financial statements, which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, are in agreement therewith and comply with the Kenya Railways Corporation Act, (Cap 397). Except for the reservations set out herebelow, in my opinion the accounts, when read together with the notes thereon, present fairly the financial state of affairs of the Corporation as at 30 June 2000 and of its deficit and cash flows for the year then ended.

1. FINANCIAL POSITION

The Corporation's financial statements for the year ended 30 June 2000 reflect a net deficit of Kshs.1,232,605,945 which brought the cumulative deficit to Kshs.8,953,275,785 as at that date. In addition, the Balance Sheet reflects negative working capital of Kshs.1,894,124,911 as at 30 June 2000. The Corporation was also unable to service its loan obligations as they fell due and was, in the circumstances, technically insolvent. The Corporation's continued operation as a going concern is therefore dependent upon the support of its creditors, bankers and the Government.

2. FIXED ASSETS

The Net Tangible Assets figure of Kshs.8,075,261,865 as at 30 June 2000 differs from the amount reflected in the Fixed Assets Register by Kshs.92,998,612. A reconciliation between the two sets of records has, however, not been undertaken by the Corporation. Further, the sum of Kshs.8,075,261,865 still excludes an undetermined value of the Corporation's surveyed and unsurveyed land which had not been valued as at 30 June 2000. In addition, some 57 parcels of land within Nairobi, Mombasa, Kisumu, Nakuru, Eldoret, Kitale and Muguga Stations were irregularly allocated to private developers by the Commissioner of Lands without approval of the Board and the parent Ministry and it has not, therefore, been possible to confirm the propriety of these land transfers. Under the circumstances it is not possible to confirm that the Net tangible Assets are fairly stated at Kshs.8,075,261,865 as shown on the Balance Sheet.

3. STORES

(i) The value of Store Stocks increased by 41% from Kshs.1,958,322,230 in 1998/99 to Kshs.2,763,851,743 reflected in the balance sheet for the year ended 30 June 2000. However, the Supplies Department Statement of Receipts and Issues and the Stores Reconciliation statement reflected balances of Kshs.2,732,807,150 and Kshs.2,560,952,230 respectively in respect of Stores unissued which in turn differed from the figure of Kshs.2,619,307,063 indicated in Note 4 to the financial statements as the balance of stores unissued. Further, the diesel fuel records maintained in the Regional Mechanical Engineer's Depots at Coast, Central and Western Zones revealed an apparent total fuel shortage of 544,471 litres, valued at Kshs.21,123,496.35 as follows:-

Depot	Book Balance Litres	Actual Dipping Litres	Variance Litres	Variances Kshs.
CGW/H/L	432,074	75,295	356,779	13,841,806.25
Voi	15,964	12,284	3,680	143,538.90
Nairobi	201,366	55,205	146,161	5,671,726.70
Eldoret	76,039	52,205	23,412	907,786.60
Nakuru	16,620	2,181	14,439	558,637.90
	<u>742,063</u>	<u>197,592</u>	<u>544,471</u>	<u>21,123,496.35</u>

No explanation has been provided for these variances. As a result the correctness of the net stores stock figure of Kshs.2,763,851,743 reflected in the Balance Sheet could not be confirmed.

(ii) In addition, reports of annual physical stock-taking and the value of the discontinued stocks which were no longer in use as at 30 June 2000 were not made available for audit review. Consequently, it was not possible to confirm that the net stores stocks and the provisions for deterioration and obsolescence of stores as reflected in note 4 to the Accounts, are fairly stated in the financial statements.

4. DEBTORS

The Debtors balances of Kshs.2,429,432,909 as at 30 June 2000 included some 29 customers who had exceeded their guaranteed amounts by Kshs.147,572,501 contrary to Clause 624 of the Traffic Accounts Manual and also the Board's directive under Minute No.201 of April, 1985. Further, eight (8) firms which had not placed freight deposit, operated accounts that were overdrawn by Kshs.31,757,066. In addition, although the Advances figure of Kshs.59,452,235 as at 30 June 2000 reduced to Kshs.31,852,242 as at 31 December 2000 the figure which comprises of Staff Advances of Kshs.22,026,520 and Kshs.9,825,722 in respect of KECO SO Games Advances was still high. The Accounts also show Passenger Debtors of Kshs.49,279,426 which include an amount of Kshs.36,792,931 classified as fraud. Unless and until proper reconciliations are carried out on all classes of debts, it is not possible to ascertain the correctness and the collectability of the Debtor's balance of Kshs.2,429,432,909 as at 30 June 2000.

5. CREDITORS AND ACCRUED CHARGES


Included in the Loan Interest charges of Kshs.4,969,912,643 as reflected in Note 9 to the financial statements is a figure of Kshs.780,095,132 in respect of loan charges for the year 1999/2000 which were not supported by any documents. Also not supported were Demands Payable of Kshs.357,914,658 in respect of Uganda Railways and Kshs.4,081,548 for Salaries and Wages as at 30 June 2000. Arising from the foregoing, therefore, it has not been possible to determine the actual amounts owing to Uganda Railways or to establish the claimants of the Salaries and Wages figure of Kshs.4,081,548. It has also not been possible to ascertain the correctness of the figure of Kshs.780,095,132 shown as loan charges for 1999/2000. Under the circumstances, the accuracy of the Creditors and Accrued Charges total figure of Kshs.7,003,731,425 as at 30 June 2000 could not be confirmed.

6. NET PUBLIC DEBT

In my reports on the previous years' financial statements, I have expressed my inability to confirm the correctness of Net Public debt figures in the Balance Sheets due to disparities in the Corporation's and Treasury's confirmed balances. A review of the position during the year 1999/2000 showed that the balances in respect of On-Lent-Loans totaling Kshs.9,412,908,166 as reflected in Statements No.2A and 2B and Note 11 to the financial statements were not in agreement with the Treasury's confirmed figure of Kshs.8,345,911,705. The Corporation did not avail for audit review reconciliations for the very substantial difference of Kshs.1,066,996,461 between these two sets of records and consequently, it has not been possible to confirm the accuracy of the Net Public debt figure of Kshs.4,442,995,523 reflected in the balance sheet as at 30 June 2000.

7. CASH AND BANK BALANCES

The Bank balances of Kshs.179,712,726 as at 30 June 2000 include miscellaneous bank debits and credits figures of Kshs.79,345,250 and Kshs.20,565,757 respectively whose analysis were not provided for audit review. In addition, the composition of Cash-In-Transit amounting to Kshs.18,749,223 was also not availed for review. In the circumstances, it was not possible to confirm the accuracy of the Bank balances figure of Kshs.179,712,726 and cash on hand figure of Kshs.55,156,204 reflected in the Balance Sheet as at 30 June 2000.


E.N. MWAI

CONTROLLER AND AUDITOR GENERAL

Nairobi

07 May, 2004

KENYA RAILWAYS

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KENYA RAILWAYS

BALANCE SHEET AS AT JUNE 30, 2000

<u>JUNE 30, 1999</u>			<u>JUNE 30, 2000</u>	
<u>SHS.</u>	<u>SHS.</u>	<u>NOTES</u>	<u>SHS.</u>	<u>SHS.</u>
FIXED ASSETS				
8,306,232,929			8,075,261,865	
1,238,834,733		(2)	1,395,135,717	
		(3)	<u>1,395,135,717</u>	
	9,545,067,662			9,470,397,582
Fixed Assets - Total				
CURRENT ASSETS				
1,958,322,230		(4)	2,763,851,743	
451,713,867		(5)	394,041,094	
28,585,834		(6)	55,156,204	
2,561,428,099		(7)	2,429,432,909	
124,191,633		(8)	<u>28,394,451</u>	
5,124,241,663			5,670,876,401	
Current Assets - Total				
LESS : CURRENT LIABILITIES				
6,174,187,830		(9)	7,003,731,425	
219,269,369		(10)	179,712,726	
231,020,812		(11)	<u>381,557,161</u>	
6,624,478,011			7,565,001,312	
	(1,500,236,348)			(1,894,124,911)
	<u>8,044,831,314</u>			<u>7,576,272,671</u>
TOTAL				
FINANCED BY :				
	4,217,951,224	(11)		4,442,995,523
	518,000,000	(12)		518,000,000
	35,555,108	(13)		35,555,108
	911,078,869	(14)		1,129,263,938
		(14)	10,403,733,887	
10,506,778,201		(15)	<u>(8,953,275,785)</u>	
(8,144,532,088)				1,450,458,102
	2,362,246,113			
	<u>8,044,831,314</u>			<u>7,576,272,671</u>
TOTAL				

JONATHAN. D. MTURI
CHAIRMAN

ANDREW. A. WANYANDEH
MANAGING DIRECTOR

KENYA RAILWAYS

INCOME STATEMENT FOR THE PERIOD ENDED JUNE 30, 2000

	NOTES	<u>1998/1999</u> Shs.	<u>1999/2000</u> Shs.
EARNINGS :			
Passenger Traffic		286,188,874	227,758,525
Other Coaching Traffic		15,334,861	13,029,880
Goods Traffic		4,635,243,864	5,214,404,875
Livestock		1,536,595	685,900
Catering Services		75,003,111	58,813,620
Water Transport Services		181,629,158	118,752,994
Railway Training Institute		43,085,244	40,459,627
Miscellaneous Earnings	(16)	94,687,801	115,742,212
Interest on Cash Balances & Advances		66,393,299	69,507,748
TOTAL		<u>5,399,102,807</u>	<u>5,859,155,381</u>
EXPENDITURE :			
Maintenance of Way and Works	(17)	619,960,506	695,846,672
Maintenance of Locomotives, Rolling Stock etc.		325,292,677	320,925,091
Locomotive Running Expenses		1,451,931,424	1,888,224,316
Traffic Expenses		299,247,084	340,395,821
Business Expenses		831,495,128	843,111,369
Catering Services		52,717,557	57,022,956
Water Transport Services		54,879,206	67,202,009
Electrical & Telecommunication Services		63,958,767	60,476,907
Railway Training Institute		37,160,660	42,135,559
General Charges		269,955,951	234,538,522
Miscellaneous Expenditure		972,992,642	922,575,930
TOTAL		<u>4,979,591,601</u>	<u>5,472,455,152</u>
PROVISIONS :			
Depreciation & Amortization	(2)	346,986,508	311,496,264
Other Provisions	(18)	26,030,125	59,336,881
Total Provisions		<u>373,016,633</u>	<u>370,833,145</u>
Total Expenditure (Including Provisions)		<u>5,352,608,234</u>	<u>5,843,288,297</u>
Net Operating Income - Surplus / (Deficit)		<u>46,494,573</u>	<u>15,867,084</u>
Loans Foreign Exchange Adjustments	(2C)	355,091,773	393,534,823
Interest on Borrowings	(19)	861,540,825	924,209,328
	(19)	0	
Add : Gain/(Loss) on Land Sale	(20)	30,140,000	75,350,000
Less : Retrenchments	(20)	(252,059,109)	(6,078,878)
Surplus / (Deficit) For the Year		<u>(1,392,057,134)</u>	<u>(1,232,605,945)</u>
Working Ratios %	Actual	92.23	93.40
	Target	87.63	85.55

KENYA RAILWAYS

CASHFLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2000

<u>1998 / 1999</u>		<u>1999 / 2000</u>	
<u>Shs</u>	<u>Shs</u>	<u>Shs</u>	<u>Shs</u>
		Cash from Operations	
	(1,392,057,134)		(1,232,605,945)
		Surplus / (Deficit) for the Year	
		Add : Items not Involving	
		Movement of Cash	
346,968,508		311,496,264	
0		(49,263,473)	
<u>346,968,508</u>			<u>262,232,791</u>
(1,045,088,626)			(970,373,154)
		Total Cash from Operations	
		Add : Movement in Current Assets	
(110,682,194)		(805,529,513)	
(56,512,609)		57,672,773	
1,726,134,018		829,543,595	
1,632,938		150,536,349	
826,916,192		131,995,190	
(63,923,444)		95,797,182	
<u>2,323,564,901</u>			<u>460,015,576</u>
		Net Current Assets Movement	
		Less : Investing Activities	
231,020,812		427,151,847	
(519,865,071)		(1,989,233,640)	
(355,091,773)		393,534,823	
(917,537,389)		780,095,132	
14,159,985		0	
228,887,252		271,226,182	
0		0	
(8,143,350)		114,925,198	
<u>(1,326,569,534)</u>			<u>(2,300,458)</u>
		Total Investing Activities	
		Add : Financing Activities:-	
46,360,000		35,181,130	
(102,948,797)		218,185,069	
(25,217,711)		(103,044,314)	
<u>(1,403,909,187)</u>		423,862,248	
<u>(1,485,715,695)</u>			<u>574,184,133</u>
		Total Financing Activities	
		Net Increase/(Decrease) In Cash and Cash Equivalents	
<u>1,119,330,114</u>			<u>66,127,013</u>
		Movement in Cash & Cash Equivalents	
		Opening Balances :	
31,993,859		28,585,834	
(1,342,025,672)		(219,269,369)	
<u>(1,310,031,813)</u>			<u>(190,683,535)</u>
		Closing Balances :	
28,585,670		55,156,204	
(219,269,369)		(179,712,726)	
<u>(190,683,699)</u>			<u>(124,556,522)</u>
		Total Closing Balances	
		Net Increase/(Decrease) In Cash and Cash Equivalents	
<u>1,119,348,114</u>			<u>66,127,013</u>

NOTES TO THE ACCOUNTS

Note 1. ACCOUNTING POLICIES

- (a) **Basis**
Accounts are prepared on a historical cost basis as modified by the revaluation of fixed assets from time to time.
- (b) **Compliance**
Accounts are prepared in compliance with the Kenya Railways Corporation Act - Cap 397, and Exchequer and Audit Act -Cap 412, Laws of Kenya.
- (c) **Depreciation**
Depreciation is charged on a straight line basis based on the estimated useful life of the various classes of assets. Assets are depreciated with effect from the year following commissioning. Details of the useful lives of various classes of assets are shown in Note 2 and Statement No.1 gives the movement of various assets.
- (d) **Stores Stocks**
These are stated at cost less provision for obsolescence and deterioration as shown in Note 4.
- (e) **Short Term Investments**
These consist of Fixed Deposits with various financial institutions stated at market value. They are normally used to provide security for short term borrowings, overdraft facilities and letters of credit. These are detailed in Note 5.
- (f) **Cash-on-Hand**
This is represented by a physical cash count at the close of the Financial Year as shown in Note 6.
- (g) **Bad Debts**
The Corporation provides for bad and doubtful debts at the rate of 5% of the debts that have proved uncollectable. This policy is effective from 1995/96 Financial Year.
- (h) **Workshops : Works-in-Progress**
Workshop works in progress comprises of all materials and labour in the workshops at the various stages of production valued at cost.
- (i) **Creditors and Accrued Charges**
These represent all short term indebtedness of the Corporation that are payable within the next Financial Year and include loan interest charges, arrears of loans, accrued payments and deposits.
- (j) **Retention Accounts**
These are accounts maintained in foreign currencies and are converted to Kenya Shillings using the rate ruling at the close of the Financial Year.
- (k) **Loans**
These are denominated in various foreign currencies as shown in Statements No.2 and 2-A and are converted into Kenya Shillings using the closing rate as at June 30, 2000. Arrears of loans and interest charges are transferred to current loan liability at the close of the Financial Year.

- (l) **Provisions**
These are charged to the Accounts based on actual amounts set aside as shown in Statement Number 4.
- (m) **Reserves**
Transfer to reserves include prior-period adjustments and write off/back shown in Statement No. 4.
- (n) **Working Expenditure**
These are working accounts under various Abstracts as shown in Statement No. 3.
- (o) **Cashflow Statement**
This is provided in compliance with KAS 7 (Revised - January, 1996).

Note 2. TANGIBLE ASSETS

Tangible Assets include Permanent Way, Buildings, Locomotives, Rolling Stock, Plant and Equipment etc. which are required for the on-going operations of the Railways. The table below shows the useful lives and the rates of depreciation for the major classes of Tangible Assets:-

<u>Class of Asset</u>	<u>Average Useful Life (Years)</u>	<u>Rate (%)</u>
(1) Permanent Way and Bridges	50	2
(2) Buildings	50	2
(3) Plant and Machinery	30	4
(4) Signalling Equipment	40	3
(5) Telecommunication Equipment	25	4
(6) Locomotives	30	4
(7) Coaches	25	4
(8) Coaches	20	5
(9) Wagons	5	20
(9) Motor Vehicles	5	20
(10) Office Equipment		

Detailed movements of tangible assets are set out in Statement No.1. The wasting assets are shown at replacement values with subsequent additions at cost. Depreciation is charged on wasting assets based on asset replacement values and calculated on the straight line method over periods related to the useful lives of the assets commencing at the beginning of the year following entry into service.

The value of assets brought into service during the year under review was Kshs. 114.93 million.

The value of tangible assets has been arrived at as follows :-

Tangible Assets as at June 30.	1998/1999 KShs	1999/2000 KShs
Land	3,817,445,000	3,783,045,000
Others	31,035,226,407	31,086,728,137
Less:		
Accumulated Depreciation	(26,546,438,478)	(26,794,511,272)
Net Tangible Assets as at June 30	8,306,232,929	8,075,261,865

Note 3. CAPITAL WORKS-IN-PROGRESS

This consists of the value, stated at cost, of all the on-going Capital Works which were being undertaken as at June 30, 2000. Detailed movements of works-in-progress are set out in Statement No.1.

Note 4. STORES STOCKS

These are stated at cost less provision for obsolescence and deterioration and comprise the following: -

	1998/1999 KShs	1999/2000 KShs
Stores Unissued	1,660,446,593	2,619,307,063
Capital Stores	61,752,465	57,007,760
Fuel Stocks	144,399,567	7,665,754
Materials-in-transit	171,092,651	161,035,011
Claims - Goods	9,052,369	13,179,230
Construction Plant	767,219	533,059
Uniforms	111,800	111,800
	2,047,622,664	2,858,839,677
GROSS STORES STOCKS		
Less : Provision for Deterioration and Obsolescence of Stores.	(89,300,434)	(94,987,934)
NET STORES STOCKS	1,958,322,230	2,763,851,743

Note 5. SHORT TERM INVESTMENTS

These comprise the following :-

	1998/1999 KShs	1999/2000 KShs
K.C.B. Ltd. Fixed Deposit	44,009,590	49,426,821
K.C.F.C. Ltd. Fixed Deposit	381,887,550	344,614,273
Savings and Loan(K) Ltd (R.16489)	25,816,727	-
TOTAL	451,713,867	394,041,094

Note 6. CASH ON HAND

The balance of Cash on Hand consists of the following:-

	1998/1999 KShs	1999/2000 KShs
Cash on Hand	208,875	11,501,540
Cash with Overseas Agents	1,296,551	1,296,991
Imprest Cash	20,158,950	23,608,450
Cash in Transit	6,921,458	18,749,223
TOTAL CASH ON HAND	28,585,834	55,156,204

Note 7. DEBTORS

Details of debtors as at June 30, are as follows :-

	1998/1999 KShs	1999/2000 KShs
Traffic Account - Current Trade Debtors	1,636,271,345	1,405,132,669
Bad & Doubtful Debts	559,302,191	825,112,156
Advances (General)	157,690,237	135,770,995
Magadi Railways	117,639,179	-
Transtrade	978,646	-
Numerical Machining Complex Limited	16,207,850	16,212,850
Advances E/S Staff	56,795,840	29,264,054
Car Purchase Scheme	1,874,698	3,272,073
Kenrail Consultants	3,089,221	3,089,221
House Ownership Scheme	11,578,891	11,578,891
GROSS DEBTORS	2,561,428,099	2,429,432,909

The provision for bad and doubtful debts is 5% of all debts that proved to be uncollectable for a period exceeding one year as listed in statement No.5.

Note 8. WORKSHOPS : WORKS-IN-PROGRESS

This consists of the value, stated at cost, of all the unallocated works which were being undertaken at the underlisted three Kenya Railways workshops as at June 30, 2000

	1998/99 Shs	1999/2000 KShs
Central Workshops - Nairobi.	97,407,340	(38,924)
Marine Workshops - Kisumu	4,352,757	5,570,106
Permanent Way Depot - Nairobi	22,431,536	22,863,269
TOTAL	124,191,633	28,394,451

Note 9. CREDITORS & ACCRUED CHARGES

Details of Creditors and Accrued charges for the year ended June 30, 2001 are as follows:-

	1998/99 Shs	1999/2000 KShs
(a) Industrial Area Accounts	57,504,563	57,748,963
(b) Loan Interest Charges (Statement No. 2-A)	4,189,817,517	4,969,912,643
(c) Deposits	391,357,267	118,017,466
(d) Salaries and Wages	4,706,997	11,352,944
(e) Fixed Recoveries	(2,296,122)	(244,447,107)
Sub-Total	4,641,090,221	4,912,584,909
(f) Demands Payable		

(i) Accrued Payments	1,125,484,667	427,151,847
(ii) Subsidiary Loan Interest Liabilities (GOK & Current Loan Liabilities)	194,157,036	
(iii) Uganda Railways	317,523,994	357,914,658
(iv) General Electric International (USA)		170,473,756
(v) Spornet (SA)	3,100,554	4,645,830
(iv) Audit Fees	123,852,170	51,674,409
(v) Others		
	<hr/>	<hr/>
Sub-Total	1,764,118,421	2,472,703,677
TOTAL	6,405,208,642	7,385,288,586
Less : Current Loan Liabilities (Statement 2B)	231,020,812	381,557,161
GRAND TOTAL	<hr/> <hr/>	<hr/> <hr/>
	6,174,187,830	7,003,731,425

Note 10. BANK BALANCES

Bank Balances for the year ended June 30,2001 comprise the following:-

	1998/99 Shs	1999/2000 KShs
Main Account (Overdraft)	(348,156,644)	(280,699,673)
Land Account	1,420,610	79,001
Passenger Services Account	360,914	3,552,544
Scrap Metal Account	1,384,586	94,939
Collection Accounts	8,121,047	1,541,242
Pension Warrants Account	661,204	(1,263,778)
Central Workshops Account	456,177	252,652
Railway Training Institute Account	2,532,633	2,596,628
K.G.I.A. Account	9,881	9,881
Letters of Credit - Active Account	(5,936,213)	(24,743)
Retention Accounts	28,287,156	35,369,088
TOTAL BANK BALANCES	<hr/>	<hr/>
	(310,858,649)	(238,492,219)
Add : Miscellaneous Bank Debits	125,854,268	79,345,250
Less : Miscellaneous Bank Credits	(30,945,342)	(20,565,757)
Less : Miscellaneous Ledger Credits	(3,319,646)	-
NET BANK BALANCES	<hr/> <hr/>	<hr/> <hr/>
	(219,269,369)	(179,712,726)

Note 11. LOANS

Details of loans are contained in Statement No.2. The Net Public Debt amounted to KShs. 4,406 Million excluding E.A. loan stocks amounting to KShs. 36.8 million, while accumulated Loan Interest Charges amounted to KShs. 4,970 Million. as shown in Statement No. 2A. Loan current liabilities payable are shown separately on Statement No. 2-B and amounted to KShs. 381.2 Million.

Note 12. GOVERNMENT SUBVENTIONS & EQUITY

These consists of the following:-

	1998/99 Shs	1999/2000 KShs
Kenya Government, 1974	50,000,000	50,000,000
Kenya Government Equity for the purchase of new equipment	468,000,000	468,000,000
TOTAL	518,000,000	518,000,000

Note 13. GRANTS

This consists of the balance brought forward of KShs. 35,555,108.00 , being materials paid through grants in the Financial Years 1989/90,1990/91 & 1991/92

Note 14. MOVEMENT IN PROVISIONS AND RESERVES

Details of movements in Provisions and Reserves are set out in Statement No.4.

Note 15. NET APPROPRIATION ACCOUNT

Movements in the Appropriation Account are as set out below :-

	1998/99 Shs	1999/2000 KShs
Cumulative Deficit brought forward	(5,348,565,767)	(8,144,532,088)
Prior years adjustments during the year.	(1,403,909,187)	423,862,248
Net Cumulative Deficit brought forward	(6,752,474,954)	(7,720,669,840)
Add: Deficit for the period	(1,392,057,134)	(1,232,605,945)
Cumulative Deficit carried forward	<u>(8,144,532,088)</u>	<u>(8,953,275,785)</u>

Note 16. MISCELLANEOUS EARNINGS

These consist of the following :-

	1998/99 Shs	1999/2000 KShs
Rents & Platform tickets, etc.	86,904,975	109,486,539
Earnings from Uganda Railways	2,865,150	704,102
Scrap Metal	4,917,676	5,551,571
TOTAL	94,687,801	115,742,212

Note 17. EXPENDITURE

Detailed analysis of expenditure incurred under Working Accounts pertaining to their respective expenditure heads (Abstracts A to J), are as shown in Statement No. 3.

Note 18. OTHER PROVISIONS

These consist of the following :-

	1998/99 Shs	1999/2000 KShs
1. Provision for Bad & Doubtful Debts	27,965,110	41,255,608
2. Provision for Obsolescence	9,250,000	8,937,500
3. Provision for Write off of Assets	(14,159,985)	23
4. Provision for Insurance	2,975,000	9,143,750
GROSS OTHER PROVISIONS	26,030,125	59,336,881

Note 19. INTEREST AND ARREARS ON BORROWINGS AND LOANS

This consists of the following :-

	1998/99 Shs	1999/2000 KShs
1. Interest on Loans (Statement No. 2-A)	689,712,162	780,095,131
2. Interest on Internal Borrowing	46,967,606	34,085,752
3. Interest on Overdraft	124,861,058	110,028,445
TOTAL	861,540,825	924,209,328

Note 20. LAND SALE AND SEVERANCE PAYMENTS :

These were treated as Extra-ordinary items during the year as follows:-

	1998/99 Shs	1999/2000 KShs
Gross Land sales	76,500,000	109,750,000
Less: Book Value of Land	46,360,000	34400000
Gain on Sale of Land	30,140,000	75,350,000
Less: Severance payments under Working Account (W-890)	(252,059,109)	(6,078,878)
TOTAL	(221,919,109)	69,271,122

STATEMENT NO.1

FIXED ASSETS SCHEDULE / DETAILS FOR THE PERIOD ENDED JUNE 30, 2000

	Land	Earth works Ballast and Fencing	Permanent Way Buildings and Other Improvements	Locomotives and Rolling Stock	Workshop Plant and Machinery	Telecommu- nications	Water Transport Road Services Other Assets	TOTAL
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
ASSETS IN USE								
Balance as at 1-7-1999	3,784,785,000	254,642,347	13,452,775,987	15,969,693,601	955,889,967	218,842,490	201,882,015	34,838,511,407
Additions during the period	0	2,131,730	112,793,468	0	0	0	0	114,925,198
Adjustments during the period	32,660,000	5,329,132	(69,263,428)	(576,002,876)	346,307,123	57,471,416	155,016,295	(48,482,338)
Sub-Total	3,817,445,000	262,103,209	13,496,306,027	15,393,690,725	1,302,197,090	276,313,906	356,898,310	34,904,954,267
Disposals during the period	34,400,000	0	0	0	781,130	0	0	35,181,130
Balance as at 30-6-2001	3,783,045,000	262,103,209	13,496,306,027	15,393,690,725	1,301,415,960	276,313,906	356,898,310	34,869,773,137

DEPRECIATION

Accumulated Depreciation as at 1-7-1999	0	240,749,401	10,425,618,646	14,720,739,584	830,730,622	145,971,360	168,468,865	26,532,278,473
Depreciation Adjustment	0	0	0	50,943,360	0	0	1,679,887	(49,263,473)
Depreciation during the period	0	577,122	165,340,467	133,711,853	4,467,355	7,075,401	324,069	311,496,267
Sub-Total	0	241,326,523	10,590,959,113	14,803,508,077	835,197,977	153,046,761	170,472,821	26,794,511,272

Accumulated Depreciation as at 30-6-2001

Net Value of Tangible Assets	0	241,326,523	10,590,959,113	14,803,508,077	835,197,977	153,046,761	170,472,821	26,794,511,272
	3,783,045,000	20,776,686	2,905,346,914	590,182,648	466,217,983	123,267,145	186,425,489	8,075,261,865

WORKS-IN-PROGRESS

Expenditure as at 1-7-1999	0	41,026,355	397,012,939	207,494,596	76,763,735	353,086,786	163,450,322	1,238,834,733
Add: Expenditure in 2000/2001	0	0	0	271,226,182	0	0	0	271,226,182
Sub-Total	0	41,026,355	397,012,939	478,720,778	76,763,735	353,086,786	163,450,322	1,510,060,915
Less: Capitalisation in 1999/2000	0	2,131,730	112,793,468	0	0	0	0	114,925,198
Net Value of Works-in-Progress	0	38,894,625	284,219,471	478,720,778	76,763,735	353,086,786	163,450,322	1,395,135,717

STATEMENT NO. 2

LOANS AS AT JUNE 30, 2000

A. FIXED TERM LOANS RAISED BY PUBLIC SUBSCRIPTION

EAST AFRICAN LOAN STOCKS	KSHS			KSHS
1954 STG. PD. 5.0 M (1973-76) 4%	90,000	0	0	90,000
1957 STG. PD. 8.5 M (1977-83) 5.7%	20,000	0	0	20,000
1975 STG. PD. 5.9 M (1977) 9%	24,918,342	0	0	24,918,342
1970 KENYA PD. 1.0 M (1990) 6.75%	513,100	0	0	513,100
1971 KENYA PD. 3.4 M (1986) 6.75%	11,301,834	0	0	11,301,834
	<u>36,843,776</u>			<u>36,843,776</u>

LOANS	OPENING BALANCES AS AT JULY 1, 2000 (A) Shs	CURRENT LOAN LIABILITIES (B) Shs	CURRENT UNREDEEMED LIABILITIES ADJUSTMENT (C) Shs	FOREIGN EXCHANGE (GAIN)/LOSS ADJUSTMENT (D) Shs	LOAN LIABILITIES AS AT JUNE 30, 2000 (A-B+C+D) Shs
B. INTERNATIONAL AGENCIES					
AFDB US\$ 11.031 M. 8 %	382,427,536	20,237,870	20,237,870	54,451,121	436,878,657
IBRD 1965 US\$ 38.00 M. (428)	37,558,692	0	6,164,369	0	93,723,061
IBRD 1970 US\$ 42.40 M. (670)	144,379,647	0	21,476,142	0	155,855,789
IBRD 1981 US\$ 58.00 M. (1976-0 KE) 9.6 %	1,699,324,595	120,361,917	92,359,394	241,308,779	1,912,530,852
LOYDS BANK STG 18.79 M.	106,125,422	0	0	0	106,125,422
EXIM BANK 1985 US\$ 15.3 M.	384,826,371	0	0	0	384,826,371
BANQUE INDOSUEZ 1985 US\$ 0.90 M. (1997) 7.4 %	6,555,095	0	0	455,389	7,010,934
IDA (1820-0 KE) SDR 21.80 M. 8.8 %	456,003,938	60,424,944	42,832,780	55,170,101	493,581,875
ODA ESig. 7.04 M. 9 %	183,523,713	25,437,621	23,293,983	0	186,380,075
PARIS CLUB RESCHEDULING	606,046,816	185,198,785	0	42,143,933	462,996,964
SUB TOTAL	<u>4,061,772,826</u>	<u>411,661,137</u>	<u>206,364,538</u>	<u>393,534,823</u>	<u>4,250,011,050</u>
C. OTHER GOVERNMENTS					
<u>FEDERAL GOVERNMENT OF WEST GERMANY</u>					
K.F.W. 1971 DM. 8.60 M. (1996) 3%	13,199,051	0	0	0	13,199,051
K.F.W. DM. 4.5M. (2010) 2 %	17,345,522	1,913,362	1,913,362	0	17,345,522
K.F.W. DM. 27.00 M. (2031) 7.5 %	120,596,124	13,577,348	13,577,348	0	120,596,124
SUB TOTAL	<u>156,140,697</u>	<u>15,490,710</u>	<u>15,490,710</u>	<u>0</u>	<u>156,140,697</u>
TOTAL LOANS	<u>4,217,913,523</u>	<u>427,151,847</u>	<u>221,855,248</u>	<u>393,534,823</u>	<u>4,406,151,747</u>
(NET PUBLIC DEBT A+B+C)	<u>4,254,757,299</u>				<u>4,442,995,523</u>

STATEMENT NO. 2-A

LOAN INTEREST CHARGES

Loan Particulars	Cumulative Interest as at June 30 1999 Kshs.	Interest for the period 1999-2000 Kshs.	Cumulative Interest as at June 30 2000 Kshs.
1. ODA £Stg. 7.04 M. 9%	224,855,363	40,106,578	264,961,941
2. IDA (1820-O KE) SDR 21.80 M. 8.8%	356,269,237	76,157,101	432,426,338
3. KFW DM. 27:00 M. (2031) 7.5%	365,777,094	51,244,933	417,022,027
4. A.F.D.B. US\$ 11.031M. 8%	642,083,221	108,195,132	750,278,353
5. K.F.W DM 4.5M. (2031) 7.5%	8,088,371	549,680	8,638,051
6. IBRD 1981 US\$ 58.0M. (1976-0KE) 9.6%	2,291,733,945	420,635,534	2,712,369,479
7. K.F.W 1971 DM 8.6M. (1996) 3%	13,244,696	6,603,195	19,847,891
8. BANQUE INDOSUEZ USD.7758.04 @77.97	950,804	600,900	1,551,704
9. PARIS CLUB USD. 974,760.53 @77.97	286,814,780	76,002,079	362,816,859
TOTAL	4,189,817,511	780,095,132	4,969,912,643

STATEMENT NO. 2-B

(A) ARREARS OF LOANS AS AT JUNE 30, 2000

<u>LOAN & DETAILS</u>	<u>AMOUNT</u> <u>KShs.</u>
1. ODA £Stg. 7.04 M. 9%	12,159,325
2. IDA (1820-O KE) SDR 21.80 M. 8.8%	21,416,390
3. KFW DM. 27.00 M. (2031) 7.5%	6,788,674
4. A.F.D.B. US\$ 11.031M. 8%	10,118,935
5. K.F.W DM 4.5M. (2031) 7.5%	947,162
6. IBRD 1981 US\$ 58.0M. (1976-OKE) 9.6%	46,179,697
7. PARIS CLUB (USD 1,187,628.48 @ KShs. 79.15)	92,599,393
TOTAL	<u><u>190,209,576</u></u>

(B) LOANS CURRENT LIABILITIES

<u>LOAN & DETAILS</u>	<u>AMOUNT</u> <u>KShs.</u>
1. ODA £Stg. 7.04 M. 9%	13,278,296
2. IDA (1820-O KE) SDR 21.80 M. 8.8%	21,416,390
3. KFW DM. 27.00 M. (2031) 7.5%	6,788,674
4. A.F.D.B. US\$ 11.031M. 8%	10,118,935
5. K.F.W DM 4.5M. (2031) 7.5%	966,200
6. IBRD 1981 US\$ 58.0M. (1976-OKE) 9.6%	46,179,697
7. PARIS CLUB (USD 1,187,628.48 @ KShs. 79.15)	92,599,393
TOTAL	<u><u>191,347,585</u></u>
TOTAL (A + B)	<u><u>381,557,161</u></u>

STATEMENT NO. 2-C

CALCULATION OF EXCHANGE GAIN / (LOSS) FOR SERIAL LOANS FOR THE PERIOD ENDING JUNE 30, 2000

	CUMULATIVE DRAWINGS	CUMULATIVE REPAYMENTS	NET TOTAL	CONVERTED APPLYING RATE AS AT 30.6.2000	INITIAL LOAN BALANCES AS AT 30.6.2000	TOTAL CUMULATIVE EXCHANGE GAIN/ (LOSS)
	Shs.	Shs.	Shs.	Shs.	Shs.	Shs.
1. IBRD 1976	692,695,453	0	692,695,453	1,912,632,209	2,153,940,988	241,308,777
2. ODA	210,967,274	0	210,967,274	210,967,274	211,817,696	850,422
3. IDA	342,662,246	0	342,662,246	355,223,759	410,393,860	55,170,101
4. AFD B (UA.10.0M)	151,784,021	0	151,784,021	403,515,826	457,116,525	53,600,659
5. KFW DM. 4.5M.	19,258,884	0	19,258,884	19,258,884	19,258,884	
6. KFW DM. 27.0M.	135,773,472	1,600,000	134,173,472	134,173,472	134,173,472	
7. KFW DM. 8.60M. BANQUE INDOSUEZ	18,199,050	0	18,199,050	18,199,050	18,199,050	455,889
8. 1985 US\$ 0.90 M. (1997) 7.4 % US\$	899,188	809,269	89,919	6,555,095	7,010,984	
9. PARIS CLUB RESCHEDULING US\$	8,313,399	0	8,313,399	606,046,787	648,195,720	42,148,933
				<u>3,666,572,356</u>	<u>4,060,107,179</u>	<u>393,534,822</u>

NOTE

Loan balances, denominated in foreign currency, as at June 30, 2000 were converted using the following exchange rates.

June 30, 2001

US \$ 1 = KShs. 79.15
 £Stg. 1 = KShs. 111.81
 DM. 1 = KShs. 34.32

June 30, 2000

US \$ 1 = KShs. 77.97
 £Stg. 1 = KShs. 117.88
 DM. 1 = KShs. 37.63

STATEMENT NO. 3

WORKING EXPENDITURE FOR THE YEAR ENDED JUNE 30, 2000

<u>Abstract A</u>	<u>Maintenance of Way and Works</u>	<u>1998/1999</u> <u>Shs.</u>	<u>1999/2000</u> <u>Shs.</u>
100 - 108	CCE's Headquarters and District Staff	117,955,850	132,144,256
109 - 120	Maintenance of Permanent Way	323,158,954	391,877,853
121 - 126	Maintenance of Bridges & Culverts	2,586,366	3,661,618
130 - 136	Maintenance of Works	27,684,937	34,338,212
140 - 145	Water Supply	818,815	2,946,489
150-157	Miscellaneous services	116,829,877	117,717,454
160	Contingencies for Floods and Accidents	26,420,105	8,906,781
170 - 173	Maintenance of Mechanical Power Signals	324,853	45,940
180 - 186	Purchase of Spares for Tools and Plant	837,671	1,368,643
180 - 186	Office Telephones	946,157	2,188,544
190	Minor Works	736,393	131,338
195	Non-Capitalised Major Works	1,594,335	316,328
196 - 199	Street Lighting	66,194	203,216
Total - Abstract A		<u>619,960,506</u>	<u>695,846,672</u>

<u>Abstract B</u>	<u>Maintenance of Locomotives, Rolling Stock, etc.</u>	<u>1998/1999</u> <u>Shs.</u>	<u>1999/2000</u> <u>Shs.</u>
200 - 208	Central Workshops Manager and Staff	26,445,141	27,108,089
210 - 215	Workshops - Maintenance of Locomotives	97,368,174	96,632,367
220 - 225	Workshops - Maintenance of Coaching Stock	33,816,687	34,462,919
230 - 235	Workshops - Maintenance of Goods Stock	104,629,957	104,897,463
240 - 244	Maintenance of Machinery, Tools and Plant	29,298,905	32,302,611
245	Work Done for Other Departments	7,393,343	-2,893,231
246	Commercial & Private Work Orders	915,149	-4,899,431
248	Departmental Telephone Charges	219,074	328,573
250	Electrical Maintenance	21,518,655	28,285,437
255	Printing and Stationery	619,661	444,877
270 - 272	Canteen Stores, Equipments, Staff & Uniforms.	2,936,016	421,728
285 - 295	Minor Works	130,688	3,833,689
Total - Abstract B		<u>325,292,677</u>	<u>320,925,091</u>

<u>Abstract C</u>	<u>Locomotive Running Expenses</u>	<u>1998/1999</u> <u>KSHS.</u>	<u>1999/2000</u> <u>KSHS.</u>
300 - 305	CM&EE's Headquarters and District Staff	25,430,588	29,768,072
306 - 309	Miscellaneous services	9,052,858	826,795
310 - 316	Running Repairs	346,131,322	12,911,633
317	Running Expenses	119,358,322	552,162,143
320 - 329	Running Stores	55,096,355	133,945,228

330 - 336	Fuel	731,590,370	42,145,111
340 - 341	Locomotive Running Sheds	13,325,829	937,039,439
345 - 346	Work Done for Other Departments	4,264,917	12,466,778
350 - 356	Cleaning and Care of Locomotives	12,971,882	8,078,748
360 - 362	Maintenance of Machinery, Tools and Plant	4,987,393	15,424,312
367 - 368	Departmental Telephone Charges	738,748	2,024,225
369	Maintenance Repairs and Fuel to Dept. Vehicles	10,008,426	2,064,465
370 - 371	Maintenance of Outside Mech. Handling Equip.	11,736,327	15,321,218
372 - 375	Maintenance of Mech. Handling Equipment	114,912	9,238,758
380 - 382	Running Staff	69,105,390	76,500
383 - 384	Electrical Maintenance	15,715,943	86,981,854
385	Printing and Stationery	4,949,746	16,640,159
387	Accident Repairs	16,849,160	2,812,525
390	Minor works	243,165	8,297,733
395 - 396	Non Capitalised Major Works	259,772	-1,380
		0	0

Total - Abstract C

<u>1,451,931,424</u>	<u>1,888,224,316</u>
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Abstract D(i)

Traffic Expenses

400 - 408	CTM 's Headquarters and District Staff	49,682,214	61,377,924
410 - 435	Station, pier and shore working Staff	230,936,782	255,628,049
440 - 444	Station Stores	11,358,875	17,329,987
445	Accidents	1,527,963	1,325,118
450	Clothing	514,835	1,059,827
460 - 465	Printing and Stationery	3,279,084	2,494,520
480 - 490	Collection, Delivery & local Haulage	1,947,331	1,180,396

Total - Abstract D(i)

<u>299,247,084</u>	<u>340,395,821</u>
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Abstract D(ii)

Business Expenses

500 - 506	Business Manager's Headquarters Staff	16,056,221	15,115,979
507 - 511	Station Pier and Shore Working	18,379,338	8,301,522
512	Maintenance Repairs and Other Transport Charges	456,163	3,636,646
513 - 515	Station Stores	3,469,609	747,098
516	Hire of S.A. Locos & Running expenses	120,924,371	0
517	Clothing	15,807	46,704
518	Entertainment	19,934	175,609
519	Commission, Rebates & Discounts	355,390,306	590,087,456
520	Printing and Stationery	209,812	47,883
521	Collection, delivery and local haulage	429,073	
524 - 528	Hire of Uganda Locos	310,740,573	161,448,701
531 - 549	Hire of UR Wagons	5,403,921	63,503,771

Total - Abstract D(ii)

<u>831,495,128</u>	<u>843,111,369</u>
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		1998/1999	1999/2000
		<u>Shs.</u>	<u>Shs.</u>
Abstract E	<u>Catering Services</u>		
550 - 559	Superintendence	5,403,922	5,242,660
570 - 577	Refreshment Rooms, Restaurant and cars	46,469,312	49,936,663
580 - 588	Inland Waterways	719,922	1,402,075
575 - 576	Hotels Beddings and Laundry	34,041	74,526
589	Uniforms	90,360	367,032
	Total - Abstract E	<u>52,717,557</u>	<u>57,022,956</u>

Abstract F	<u>Water Transport Services</u>		
600 - 608	Superintendence	2,445,602	2,411,831
610 - 620	Maintenance and Minor Renewals in Workshops	20,086,465	16,656,747
621 - 630	Running Expenses	30,108,546	45,744,866
632	Repairs, Fuel and Other Transport Charges	803,205	1,037,370
633	Departmental Telephone Charges	27,273	6,126
635	Maintenance of Channels	728	0
636	Printing and Stationery	123,128	164,509
637	Uniforms	221,232	315,382
640	Minor Works	26,199	15,493
645	Non-Capitalised Major Works	291,340	14,797
646	Insurance	745,488	834,888
	Total - Abstract F	<u>54,879,206</u>	<u>67,202,009</u>

Abstract G

650 - 655
 656 - 659
 660 - 665
 666 - 669
 670 - 677
 678
 680 - 689
 690
 695

Maintenance of Electrical & Telecommunication Services

Superintendence
 Miscellaneous
 Station Operations
 Signal and Radio Maintenance
 Running expenses
 Electricity Charges
 Telephone Directory
 New Minor Works
 Non-Capitalised Major Works

1998/1999
Shs.

1999/2000
Shs.

12,246,140
 20,190,767
 6,736,475
 19,085,795
 5,243,025
 178,432
 68,880
 190,147
 19,106

13,769,706
 20,574,445
 4,116,119
 17,787,379
 3,072,289
 173,380
 60,000
 0
 922,989

63,958,767

60,476,907

Total - Abstract G

Abstract H

700 - 701
 702 - 706
 707 - 709
 710 - 711
 712 - 714
 715
 720 - 722
 724 - 738
 740 - 744
 745 - 749
 753 - 755
 760 - 761
 762
 764
 766
 769 - 774
 780 - 790

General Charges

Board Expenses
 Administration
 Legal Expenses
 Secretariat
 Internal Audit
 Management Services
 Data Processing
 Personnel
 Railway Training Institute
 Railway Training Institute Hostels
 Staff Training (R.T.I.)
 Finance
 Audit Expenses
 Staff Training (Finance Department)
 Kampala Office - Uganda
 Supplies
 Business Development

Shs.

Shs.

3,942,328
 17,656,357
 19,058,497
 911,498
 4,022,924
 4,974,360
 38,011,060
 31,440,564
 27,133,685
 15,423,568
 1,029,530
 32,335,346
 1,564,197
 8,448
 333,600
 87,116,153
 22,154,495
307,116,611

3,461,251
 21,860,085
 21,356,506
 1,140,732
 6,657,795
 2,788,278
 40,284,856
 38,563,986
 35,044,985
 9,324,513
 -3,768,438
 36,971,006
 5,001
 1,000
 1,015,182
 39,206,835
 22,760,508
276,674,081

Total - Abstract H

Abstract J

800 - 804
805 - 809
810 - 815
818
820 - 823
825 - 827
830 - 831
833
835 - 836
840 - 844
845
850 - 859
860 - 889

Miscellaneous Expenses

Pensions and Gratuities
Free Railway Traffic Costs
Compensation for Damage to Properties
Kathekani Train Disaster
Security Services
Fire Precautions
Headquarters Central Despatch Office
Cleaning of Passenger Coaches
Office Cleaning
Staff Housing
Free Railway Passenger Costs
Staff Allowances
Stationery, medical, transport etc

Total - Abstract J

Add : Other Miscellaneous Expenditure

Contigent Liabilities

Total Miscellaneous Expenditure

TOTAL EXPENDITURE**1998/1999**Shs.

523,761,695
8,428,361
12,058,461
1,116
75,961,973
2,528,156
959,838
432,082
169,676
146,716,040
0
743,102
201,232,142
972,992,642

1999/2000Shs.

525,946,720
13,102,070
33,835,544
0
91,007,478
3,118,047
1,191,932
0
274,033
131,603,572
3,600
273,254
122,219,680
922,575,930

0

0

972,992,642922,575,9304,979,591,6015,472,455,152

STATEMENT NO. 4.

MOVEMENT IN PROVISIONS AND RESERVES

	Staff Pensions	Widows & Orphans Pensions	Fixed Assets Obsolescence	Insurance	Gratuities & Provident Fund	Bad & Doubtful Debts	TOTAL
	Shs.	Shs.	Shs.	Shs.	Shs.	Shs.	Shs.
Balance as at 1st July 1999	581,514,665	176,783,608	56,547,820	8,110,925	-91,988,913	180,110,764	911,078,869
Charges in the Accounts	1,025,129,082	10,678,942	40,677,614	2,843,750	243,192,906	200,173,644	1,522,695,938
Total	1,606,643,747	187,462,550	97,225,434	10,954,675	151,203,993	380,284,408	2,433,774,807
LESS							
Payments/Transfers	863,491,342	6,250,047	97,515,837	0	238,423,830	98,829,813	1,304,510,869
Balance as at June 30, 2000	743,152,405	181,212,503	-290,403	10,954,675	(87,219,837)	281,454,595	1,129,263,938

A : PROVISIONS

	General Reserve	Reserves Adjustment	Asset Revaluation Reserve	Special Depreciation Magadi-Line	Total
	Shs	Shs	Shs	Shs	Shs
Balance as at 1st July 1999	2,766,946,238	(293,369,253)	8,019,238,584	13,962,632	10,506,778,201
Add : Adjustments / Charges in the Accounts	0	17,262,145	0	0	17,262,145
Less : Amounts written off / back	76,239,670	9,666,789	34,400,000	0	120,306,459
Balance as at June 30, 2000	2,690,706,568	(285,773,897)	7,984,838,584	13,962,632	10,403,733,887

B : RESERVES

STATEMENT NO. 5

BAD AND DOUBTFUL DEBTS AS AT 30TH JUNE, 2000

	MINISTRIES KSHS.	PARATOTALS KSHS.	PRIVATE FIRMS KSHS.	TOTALS KSHS.
Ledger Accounts	4,650,354	29,000,610	217,119,599	250,770,563
Outstanding at Stations				
(a) Goods	0		202,440,224	202,440,224
(b) Coaching	0		3,087,491	3,087,491
Deposit Accounts	0	25,149,325	188,953,716	214,103,041
Government Warrants	12,368,384	1,357,864	0	13,726,248
Passenger Travel Agencies	0	0	49,299,156	49,299,156
Catering	250,200	30	1,097,562	1,347,792
Water	861,880	12,562	287,921	1,162,363
Rents	2,932,692	9,820,146	76,422,440	89,175,278
TOTAL	21,063,510	65,340,537	738,708,109	825,112,156