

REPUBLIC OF KENYA



**KENYA NATIONAL AUDIT OFFICE**



**REPORT  
OF**

*Paper Laid*  
*By Hon. A. Duah (MP)*  
*Lom, on Wednesday*  
*10.06.2015 (PM)*  
*MW*

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
MINISTRY OF AGRICULTURE,  
LIVESTOCK AND FISHERIES  
VOTE 116**

**FOR THE YEAR ENDED  
30 JUNE 2014**

# REPUBLIC OF KENYA

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NAIROBI

## KENYA NATIONAL AUDIT OFFICE

### REPORT OF THE AUDITOR-GENERAL ON THE MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES - VOTE 116 FOR THE YEAR ENDED 30 JUNE 2014

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Ministry of Agriculture, Livestock and Fisheries set out on pages 10 to 28, which comprise the statement of financial assets and liabilities as at 30 June 2014, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation: Recurrent and Development combined, and summary statement of provisioning for the year then ended, and 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, is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (cash basis) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

The 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. The audit was conducted in accordance with International Standards on Auditing. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Qualified Opinion**

#### **1. Construction of Biosafety Laboratory at Kabete, Nairobi**

The expenditure of Kshs.6,470,820,275.00 reflected in the statement of receipts and payments under acquisition of assets includes Kshs.245,278,240.00 for construction of buildings, out of which Kshs.77,586,247.35 was paid in 2013/2014 to a construction firm based in Nairobi for construction of a Biosafety Laboratory in Kabete, Nairobi. The scope of works for the project, which began in 2012, include: construction of a laboratory block, electrical and mechanical works, and civil works.

On advertisement, bids were received from five (5) contractors who were evaluated for responsiveness. The Ministerial Tender Committee, vide Minute No. 13: MTC/12/2011-2012, awarded the contract to M/s Wamunoro Investments Ltd., being the lowest evaluated bidder, at a contract sum of Kshs. 98,840,597.92, and for a contract period of 52 weeks commencing on 4 February 2013 to be completed on 3 February 2014. A contract agreement was signed on 14 June 2012.

As at March 2014, the contractor had been paid a total of Kshs.77,586,247.35 (about 78.5% of the contract sum). However, although the completion date of 3 February 2014 has since elapsed, a site inspection carried out on 7 January 2015 revealed that the project was not yet completed – as roofing had not yet been done, no activity was going on and the site was found to be overgrown with bushes. No equipment was also on site.

No explanation has been provided for the delayed completion of the project and no evidence has been given of any request for extension of project duration, as required by procurement regulations.

## **2. Acquisition of Strategic Stocks and Commodities**

The expenditure of Kshs.6,470,820,275.00 reflected in statement of receipts and payments under acquisition of assets includes Kshs.2,850,000,000.00 being disbursements to Strategic Grain Reserve Trust Fund for acquisition of strategic stocks and commodities. However, the financial statements of the Fund for the year ended 30 June 2014 reflects Government grants of Kshs.3,119,201,264.00, while records maintained at National Cereals and Produce Board reflect Government grants of Kshs.3,190,000,000.00 for the same purpose.

No explanation or reconciliation has been provided for the differences between the three sets of records, as a result of which, the correct amount disbursed for acquisition of strategic grains could not be ascertained.

## **3. Expenditure on Goods Not Delivered**

The expenditure of Kshs.5,983,587,637.00 reflected in the statement of receipts and payments under Use of Goods and Services includes Kshs.836,433,023.00 incurred on specialized materials and services, out of which Kshs.283,771,106.00 was incurred on procurement of milk coolers, poultry processing equipment and chromatograph spectrometers from seven (7) suppliers, which had not been delivered as at 30 June 2014, as disclosed in foot note (a) under part VIII – Summary Statement of Appropriation.

The contracts with the suppliers which were entered into on diverse dates between February and May 2014, entailed supply, delivery, installation and commissioning of the equipment. Although, as a safeguard measure, the Ministry opened a Letter of Credit Account with Kenya Commercial Bank into which the entire amount of Kshs.283,771,106.00 was deposited for onward transmission to the suppliers on delivery of the equipment, the equipment had not been delivered as at 30 June 2014. A review of the position on 15 December, 2014, revealed that six (6) suppliers had delivered and installed equipment due from them totalling Kshs.168,603,106.00 while one supplier, M/s Nomads Quintessence, was yet to supply equipment due from them totalling Kshs.115,168,000.00.

No explanation has been given for the failure by the supplier to supply the equipment promptly and no evidence has been provided of any efforts being made by the Ministry to have the equipment supplied, as a result of which, value for money was not obtained.

## **4. Non-Submission of Financial Statements and Failure to Account for Funds by Agricultural Sector Coordination Unit (ASCU)**

Agricultural Sector Coordination Unit (ASCU) is an Inter-Ministerial Secretariat established in 2005, under the Ministry of Agriculture, Livestock and Fisheries, to facilitate implementation and coordination of agricultural sector strategies in line with Vision 2030. The Unit comprises several ministries and receives funding from

the Government and other development partners. However, the following unsatisfactory matters have been observed:

- i. Since inception in 2005, the Unit, through the parent Ministry, has not submitted financial statements to the Auditor-General for audit as required by Section 7 of the Public Audit Act, 2003. Although the Ministry has indicated that financial statements were prepared for the year ended 30 June 2013, the statements were not submitted to the Auditor-General for audit.
- ii. Since inception, the Unit has not availed its records, documents, information and books of account to the Auditor-General for examination.
- iii. The said financial statements for 2012/2013 indicate that the Unit received funds totalling Kshs.516,149,721.00 (Kshs.201,407,838.00 in 2011/2012 and Kshs.314,741,883.00 in 2012/2013). However, since the financial statements were not submitted to the Auditor-General for audit and since no records relating to the years since inception have been availed to the Auditor-General for examination, the correctness of the said receipts could not be ascertained.
- iv. Information available indicates that the Unit appointed M/s Deloitte & Touche as its auditors. However, no explanation has been provided for appointing private auditors without the knowledge, consent and approval of the Auditor-General as required by Section 39 of the Public Audit Act, 2003. Consequently, the audit fees of Kshs.3,131,420.00 (Kshs.1,610,892.00 for 2012/2013 and Kshs.1,520,528.00 for 2011/2012) shown in the said financial statements as having been paid to the auditors constitutes an irregular expenditure.

No explanation has been provided on why the Unit engaged in these irregularities.

## 5. Unremitted Funds to National Treasury

- i. The Deposits cashbook shows that in 2013/2014, funds totalling Kshs.266,258,940.25, as shown below, were received and deposited in Deposits Account for onward transmission to the National Treasury.

ii.

<u>Source</u>	<u>Amount</u>
Transfers from old Deposit Accounts	65,738,293.65
Revenue – Directorate of Fisheries	188,854,421.60
Revenue – AHITI – Directorate of Livestock	<u>11,666,225.00</u>
<b>Total</b>	<b><u>266,258,940.25</u></b>

However, the cashbook shows that only Kshs.89,082,051.00 was remitted to Treasury, leaving an unsurrendered amount of Kshs.177,176,889.25. No explanation has been given for failing to remit the balance.

- iii. In the Audit Report for 2012/2013, mention was made of an amount of Kshs.35,387,939.00 that was refunded by Kenya Commercial Bank to the Ministry on 11 February 2014 and deposited in the Development Account. The refund arose from an overpayment the Ministry had made to the bank in relation to purchase of fertilizer in the previous year. Since the refund was not part of the 2013/2014 budget, it should have been remitted to the National Treasury. However, no evidence has been provided to show that the amount was remitted as expected.

## **6. Land**

The Government, through Gazettee Notice No. 890 of 5 March 1957, allocated 1,400 acres of land in Ngong, Kajiado County, to the Ministry of Agriculture for a Veterinary Training School, Veterinary Farm and related activities. The land had been donated by the Ilkeekonyokie Welfare Group of the local community. However, documents held in the Ministry of Land, Housing and Urban Development indicate that it is 1,500 acres that were allocated. The difference of 100 acres has not been explained

Some records at the Ministries of Agriculture, Livestock and Fisheries, and Land, Housing and Urban Development indicate that some Government and private organizations have irregularly taken possession of 509 acres of the land while other records indicate 579 acres, hence an unreconciled difference of 70 acres. Whereas some of the organizations indicate that they have genuine documents of allocation, some do not have any documents. However, even those claiming to have documents of allocation, it has not been explained how they were allocated land belonging to the Ministry and how they obtained the documents. The organizations claiming the land are as shown in the attached Annex I.

Further, the Ministry of Agriculture, Livestock and Fisheries has not obtained title of ownership of the land from the Ministry of Land, Housing and Urban Development. In addition, no properly drawn agreements between the Ministry and the Organizations have been availed for audit review and confirmation.

No explanation has been provided by the Ministry on the above anomalies, as a result of which, its ownership of the land cannot be confirmed.

## **7. Payables (Pending Bills)**

The financial statements, under Note 19, indicate that as at 30 June 2014, the Ministry had outstanding bills totalling Kshs.2,111,356,183.00 which were carried forward to 2014/2015. However, records maintained by the Ministry indicate that as at that date, outstanding bills amounted to Kshs.2,109,673,378.00, giving rise to an unreconciled or unexplained difference of Kshs.1,682,805.00. Out of these bills totalling Kshs 2,109,673,378.00 as per supporting documents, bills totalling Kshs.35,857,756.00 relate to Recurrent Vote, bills totalling Kshs.2,070,194,025.00

relate to Development Vote while the balance of Kshs.3,621,597.00 related to Deposits Account.

Had the total bills of Kshs.2,109,673,373.00 shown in the financial statements been paid and the expenditure accounted for in 2013/2014, the financial statements for the year ended 30 June 2014 would have reflected an over expenditure of Kshs.1,460,590,791.00 instead of the under expenditure of Kshs 649,082,582.00 now shown.

In addition, bills totalling Kshs.8,752,912.00, as shown in Annex IV, and which are included in the total pending bills, are either partly supported or not supported at all. No explanation has been provided for failing to support the bills, as a result of which, the propriety of the expenditure could not be confirmed.

## **8. Outstanding Imprest**

The imprests balance of Kshs.1,778,600.00 reflected in the Statement of Assets and Liabilities as at 30 June 2014 differs by Kshs.3,639,874.00 from the balance of Kshs.5,418,474.00 shown in the Ministry's imprest registers. Out of the outstanding imprests of Kshs.5,418,474.00 imprests totalling Kshs.5,050,728.00 were overdue for surrender as at that date but had not been recovered, contrary to the provisions of Section 71(2) of the Public Finance Management Act, 2012, and Paragraph 5.6.5 of the Government Financial Regulations and Procedures which require an officer to whom an imprest has been issued to surrender or account for it within 48 hours of completion of the task for which it was issued.

No explanation has been provided for failing to recover the overdue balances.

## **9. Accuracy of the Financial Statements**

- i Both the Statement of Receipts and Payments and the Summary Statement of Appropriation at Part VIII show total expenditure of Kshs.38,213,129,417.00 and a surplus of Kshs.649,082,582.00. However, the trial balance as at 30 June 2014 reflects actual expenditure of Kshs.26,601,327,982.40 and a surplus of Kshs.6,714,849,866.60, resulting in unreconciled or unexplained differences of Kshs.11,611,801,434.60 and Kshs.6,065,567,284.60, respectively.
- ii Further, the figure of Kshs.5,191,502,643.00 reflected in the statement of receipts and payments under Other Grants and Transfers includes, according to note 10, payments totalling Kshs.127,534,206.00 being membership fees and dues, and subscriptions. However, underlying supporting documents reflect a figure of Kshs.125,295,006.00 as membership fees and dues, and subscriptions, hence a variance of Kshs.2,239,200.00.
- iii In addition, the expenditure of Kshs.5,983,587,637.00 reflected in the statement of receipts and payments under Use of Goods and Services includes expenditure of Kshs.54,445,878.00 on rental of produced assets which,

however, differs by an amount of Kshs.238,203.55 from the Kshs.54,684,081.55 reflected in the supporting schedules.

- iv The statement of receipts and payments reflects an incorrect total payments figure of Kshs.38,213,129,417.00 instead of the arithmetically correct figure of Kshs.38,182,932,879.00. Consequently, the total payments figure of Kshs.38,213,129,417.00 is overstated by Kshs.30,196,538.00, as a result of which, the surplus of Kshs.649,082,582.00 is understated by the same amount.
- v The expenditure of Kshs.6,470,820,275.00 reflected in the statement of receipts and payments, under acquisition of assets, includes expenditure of Kshs.1,841,804,238.00 incurred on construction and civil works. However, both the supporting schedules and source documents reflect a figure of Kshs.1,727,580,116.00 resulting in an unreconciled or unexplained difference of Kshs.114,224,122.00.
- vi The Summary Statement of Appropriation: Recurrent reflects an incorrect total for payments of Kshs.11,539,990,316.00 instead of the correct total of Kshs.11,546,766,255.00, on re-casting and re-confirmation, giving rise to unexplained or unreconciled difference of Kshs.6,775,939.00.
- vii The statement of cash flows does not indicate the years to which the figures relate.
- viii The Summary Statements of Appropriation - Recurrent and Development separately reflect total revenue of Kshs.11,619,322,639.00 and 27,147,845,762.00, respectively, totalling Kshs.38,767,168,401.00 while the Summary Statement of Appropriation - Recurrent and Development combined shows total revenue of Kshs.38,862,211,999.00 giving rise to an unreconciled and unexplained difference of Kshs.95,043,598.00

No explanation has been provided for these differences, as a result of which, the accuracy of the financial statements cannot be confirmed.

#### **10. Unsupported Balances**

- i The Statement of Assets and Liabilities reflects a prior year adjustment balance of Kshs.1,123,207,927.00. However, the nature, details and source of the adjustment has not been explained.
- ii The Statement of Assets and Liabilities also reflects a Fund balance brought forward of Kshs.1,100,440,648.00 (2012-2013 Kshs.1,397,871,597.00). However, the nature, source and details of the balance(s) have not been explained and supported. Further, Note 20 to the financial statements shows a nil Fund balance brought forward. The inconsistency has not been explained.

- iii All the restated comparative figures for 2012/2013 have not been supported with documentary evidence.
- iv The total receipts of Kshs.38,862,211,999.00 reflected in the statement of receipts and payments includes receipts of Kshs.95,043,598.00 relating to domestic currency and domestic deposits which has not been supported by analysis or any documentary evidence.
- v The Summary Statement of Provisionings reflects balances of Kshs.1,342,692,447.00 and Kshs.2,618,743,442.00 under GAV provisioning account and a balance of Kshs.3,961,435,889.00 under Exchequer provisioning account. However, the balances have not been supported by analyses or any documentary evidence.

No explanation has been provided for these omissions, as a result of which, the accuracy of the financial statements cannot be confirmed.

## **11. Cash and Cash Equivalents**

The cash and cash equivalents balance of Kshs.626,315,303.00 reflected in the Statement of Assets includes cash and bank balances of Kshs.624,536,703.00 on which the following observations have been made.

- i Cashbook extracts for all the three Accounts: Recurrent, Development and Deposits were not availed to support the respective closing balances.
- ii The bank reconciliation statement for Recurrent Account as at 30 June 2014 reflects payments in bank not in cashbook totalling Kshs.467,912,068.25 out of which payments totalling Kshs.306,511,705.65 had not been posted in the cashbook although they relate to the months of April and May 2014, contrary to the provisions of Paragraph 5.9.1.1 of the Government Financial Regulations and procedures which require the cashbook to be updated daily.

The reconciliation also shows receipts in bank not in cashbook totalling Kshs.56,270,340.60 out of which receipts totalling Kshs.3,711,150.00 had not been posted in the cashbook although they relate to February, April and May, 2014.

- iii The reconciliation statement for Development Account reflects payments in bank not in cashbook totalling Kshs.41,374,808.30 out of which payments totalling Kshs.36,304,052.90 had not been posted in the cashbook although they relate to the months of April and May 2014, contrary financial regulations.
- iv The reconciliation for Deposits Account shows payments in bank not in cashbook totalling Kshs.3,767,209.00 out of which payments totalling Kshs.2,045,900.00 were not recorded in the cashbook although they relate to April and May 2014.

The reconciliation further reflects receipts in the cashbook not in bank totalling Kshs.155,981,755.55 out which receipts amounting to Kshs.80,829,544.20 had not been banked as at 30 June 2014 although they were received in October 2013 and March, April and May 2014.

No explanation has been given on these anomalies, as a result of which, the accuracy of the cash and bank balance reflected in the financial statements cannot be confirmed.

## **12. Unvouched Expenditure**

Expenditure totalling Kshs.448,533,457.35, as shown in Annex II, and which is recorded in the Ministry's cashbooks, could not be examined and confirmed as relevant payment vouchers and related supporting documents were not availed for audit. No explanation has been provided for failing to avail the vouchers, as a result of which, the propriety of expenditure totalling Kshs.448,533,457.35 could not be ascertained.

## **13. Transfers to Other Government Entities and Other Grants and Payments**

- i The statement of receipts and payments reflects expenditures of Kshs.18,116,410,934.00 and Kshs.5,191,502,643.00, totalling Kshs.23,307,913,577.00, being transfers to National Government Entities (capital grants to Government agencies and other levels of Government) and other grants and payments, respectively. However, supporting schedules availed for audit indicate that the Ministry disbursed Kshs.18,101,509,203.00 and Kshs.4,391,393,878.00, totalling Kshs.22,492,903,081.00, respectively, as transfers to National Government entities and as other grants and payments.
- ii Further, differences were noted between figures for grants to Government agencies as shown in the Ministry's records and financial statements of the receiving Institutions, as shown in Annex III.
- iii The amount of Kshs.5,191,502,643.00 reflected in the statement of receipts and payments as other grants and transfers excludes annual contributions of Kshs.48,799,006.05 paid to Desert Locust Control Organization for Eastern Africa. Consequently, the figure of Kshs.5,191,502,643.00 is understated by Kshs.48,799,006.05.
- iv The expenditure of Kshs.5,191,502,643.00 reflected in the statement of receipts and payments under other grants and payments includes Kshs.127,534,206.00 relating to membership fees, dues and subscriptions which differs with the amount of Kshs.125,295,006.60 shown in both the ledger and supporting schedule. No explanation or reconciliation has been given for the difference of Kshs.2,239,199.40.

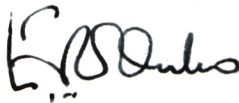
#### **14. Foreign Travel and Subsistence and Other Transportation Costs**

The statement of receipts and payments reflects an expenditure of Kshs.5,983,587,637.00 under use of goods and services which, under Note 8, includes expenditure of Kshs.82,960,705.00 incurred on foreign travel and subsistence and other transportation costs which, in turn, includes Kshs.3,278,152.00 incurred by officers in foreign trips, as shown in Annex V(a), but for which clearance certificates have not been availed. No explanation has been provided for failing to attach clearance certificates.

Further, the expenditure of Kshs.82,960,705.00 includes expenditure totalling Kshs.461,445.00, as shown in Annex V(b), incurred on domestic travel and subsistence but irregularly charged to foreign travel and subsistence. No explanation has been given for the irregularity, the effect of which is an overstatement of expenditure on foreign travel and subsistence by the amount of Kshs.461,445.00

#### **Qualified Opinion**

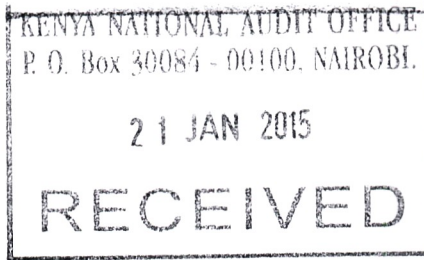
In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Vote 116 - Ministry of Agriculture, Livestock and Fisheries as at 30 June 2014 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards and the Public Finance Management Act, 2012 of the Laws of Kenya.



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

**Nairobi**

**14 April 2015**



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**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

**REVISED REPORTS AND FINANCIAL STATEMENTS**

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

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**I. KEY MINISTRY INFORMATION AND MANAGEMENT**

**(a) Background information**

The Ministry of Agriculture, Livestock & Fisheries was formed on 2013/2014 by merging the Ministry of Agriculture, Ministry of Livestock Development and the Ministry of Fisheries Development. At cabinet level, the Ministry is represented by the Cabinet Secretary for Agriculture, Livestock & Fisheries, who is responsible for the general policy and strategic direction of the Ministry.

**(b) Key Management**

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

- a) State department of Agriculture
- b) State Department of Livestock
- c) State Department of Fisheries

Each state department is further organized into directorates as below:-

**State Department of Agriculture directorates**

- Directorate of irrigation technology, infrastructure development & mechanization
- Directorate of agricultural policy research and regulations
- Directorate of crop resources, agribusiness and market development

**State Department of Livestock directorates**

- Directorate of veterinary services
- Directorate of livestock policy research and regulations
- Directorate of livestock resources and market development

**State Department of Fisheries Directorates**

- Directorate of aquaculture technology development
- Directorate of fisheries policy research and regulations
- Directorate of fisheries resources development and marketing

**Key Institutions of the Ministry**

Key institutions under the ministry include: National Irrigation Board; Kenya Agricultural and Livestock Research Organization; Agriculture, Fisheries and Food Authority, Miwani Sugar Company (in receivership); Muhoroni Sugar Company (in receivership); Kenya Seed Company; Bukura Agricultural College; Kenya School of Agriculture- Nyeri; AHITI Kabete, AHITI Ndonga; AHITI Nyahururu; Meat Training Institute – Athi River; Agricultural Information Resource Centre; Kenya Animal Genetics Resource Centre; Coffee Development Fund; Agricultural Finance Corporation, Agricultural Development Corporation and Pest Control Products Board.

**I. KEY MINISTRY INFORMATION AND MANAGEMENT (continued)**

**Key Institutions of the Ministry (continued)**

Other institutions include: Mumias Sugar Company; South Nyanza Sugar Company; Chemelil Sugar Company; Kenya Dairy Board; Kenya Meat Commission; Kenya Veterinary Vaccines Production Institute; Kenya Marine and Fisheries Research Institute; Nzoia Sugar Company; Agro-Chemical and Food Company; National Irrigation Board; Nyayo Tea Zones Development Corporation; and National Bio-Safety Authority.

**Key Functions of the Ministry**

The key functions of the ministry include National Irrigation Policy; Agricultural Land Resources Inventory and Management; Fisheries Policy; Phytosanitary services; Cotton Development; Livestock Policy Management; Livestock Research and Development; Crop Research and Development; Fishing Licensing; Development of Fisheries; Fisheries Marketing; Fish quality Assurance and Value Addition; Protection of Fisheries in Exclusive Economic Zones (EEZ) Protection and Regulation of Marine Ecosystems; Development of Livestock Industry; Livestock Marketing; Range Development and Management and Veterinary Policy.

Other functions of the Ministry are: Livestock Branding; Promotion of Bee Keeping Industry; Agricultural Machinery Services Management; Agricultural Training Colleges; Promotion of Tannery Industry; Promotion of Dairy Industry; Food Safety and Inspection; Food Security; Policy on Land Consolidation for Agricultural benefit; Agricultural/Livestock insurance policy; Strategic Grain Reserve; Strategic Food Reserve and Bio-Safety Management.

**Ministry Vision**

To be a leading institution in the management and development of crops, livestock and fisheries resources for socio economic development of all Kenyans.

**Ministry Mission**

To promote competitive, commercially oriented fisheries, crop and livestock farming through creation of enabling environment, and ensuring sustainable natural resource management

**Ministry Core values**

- a) Professionalism
- b) Integrity
- c) Efficiency
- d) Partnerships
- e) Gender Equity
- f) Environmental Sustainability

**Strategic Objectives**

The Ministry has four strategic objectives namely:

- a) Create an Enabling environment for Agricultural development
- b) Increase Productivity and Outputs in agricultural sector
- c) Improve market access and trade
- d) Strengthen Institutional capacity

**I. KEY MINISTRY INFORMATION AND MANAGEMENT (continued)**

**Strategic Programs**

The strategic programs undertaken by the ministry include; review of legal and coordination framework and institutional reforms with operationalization of both the AFFA<sup>1</sup> and KALRO<sup>2</sup>, Coordination of food security programs and projects, irrigation and mechanization programs, development of disease free zones, and fisheries development programmes.

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2014 and who had direct fiduciary responsibility were:

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	<b>Sicily K.Kanini (Mrs),MBS</b>
2.	Principal Secretary	<b>Prof. Japheth Ntiba,CBS</b>
3.	Principal Secretary	<b>Dr. Khadijah Kassachoon</b>

**(d) Fiduciary Oversight Arrangements**

**- Audit and finance committee activities**

The Ministerial Audit Committee has been active vide Treasury Circular No.16/2005 dated 4<sup>th</sup> October, 2005 before introduction of PFM Act, 2012.

However during the period under review (2013/2014) the draft PFM (5<sup>th</sup> Zero Draft) Regulations Section 171 to 180 covering the Ministerial Audit Committee have not yet been finalized and approved by Parliament for effective application as required.

**Parliamentary committee activities**

The Ministry handled various issues both the National Assembly and the Senate of Parliament:-

**National Assembly**

- Statements	22
- Petitions	1
- Motions	2
- Workshops/Seminars	3
- Meetings with Departmental Committees	4

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<sup>1</sup> Agriculture, Fisheries and Food Authority

<sup>2</sup> Kenya Agricultural and Livestock Research Organization

**I. KEY MINISTRY INFORMATION AND MANAGEMENT (continued)**

**(d) Fiduciary Oversight Arrangements**

**Parliamentary committee activities**

**Senate**

- Statements	4
- Petitions	3
- Motions	5
- Workshops/Seminars	1
- Meetings with Departmental committees	2

**(e) Ministry Headquarters**

Kilimo Building/House/Plaza  
P.O. Box 30028  
Cathedral Road  
Nairobi, Kenya

**(f) Ministry Contacts**

Telephone: (254) 2718870/9  
E-mail: [psagriculture@kilimo.go.ke](mailto:psagriculture@kilimo.go.ke)  
Website: [www.go.ke](http://www.go.ke)

**(g) Ministry Bankers**

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

Kenya Commercial Bank Limited  
Haile Selassie Avenue  
P.O. Box xxxxxx  
City Square 00200  
Nairobi, Kenya

Co-operative Bank of Kenya Limited  
Haile Selassie Avenue  
P.O. Box xxxxxx  
City Square 00200  
Nairobi, Kenya

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**  
**Reports and Financial Statements**  
**For the year ended June 30, 2014**

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**(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

## **II. FORWARD BY THE CABINET SECRETARY**

There are a number of policy documents that guide the operations in the ministry to ensure prudent use of available resources aimed at achieving the ministry's overall goal of improving livelihood of all Kenyans. The main development agenda for the ministry is contained in the Agriculture Sector Development Strategy (ASDS) 2009-2020. The overall goal of the ASDS is to position agriculture sector strategically as a key driver for delivering the 10 percent annual economic growth rate envisaged under the economic pillar of vision 2030. The aim of the ASDS is to transform Kenya's agriculture into an innovative, commercially – oriented and modern agriculture.

Delivering food and nutrition security is the core mandate of the ministry. To ensure that the issues of Food and Nutrition Security are comprehensively undertaken at the County and National levels, the Ministry developed key priority areas and projects.

Agriculture Food and Fisheries Act (AFFA) 2013 was operationalized during the year. Rules and regulations for the Act were prepared and an Interim Management Committee established. Amendments designed to clear defects in the Act were also initiated. At the same time, An Interim Management Committee to run Kenya Agriculture and Livestock Research Organization Act 2013 (KALRO) 2013 was launched.

During the review period, relevant functions, staff and equipment were devolved to County governments, in line with the Transition Authority guidelines and the gazette notice No. 116 of 9th August, 2013. The Ministry of Agriculture, Livestock and Fisheries has been restructured to enhance service delivery in a devolved dispensation. A framework for cooperation and coordination between the National Government, Development Partners, and Counties was developed to enable smooth implementation of the existing projects and to anchor future project and programmes at county level.

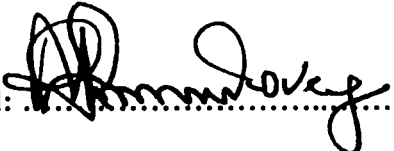
The ministry's performance was however affected by the following challenges;

- Kenya experiences a strong correlation between persistent, widespread national food insecurity and poor national development. There exists a complex multidimensional relationship between national food insecurity and underdevelopment.
- Chronic household hunger leads to poor family health which in turn cascades into poor human development (inadequate cognitive skills in childhood etc) leading to Poverty.
- Overtime, performance of the agriculture sector has been affected by effects of climate change that has seen unreliable rainfall patterns leading to frequent crop failure, reduced harvest, scarcity of food and high food prices.
- The Constitution transfers a number of Functions to county Governments leaving the National Government mainly with the Function of policy formulation. However, these policies have to be implemented in the counties. This makes implementation of agricultural policies a challenge in many respects.
- The lack of full farmer participation in programmes/projects may pose some challenges in sustainability unless proper training and sensitization is done on planning and implementation phases.
- Inadequate and unpredictable funding by the Government which distorts and slows down implementation of programmes and projects.

**II. FORWARD BY THE CABINET SECRETARY (continued)**

- Insecurity in some parts of the country and the poor road network to major markets undermine the development of the agricultural sector.

I wish to thank Mr. Henry K. Rotich, the Cabinet Secretary; The National Treasury for the cooperation and support, and taking accounting oversight responsibility over my Ministry. Further I wish to appreciate the Principal Secretary, Mrs Sicily K. Kariuki (MBS), for the leadership and hard work in leading the Technical and Administrative matters in the Ministry. I am grateful to all technical and administrative teams of the Ministry at all levels who, through their hard work and dedication made it possible to realize the achievements of various plans of the Ministry. Finally, I wish to recognize the contribution made by various private Sector Players and Development Partners in supporting various programmes and projects within my Ministry.

Signed: 

Date: 30<sup>TH</sup> SEPTEMBER 2014.

**FELIX K. KOSKEI**  
**CABINET SECRETARY**

**III. STATEMENT OF MINISTRY 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.

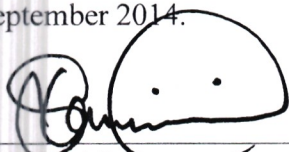
The Accounting Officer in charge of the Ministry of Agriculture, Livestock and Fisheries is responsible for the preparation and presentation of the Ministry's financial statements, which give a true and fair view of the state of affairs of the Ministry for and as at the end of the financial year ended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

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

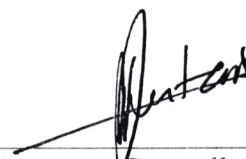
The Accounting Officer in charge of the Ministry of Agriculture, Livestock and Fisheries confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the Ministry's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The Ministry's financial statements were approved and signed by the Accounting Officer on <sup>30<sup>th</sup></sup>..... September 2014.



Principal Secretary



Principal Accounts Controller

**IV. REPORT OF THE INDEPENDENT AUDITORS ON THE MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

We have audited the accompanying financial statements of Ministry of Agriculture, Livestock and Fisheries for the year ended June 30, 2014, which comprise: (i) a statement of receipts and payments; (ii) a statement of assets; (iii) a statement of cash flows, (iv) statement of appropriation; (v) summary statement for provisionings, and (v) a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial statements**

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

**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 Ministry's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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 Ministry as at June 30, 2014, and its receipts and payments, as well as cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

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Auditor General

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Date

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

**Reports and Financial Statements**

**For the year ended June 30, 2014**

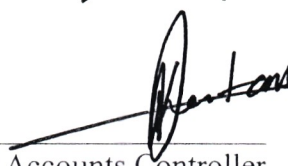
**V. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2013-2014 Kshs	2012-2013 Kshs
<b>RECEIPTS</b>			
Proceeds from Domestic and Foreign Grants	1	1,335,493,543	568,393,067
Transfers from National Treasury	2	36,824,007,734	28,381,070,980
Proceeds from Domestic Borrowings	3	372,095,354	656,714,603
Domestic currency and domestic deposits	4	95,043,598	42,000,000
Proceeds from Sale of Assets	5	6,963,367	146,124,763
Other Revenues	6	228,608,403	167,428,865
<b>TOTAL REVENUES</b>		<b>38,862,211,999</b>	<b>29,961,732,278</b>
<b>PAYMENTS</b>			
Compensation of Employees	7	2,414,743,809	9,377,170,725
Use of goods and services	8	5,983,587,637	7,542,188,009
Transfers to Other Government Units	9	18,116,410,934	2,327,612,183
Other grants and transfers	10	5,191,502,643	4,564,387,613
Social Security Benefits	11	5,867,581	32,103,897
Acquisition of Assets	12	6,470,820,275	7,769,238,121
Finance Costs, including Loan Interest	13	-	100,000
<b>TOTAL PAYMENTS</b>		<b>38,213,129,417</b>	<b>31,612,800,548</b>
<b>SURPLUS/DEFICIT</b>		<b>649,082,582</b>	<b>(1,651,068,270)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on <sup>30<sup>th</sup></sup>..... September 2014 and signed by:



Principal Secretary



Principal Accounts Controller

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

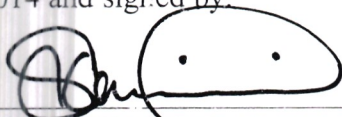
**Reports and Financial Statements**

**For the year ended June 30, 2014**

**VI. STATEMENT OF ASSETS**

	Note	2013-2014 Kshs	2012-2013 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	14	624,521,715	990,736,271
Cash Balances	15	14,988	860,261
Outstanding Imprests	16	1,778,600	108,844,116
<b>TOTAL FINANCIAL ASSETS</b>		<b>626,315,303</b>	<b>1,100,440,648</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd		1,100,440,648	1,397,871,579
Surplus/Deficit for the year		649,082,582	(1,651,068,270)
Prior year adjustments		(1,123,207,927)	1,353,637,339
<b>NET FINANCIAL POSITION</b>		<b>626,315,303</b>	<b>1,100,440,648</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on <sup>30<sup>th</sup></sup>.....September 2014 and signed by:



Principal Secretary



Principal Accounts Controller

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

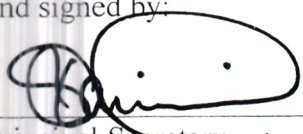
**Reports and Financial Statements**

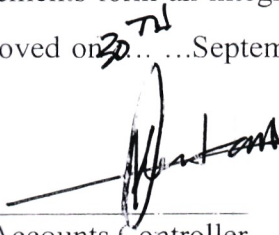
**For the year ended June 30, 2014**

**VII. STATEMENT OF CASHFLOW**

	Note		
<b>Receipts for operating income</b>			
Proceeds from Domestic and Foreign Grants	1	1,335,493,543	568,393,067
Transfers from National Treasury	2	36,824,007,734	28,381,070,980
Other Revenues	6	228,608,403	167,428,865
<b>Payments for operating expenses</b>			
Compensation of Employees	7	(2,414,743,809)	(9,377,170,725)
Use of goods and services	8	(5,983,587,637)	(7,542,188,009)
Transfers to Other Government Units	9	(18,116,410,934)	(2,327,612,183)
Other grants and transfers	10	(5,191,502,643)	(4,564,387,613)
Social Security Benefits	11	(5,867,581)	(32,103,897)
Finance Costs, including Loan Interest	13	-	(100,000)
<b>Net cash flows from operating Activities</b>		<b>6,675,997,076</b>	<b>5,273,330,485</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	5	6,963,367	146,124,763
Acquisition of Assets	12	(6,470,820,275)	(7,769,238,121)
<b>Net cash flows from Investing Activities</b>		<b>(6,463,856,908)</b>	<b>(7,623,113,358)</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from Domestic Borrowings	2	372,095,354	656,714,603
Domestic currency and domestic deposits	4	95,095,354	42,000,000
<b>Net cash flow from financing activities</b>		<b>467,190,708</b>	<b>698,714,603</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>649,082,582</b>	<b>(1,651,068,270)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>1,100,440,648</b>	<b>1,397,871,579</b>
<b>Prior year adjustment</b>		<b>(1,123,207,927)</b>	<b>1,353,637,339</b>
<b>Cash and cash equivalent at END of the year</b>		<b>626,315,303</b>	<b>1,100,440,648</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ministry financial statements were approved on <sup>30<sup>th</sup></sup>...September 2014 and signed by:

  
Principal Secretary

  
Principal Accounts Controller

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Code	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 Difference to Final Budget f=d/c %
	Proceeds from Domestic and Foreign Grants	25,034,953,457	6,066,445,833	31,101,399,290	1,335,493,543	(29,765,905,747)	4%
	Transfers from National Treasury	33,060,995,275	7,687,095,199	40,748,090,474	36,824,007,734	3,424,082,740	91.7%
	Proceeds from Domestic Borrowings	1,768,204,140	14,014,849	1,782,218,989	372,095,354	(1,410,123,635)	21%
	Proceeds from sale of assets	170,100,000	15,000,000	155,100,000	6,963,367	(148,136,633)	4%
	Domestic Currency and Domestic Deposits	-	289,736,407	289,736,407	95,043,598	(194,692,814)	32%
	Other revenues	400,000,000	-	400,000,000	228,608,403	(171,391,597)	57%
<b>Total</b>		<b>31,245,242,687</b>	<b>6,220,291,193</b>	<b>37,465,533,880</b>	<b>38,862,211,999</b>		
	Compensation of Employees	2,352,009,502	167,567,238	2,519,576,740	2,414,743,809	(104,832,931)	96%
	Use of goods and services	3,403,713,790	4,080,190,286	7,483,904,076	5,983,587,637	(1,500,316,439)	80%
	Transfers to Other Government Units	24,190,920,239	1,240,047,555	22,950,872,684	18,116,410,934	(4,819,363,481)	79%
28	Other grants and transfers	5,084,477,385	568,196,694	5,652,674,079	5,191,502,643	(461,171,436)	92%
	Social Security Benefits	14,429,271	-	14,429,271	5,867,581	(8,561,690)	41%
	Acquisition of Assets	7,154,509,498	2,324,298,031	9,478,807,529	6,470,820,275	(2,691,758,360)	72%
	<b>Grand Total</b>	<b>18,045,139,446</b>	<b>7,134,252,249</b>	<b>25,179,391,695</b>	<b>38,213,129,417</b>		

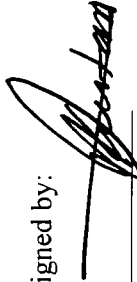
(a) The Ministry released KShs. 283,771,106 to Kenya Commercial Bank for a Letter of Credit in respect of supply, milking equipment to the Director of Livestock Production. The suppliers were unable to commission the equipments before 30<sup>th</sup> September, 2014. Thereby invalidating the letter of credit.

**Reports and Financial Statements  
For the year ended June 30, 2014**

- (b) *The under absorption of social security benefits was due to retirement of the Minister and the assistant minister before the expiry of the contract.*
- (c) *The under collection of A.I.A was due to transfer of functions to counties.*

The Ministry financial statements were approved on ~~30~~<sup>7<sup>th</sup></sup>..... September 2014 and signed by:

  
Principal Secretary

  
Principal Accounts Controller

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

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Code	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 Difference to Final Budget f=d/c %
	Transfers from National Treasury	10,319,391,120	1,794,016,604	12,113,407,724.00	11,383,750,869	(229,656,855)	98%
	Proceeds from sale of assets	170,100,000	15,000,000	155,100,000	6,963,367	(148,136,633)	4%
	Other revenues	400,000,000	-	400,000,000	228,608,403	(171,391,597)	57%
	<b>Total</b>	<b>10,889,491,120</b>	<b>1,809,016,604</b>	<b>12,668,507,724</b>	<b>11,619,322,639</b>		
	Compensation of Employees	2,293,349,302	73,367,238	2,466,716,540	2,364,077,315	(102,639,225)	96%
	Use of goods and services	2,103,780,350	140,815,662	2,244,596,612	1,683,490,545	(561,106,067)	75%
	Transfers to Other Government Units	36,000,000	6,000,000	30,000,000	30,000,000	-	100%
	Other grants and transfers	4,712,162,902	252,696,694	4,964,859,596	4,541,487,515	(423,372,081)	91%
	Social Security Benefits	9,271	-	14,429,271	5,867,581	(8,561,690)	41%
	Acquisition of Assets	1,730,968,695	1,200,391,981	2,931,360,676	2,921,843,299	(9,517,377)	99%
	<b>Grand Total</b>	<b>10,876,271,120</b>	<b>1,673,271,575</b>	<b>12,651,962,695</b>	<b>11,539,990,316</b>	<b>(1,111,972,379)</b>	

The Ministry financial statements were approved on <sup>7<sup>th</sup></sup> 30 ~~SEP~~ 2014 and signed by:

  
Principal Secretary

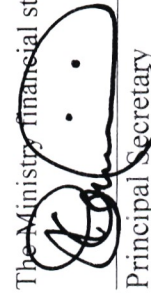
  
Principal Accounts Controller

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

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Code	Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
		a	b	c=a+b	d	e=d-c	f=d/c %
	<b>RECEIPTS</b>						
	Proceeds from Domestic and Foreign Grants	1,725,861,468	544,408,923	2,270,270,391	1,335,493,543		
	Transfers from National Treasury	22,741,604,155	5,893,078,595	28,634,682,750	25,440,256,865	(3,194,425,885)	89%
	Proceeds from Domestic Borrowings	1,768,204,140	14,014,849	1,782,218,989	372,095,354	(1,410,123,635)	21%
	<b>Total</b>	<b>26,235,669,763</b>	<b>6,451,502,367</b>	<b>32,687,172,130</b>	<b>27,147,845,762</b>	<b>(4,604,549,520)</b>	
	<b>PAYMENTS</b>						
	Compensation of Employees	58,660,200	(5,800,000)	52,860,200	50,666,494	(2,193,706)	96%
	Use of goods and services	1,299,932,840	3,939,374,624	5,239,307,464	5,087,172,467	(152,134,997)	97%
	Transfers to Other Government Units	19,325,462,277	1,425,433,423	20,750,895,700	18,086,410,934	(2,649,386,497)	87%
	Other grants and transfers	372,314,483	515,500,000	687,814,483	650,015,128	(12,012,814,240)	95%
	Acquisition of Assets	5,423,540,803	1,123,906,050	6,547,446,853	3,865,205,870		
	<b>Grand Total</b>	<b>26,479,910,603</b>	<b>6,798,414,097</b>	<b>33,278,324,700</b>	<b>26,673,139,101</b>	<b>(6,605,185,599)</b>	

The Ministry's financial statements were approved on 30<sup>th</sup> Sept, 2014 and signed by:

  
Principal Secretary

  
Principal Accounts Controller

**XI. SUMMARY STATEMENT OF PROVISIONINGS**

- Details of General Accounts On Vote

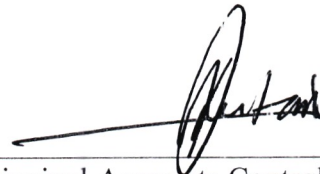
	2013 - 2014	2012 - 2013
	Kshs	Kshs
GAV Provisioning account balance	1,342,692,447	-
	2,618,743,442	
<b>Total</b>	<b>3,961,435,889</b>	<b>-</b>

- Details of Exchequer Account

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Exchequer Provisioning account balance	3,961,435,889	-
<b>Total</b>	<b>3,961,435,889</b>	<b>-</b>



Principal Secretary



Principal Accounts Controller

## **XII. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of compliance and basis of preparation**

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

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

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

### **2. Recognition of revenue and expenses**

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

### **3. In-kind contributions**

In-kind contributions are donations that are made to the Ministry 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 Ministry 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.

**XII. 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 ministry 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 ministry's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the ministry's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**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.

**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, 2014.

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XIII. EXPLANATORY NOTES

1 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	2013 - 2014	2012 - 2013
	Kshs	Kshs
<b>Grants Received from Bilateral Donors (Foreign Governments)</b>		
Grant received as direct payments		254,190,691
<b>Grants Received from Multilateral Donors (International Organisations)</b>		
Grants from International Orgns.- Treated as AIA	655,402,536	314,202,376
Grant received as direct payments	680,091,007	-
<b>Total</b>	<b>1,335,493,543</b>	<b>568,393,067</b>

2 EXCHEQUER RELEASES

Description and reference of the transfer	2013 - 2014	2012 - 2013
	Kshs	Kshs
1st quarter transfer	9,312,699,830	4,950,789,850
2nd quarter transfer	9,882,778,250	7,681,497,625
3rd quarter transfer	7,639,744,580	4,651,175,585
4th quarter transfer	9,988,785,074	11,097,607,920
<b>Total</b>	<b>36,824,007,734</b>	<b>28,381,070,980</b>

3 PROCEEDS FROM DOMESTIC BORROWINGS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Domestic Currency and Domestic Deposits	-	
Domestic Accounts Payable	372,095,354	656,714,603
<b>Total</b>	<b>372,095,354</b>	<b>656,714,603</b>

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**4 DOMESTIC CURRENCY AND DOMESTIC DEPOSITS**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Domestic Currency and Domestic Deposits	95,043,598	42,000,000
<b>Total</b>	<b>95,043,598</b>	<b>42,000,000</b>

**5 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Receipts from the Sale Plant Machinery and Equipment	1,535,000	3,259,593
Receipts from Sale of Certified Seeds and Breeding Stock	1,279,580	1,519,440
Receipts from the Sale of Inventories, Stocks and Commodities	4,148,787	141,345,730
<b>Total</b>	<b>6,963,367</b>	<b>146,124,763</b>

**6 OTHER RECEIPTS**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Receipts from Incidental Sales by Non-Market Establishments	228,608,403	
<b>Total</b>	<b>228,608,403</b>	<b>-</b>

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**XIII. EXPLANATORY NOTES**

**7 COMPENSATION OF EMPLOYEES**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic salaries of permanent employees	1,466,426,829	5,775,828,107
Basic wages of temporary employees	122,346,045	325,217,249
Personal allowances paid as part of salary	825,970,935	3,272,326,179
Personal allowances paid as reimbursements	-	3,799,190
<b>Total</b>	<b>2,414,743,809</b>	<b>9,377,170,725</b>

**8 USE OF GOODS AND SERVICES**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	77,795,479	92,795,641
Communication, supplies and services	51,727,660	83,109,792
Domestic travel and subsistence	152,862,746	512,843,789
Foreign travel and subsistence	82,960,705	59,918,176
Printing, advertising and information supplies & services	45,419,028	160,327,526
Rentals of produced assets	54,445,878	70,327,321
Training expenses	144,726,833	304,009,969
Hospitality supplies and services	29,904,365	54,867,635
Insurance costs	996,820	1,695,100
Specialised materials and services	836,433,023	2,292,657,849
Office and general supplies and services	54,838,784	104,824,597
Fuel Oil and Lubricants	95,899,322	275,015,551
Other operating expenses	4,242,216,877	3,304,371,246
Routine maintenance – vehicles and other transport equipment	77,210,419	132,374,514
Routine maintenance – other assets	36,149,698	83,049,303
<b>Total</b>	<b>5,983,587,637</b>	<b>7,542,188,009</b>

**9 TRANSFER TO OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to National Government entities (Capital grants to Govt. Agencies and other levels) (See attached list)	18,116,410,934	2,327,612,183
<b>TOTAL</b>	<b>18,116,410,934</b>	<b>2,327,612,183</b>

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES****Reports and Financial Statements****For the year ended June 30, 2014****XIII. EXPLANATORY NOTES****10 OTHER GRANTS AND OTHER PAYMENTS**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Scholarships and other educational benefits	4,987,099	8,350,000
Subsidies to small businesses, cooperatives, and self employed	50,915,146	81,113,269
Current grants to Govt. Agencies and other levels	4,781,393,878	4,058,440,708
Other current transfers, grants	17,572,332	22,707,500
Other capital grants and transfers	209,099,982	297,034,647
Membership Fees and Dues, and Subscriptions	127,534,206	96,741,489
<b>Total</b>	<b>5,191,502,643</b>	<b>4,564,387,613</b>

**11 SOCIAL SECURITY BENEFITS**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Government pension and retirement benefits	5,867,581	32,103,897
<b>Total</b>	<b>5,867,581</b>	<b>32,103,897</b>

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**12 ACQUISITION OF ASSETS**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Non Financial Assets</b>		
Construction of Buildings	245,278,240	1,049,432,565
Refurbishment of Buildings	27,427,587	413,689,804
Construction and Civil Works	1,841,804,238	1,255,374,349
Overhaul and Refurbishment of Construction and Civil Works	11,747,345	5,057,430
Purchase of Vehicles and Other Transport Equipment	590,011,929	600,449,028
Overhaul of Vehicles and Other Transport Equipment	7,778,422	10,310,595
Purchase of Household Furniture and Institutional Equipment	10,904,027	8,797,857
Purchase of Office Furniture and General Equipment	1,107,000	44,123,971
Purchase of Specialised Plant, Equipment and Machinery	638,904,440	781,785,382
Rehabilitation and Renovation of Plant, Machinery and Equip.	29,225,082	19,034,159
Purchase of Certified Seeds, Breeding Stock and Live Animals	151,396,053	600,386,735
Research, Studies, Project Preparation, Design & Supervision	64,916,470	2,836,244,193
Rehabilitation of Civil Works	319,442	144,552,053
Acquisition of Strategic Stocks and commodities	2,850,000,000	-
<b>Total</b>	<b>6,470,820,275</b>	<b>7,769,238,121</b>

**13 FINANCE COSTS**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Exchange Rate Losses	-	100,000
<b>Total</b>	<b>-</b>	<b>100,000</b>

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**XIII. EXPLANATORY NOTES**

**14 BANK ACCOUNTS**

Name of Bank, Account No. & currency	2013 - 2014	2012 - 2013
	Kshs	Kshs
CENTRAL BANK OF KENYA-DEV ACC.1000003014 (livestock development)		1,543,299
Central bank of Kenya, Ac no. 1000003518 (Kshs) - Livestock devt Recurrent		257,853
Central bank of Kenya, Ac no. 1000181885 (Kshs) - Recurrent	95,669,231	-
Central bank of Kenya, Ac no. 1000181699 (Kshs) - agric dev	9,064,759	30,867,486
Central bank of Kenya, Ac no. 1000182296 (Kshs) - Deposits	519,787,724	-
Central bank of Kenya, Ac no. 1000182296 (Kshs) - agric recur		155,103,876
Central bank of Kenya, Ac no. 1000182296 (Kshs) - fisheries dev		10,654,257
Central bank of Kenya, Ac no. 1000182296 (Kshs) - fisheries recur		32,511,549
Exchequer account - fisheries		595,029,793
District suspense - fisheries		9,311,297
PMG - Fisheries		
PMG - Agriculture		155,456,861
PMG - Livestock	-	-
Exchequer account -Adjustment for county salaries	-	-
	-	-
<b>Total</b>	<b>624,521,715</b>	<b>990,736,271</b>

**15 CASH IN HAND**

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Ministry cash in hand	14,988	-
livestock devt - rec	-	391,235
livestock devt - dev	-	71,819
agriculture - dev		20,415
agriculture - rec	-	352,987
Fisheries - rec		23,805
<b>Total</b>	<b>14,988</b>	<b>860,261</b>

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XIII. EXPLANATORY NOTES

16 OUTSTANDING IMPRESTS

Name of Officer or Institution	Balance	Balance
	KShs	Kshs
Outstanding imprest - Livestock development Development - development	-	19,051,330
Outstanding imprest - Livestock development Development - recurrent	-	483,471
Outstanding imprest - Agriculture- development	-	-
Outstanding imprest - Agriculture - recurrent	-	186,620
Outstanding imprest - Fisheries- recurrent	-	94,851
Outstanding imprest - Livestock development Development - recurrent	-	89,027,844
Alice Mweu Mutisya	32,000	
Luke C. Kipyekomen	400	
William Kigai Simatwa	37,500	
John Thurania	15,000	
John Thurania	8,000	
John Thurania	7,000	
Francis Njuguna	20,200.00	
Dr Muchemi Kariuki	36,000.00	
Dr Purity Nguhia	67,000.00	
Dr Zachary Mwaura	40,500.00	
Dr. Nicholas Ayore	67,000.00	
Elikana Malala	4,900.00	
Henry Ochieng	34,000.00	
Jane Obare	39,500.00	
Jonathan Tanui	43,000.00	
Joseph Obwocha	24,000.00	
Joshua K. Kessios	37,800.00	
Joyce Thaiya	67,000.00	
Leonida N. Osoro	27,000.00	
Magdaline Kithii	39,300.00	
Mary W. Wambui	31,000.00	
Monica Kinya	29,000.00	
Mungania Kimathi	30,000.00	
Muriithi Mbogo	61,350.00	
Ronald Butasi	15,000.00	
Fred Mudege	258,050.00	
John Mwangi	39,000.00	
Cristine Koech	36,000.00	
Julius Mutua	36,000.00	
Moris Owili	597,000.00	
<b>Total</b>	<b>1,778,600</b>	<b>108,844,116</b>

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**XIII. EXPLANATORY NOTES**

**17 DISTRICT SUSPENSE**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Suspense account - agric rec		374,162,920
District suspense - agric rec		3,223,181
District suspense		354,920,231
Provisional suspense - agric dev	-	14,056,090
District suspense - fisheries rec	-	9,311,296
District suspense - livestock dev		46,585,934
District suspense - livestock rec		264,855,239
<b>Total</b>	<b>-</b>	<b>1,067,114,891</b>

**18 RECEIVABLES**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
GAV Provisioning account balance	1,342,692,447	
Exchequer Provisioning account balance- livestock rec	-	1,571,611,192
Exchequer Provisioning account balance- livestock rec		48,943,850
GAV Provisioning account balance - livestock dev		839,519,087
Exchequer Provisioning account balance- livestock dev		29,537,273
Exchequer account -Agriculture dev		4,356,038,600
Exchequer account balance-Agriculture rec		29,634,979
Suspense account - agric rec		374,162,920
District suspense - agric rec		3,223,181
District suspense		354,920,231
PMG - agric rec		155,456,863
PMG - agric dev		31,069,401
Exchequer account - fisheries dev		521,528,006
PMG - fisheries dev		
Provisional suspense - agric dev	-	14,056,090
Exchequer account - fisheries rec		73,500,787
Advance - fisheries rec	-	9,311,296
<b>Total</b>	<b>1,342,692,447</b>	<b>8,412,514,756</b>

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**19 PAYABLES**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
GAV Provisioning account balance- livestock dev	-	2,709,829,001
Exchequer Provisioning account balance	3,961,435,889	-
General suspense		6,087,915
General account		860
GAV account		386,491,359
District suspense - Fisheries		9,338,663
GAV Provisioning account balance- fisheries	-	1,745,356,276
PMG - Fisheries dev		125,697,984
GAV account - Agric dev		3,104,322,555
GAV Provisioning account balance -Agriculture rec		562,664,563
General suspense account - Agric dev		1,296,841,536
Imprest - fisheries rec		203,207
GAV fisheries - rec		33,417,149
General suspense - fisheires		365,391
PMG fisheries rec	-	48,827,366
Pending bills	2,111,356,183	
<b>Total</b>	<b>6,072,792,072</b>	<b>10,029,443,825</b>

**20 FUND BALANCE B/F**

	<b>2013 - 2014</b>	<b>2012 - 2013</b>
	<b>Kshs</b>	<b>Kshs</b>
Cash and bank balances - Agriculture - Development		107,967,225
Cash and bank balances - Agriculture - Recurrent		32,941,392
Cash and bank balances - Agriculture - Deposit		100,123,626
Cash and bank balances - Livestock development - Development		1,982,836
Cash and bank balances - Livestock development - Recurrent		29,535,069
Cash and bank balances - Livestock development - Deposit		212,122,209
Cash and bank balances - Fisheries development - Development		136,352,241
Cash and bank balances - Fisheries development - Recurrent		81,362,690
Cash and bank balances - Fisheries development - Deposits		10,637,472
	-	<b>713,024,760</b>

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**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.

Reference 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)
<b>State Department of Fisheries</b>					
1.	The format within which the statement of assets and liabilities for Vote R156 did not conform to the prescribed format.				
<b>State Department of Agriculture</b>					
1.	The appropriation Accounts summary differs with the Net Total Approved Estimates	The Net Approved Estimates figure of Kshs 9,110,634,979 is correct and agrees with the Approved Estimates figure after taking into accounts the allocations in the Supplementary Estimates 11	Florence Keitany- Senior Assistant Accountant General	Not resolved	
2.	Variations between Appropriation Accounts and the Ledger of Kshs 8,861,142,337.70 and Kshs 8,896,437,028.10 respectively	The variations were due to system error in IFMIS which was noted and addressed with Treasury after which the statements were in agreement reflecting and expenditure of Ksh 8,8896,437,028.10	Florence Keitany- Senior Assistant Accountant General	Not resolved	
3.	Failure to provide footnotes for variances of over Kshs 1,000,000	The footnotes were prepared and submitted for audit verifications.	Florence Keitany- Senior Assistant Accountant General	Not resolved	
4.	Un-vouched Expenditure of Kshs 16,541,498.20	The Ministry did not produce payment vouchers and other relating documentations for expenditure totalling to Kshs. 16,541,498.20 .The documents were submitted for audit verifications	Florence Keitany- Senior Assistant Accountant General	Not resolved	
5.	Payment of meal allowance totalling to Kshs 7,661,460 to officers working outside normal working hours for duties which should have been performed normal working hours	The payments were made to officers -working in offices requiring inputs of extra hours by way of reporting early and leaving late. -Called upon to perform certain tasks with deadlines requiring extra hours. Some of the officers were attached to the Office of the Cabinet Secretary, the Principal Secretary and the Agriculture Secretary. The payments were however approved by senior officers	Florence Keitany- Senior Assistant Accountant General	Not resolved	
6.	Misallocation of Voted Provisions of Kshs 246,418,057	The payments were made in respect of Yoyth and Women in Agriculture project that had one line item that was utilized for	Florence Keitany-	Not resolved	

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Reference 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)
7.	The Appropriation In Aid totalling to Ksh 134,994,206 was not supported by receipt vouchers and related documentations	<p>purchase of equipments, farm produce and other operations. The expenditures were in line with Government Financial Regulations and Procedures.</p> <p>The documentation including receipt vouchers for the Appropriation In Aid of Kshs 134,994,206 were presented for audit review.</p>	Senior Assistant Accountant General  Florence Keitany- Senior Assistant Accountant General	Not resolved	
8.	Pending Bills amounting to Kshs 5,537,083.50 for Recurrent Vote were carried forward to 2013/2014 Financial Year	<p>The pending Bill totalling to Kshs 5,537,083.50 were settled during 2013/2014 FY. The bills were mainly caused by:</p> <ul style="list-style-type: none"> <li>-Budgetary cuts in the relevant items during the Supplementary Estimates</li> <li>-Late approval of the supplementary Estimates 11 which took place in late June 2014</li> <li>-Entry of errors in IFMIS which could not be rectified in time</li> </ul> <p>Though most of the factors are external to the Ministry, the following measures to ensure that factors within our control do not recur.</p> <ul style="list-style-type: none"> <li>-Strict adherence to work plans and procurement plans</li> <li>-Timely undertaking of procurement of goods and services</li> <li>-Frequent consultation with the IFMIS for timely correction of errors when they occur</li> </ul>	Florence Keitany- Senior Assistant Accountant General	Not resolved	
9.	Failure to clear long outstanding balances from the books of accounts totalling to Kshs 4,4858,620,740.86 and Kshs 3,262,504,196.61 respectively.	<ul style="list-style-type: none"> <li>-The Exchequer and GAV balances have not been cleared. The adjustment is done after the National Treasury recovers the amounts from the Ministry's Account</li> <li>-Advances of Ksh 549,671.45 have been cleared.</li> <li>-Long outstanding imprests includes imprests issued at District Level and incorporated in the Ministry's ledger. The ministry has encountered difficulties in analysing these imprests since they are balances brought forward from the districts.</li> <li>-Analysis and clearance of the outstanding amounts under Agency Accounts, Clearance Account, Suspense Account and Provincial/District Account for 2007/2008 and earlier years has not been done-&gt;this is due to numerous mergers and separations</li> </ul>	Florence Keitany- Senior Assistant Accountant General	Not resolved	
10.	The statement reflects Paymaster General(PMG) of Kshs.1,751,573,407.00 while the Cashbook shows a debit balance of Ksh 155,456,862.75.No explanation or reconciliation has been provided.	<p>Upto the end of financial year 2007/2008 the bank accounts for all ministries were closed at the end of the financial year and new accounts opened for the following financial year. There were no transfer of old balances resulting to the differences</p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	

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Reference 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)
11.	The suspense accounts reflects a balance of Kshs.733,639,181.82. The analysis was not provided. The statement further reflects a General Account of Vote (GAV) balance of Kshs.251,148,776.90 while the Appropriation Account for the year ended 30 <sup>th</sup> June, 2013 shows a figure of Kshs.249,492,641.39	The Ministry encountered differences due to lack of records occasioned by the numerous mergers and separations. The Ministry undertakes to liaise with the National treasury on clearance of these long outstanding balances.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
12.	Provincial/District suspense account reflects a figure of Ksh.1,905,301,792.09 which differs with the supporting analysis of this amount of Ksh.1,905,990,615.41. The difference of Kshs.688,823.32 has not been explained or reconciled.	The Statement reflects a General Account of Vote (GAV) balance of Kshs.251,148,776.90. This figure is in tandem with the Appropriation Account figure for the year ended 30 <sup>th</sup> June, 2013.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
13.	The Account balances reflected in the statement were not supported by a Trial Balance as at 30 <sup>th</sup> June, 2013. The completeness and accuracy of the statements could not be ascertained.	The statement reflected General Account on vote (GAV) balance of Kshs.1,905,301,792.09 which differed from the supporting analysis balance of Kshs.1,905,990,615.41. the resultant difference of Kshs.688,823.30 was an error in some entries which has since been corrected.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
14.	The Appropriate Account for Vote D.110 for the year ended 30 <sup>th</sup> June, 2013 reflects gross under-expenditure of Ksh.3,648,081,652.00 or approximately 26% of the approved Gross Estimates of Ksh.13,899,922,555.00. The Account also reflects under-collection of Appropriations-in-aid of Ksh.543,759,096.60.	The account balances in the statement were not supported by a Trial Balance as at 30 <sup>th</sup> June, 2013. The trial balance was prepared and provided for audit verification.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
15.	The Appropriation Account for Vote for the year ended 30 <sup>th</sup> June, 2013 reflects gross under – expenditure of Kshs.3,648,081,652 or appropriately 26% of the approved gross estimates of Kshs.13,899,922,555.00. The account also reflects under collection of Appropriation in Aid of kshs.543,759,096.60 of the estimated receipts of Kshs.1,527,482,795.00. The Ministry has taken the following measures to address the recurrence of the situation.	<ul style="list-style-type: none"> <li>- Donor funds coordination unit headed by a Chief Accountant was established in the month of May 2012 to oversee and control the operations of all donor funded projects.</li> <li>- Ensuring that direct payments are captured in IFMIS before forwarding to the National Treasury.</li> <li>- Non-inclusion in the Ministry's budget of Projects where</li> </ul>	Florence Keitany-Senior Asssistant Accountant General	Not resolved	

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16.	Development Appropriation account for vote D110 revealed under expenditure under various heads of Ksh.569,588,291.00 incurred at the Districts due to system failure and non remittance of expenditure returns of Ksh162,899,397.00 from some donors to enable capture into Government systems.	<p>negotiations are not yet concluded</p> <p>- Constituted the budget implementation committee to monitor budget implementation.</p> <p>The Ministry received the district data and captured it in and the correct position is reflected in the Audited set of Financial statements.</p> <p>The under expenditure and under collection of AinA reflected in the financial statements is complete and reflects the true position of the status of the Ministry's account.</p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	
17.	The Appropriation Account for Vote D110 is presented for Audit shows net Total Approved Estimates of Ksh.12,372,439,760.00 instead of Ksh.12,360,480,360.00 reflected in the printed estimates for 2012/2013. No explanation or reconciliation has been given for the difference of Ksh.11,959,400.00.	<p>The Ministry has analysed the discrepancy between the two figures and established that the error occurred during the appraising of the supplementary II in the IFMIS whereby the appropriation in Aid under budget head 1-0013-01-5120201 amounting to Ksh.11,959,400.00 was omitted while the same figure was in the printed approved estimates.</p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	
18.	Accuracy of Appropriation Account Summary	<p>The main Summary of the Appropriation Account for Vote D.110 presented for audit shows Net Total Approved Estimates of Kshs.12,372,439,760.00 instead of Kshs.12,360,480,360.00 reflected in the Printed Approved Estimates for 2012/2013. The Ministry has analyzed the discrepancy in the two figures and established that the error occurred during the uploading of the Supplementary Estimates in the IFMIS whereby the Appropriations -In-Aid under Budget Head 1-0013-01-5120201 amounting to Kshs. 11,959,400 was omitted. The Ministry has taken up the matter with the National Treasury seeking authority to adjust the Appropriation Accounts to reflect the Kshs. 11,959,400 so that the discrepancy is removed. Mr. Chairman I wish to confirm that the variance was due to technical hitches and not intentional</p> <p>The Appropriation Account for Vote D.110 for the year ended 30th June, 2013 reflects expenditure totalling Kshs.479,161,998.00 under Head 0001, Sub-Head 01, Item 2630200 - Capital grants to Government Agencies and other levels of Government.</p> <p>Kshs. 11,500,000 was utilized to purchase two motor vehicles for Kenya</p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	
19.	Misallocation of Expenditure		Florence Keitany- Senior Assistant Accountant General	Not resolved	

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20.	Pending Bills	<p>School of Agriculture and Bukura Agricultural College and the expenditure charged in Head 0001, Sub Head 01, Item 2630200- Capital Grants to Government Agencies and Other Levels of Government which is not the correct item and without Treasury authority. The two institutions were in urgent need of buses to ferry students to undertake practical lessons in the field. In the case of the Kenya School of Agriculture, their vehicles and other assets had been taken over by the newly created Embu University College thus were in urgent need for vehicles. The Ministry had submitted a request to reallocate the funds during the Supplementary Estimates II and in anticipation that the Supplementary Estimates will be approved as presented proceeded to undertake the procurement of the vehicles for the two institutions given that they had serious shortage of vehicles. However when the Supplementary Estimates were approved towards the end of the financial year, the Ministry noticed that the reallocation had not been approved by which time it was too late to reverse the process. The Ministry acknowledges that it was not authorized to reallocate funds and give an undertaking that the same will not be repeated. The pending bills were paid in 2013/2014 financial year</p> <p>The bills amounting to Kshs.206,957,879.80 in respect of Development Vote were not settled during the year under review but were instead carried forward to 2013/2014 financial year. Failure to settle bills during the year to which they relate distorts the Accounts for that year and adversely affects the provisions of the subsequent year to which they are charged. The issue has been taken seriously and measures instituted within the Ministry's control including:</p> <ol style="list-style-type: none"> <li>1. Strict adherence to work plans &amp; procurement plans</li> <li>2. Timely undertaking of procurement of goods and services, and</li> <li>3. Frequent consultation with the IFMIS Directorate when errors are detected for timely correction.</li> </ol> <p>Pending bills were paid in 2013/2014 financial year.</p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	
21.	Unaccounted for Authority to incur Expenditure(AIE)	<p>The Ministry received Kshs. 825,000,000 vide AIE No A649989 dated 21<sup>st</sup> March 2013 from the then Ministry of State for Special Programs towards funding of subsidized fertilizer though there was no evidence that the funds received through the AIE were utilized on procurement of fertilizers.</p> <p>The Ministry received the AIE from the then Ministry of State for Special Programmes vide letter Ref No OP/SP.57/6/1A dated 21<sup>st</sup></p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	

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		<p>March 2013. The AJE was issued following recommendation by the National Advisory Security Committee to stabilize fertilizer prices. The AJE however was not funded, instead the amount of Kshs 825,000,000 was added to an additional Kshs 1,875,000,000 from the National Treasury and included in the Supplementary Estimates resulting in a total allocation of Kshs. 2,700,000,000 as indicated in the letter from the then Permanent Secretary, Ministry of Finance Ref No R/ES 10/11/01 (57) dated 21st March 2013. The funds were utilized by the Ministry to purchase fertilizers for sale to farmers through the National Cereals and Produce Board. The Principal Secretary, State Department of Devolution has also confirmed.</p>			
22.	Irregular Expenditure on Procurement of Subsidize Fertilizer	<p>During the Financial Year 2012/2013 the Ministry advertised for a tender for the Supply and delivery of 25,000 metric tones (MT) of DAP fertilizer on 28th January, 2013. The said tender was later cancelled due to time constraints as the fertilizer was urgently required before the onset of the long rains in March.</p> <p>The Ministry then adopted a contract dated 20th February 2013 between National Cereals and Produce Board (NCPB) and M/S Holbud Limited for supply of similar type and quantities of fertilizer which NCPB could not effect due to financial constraints at the time.</p> <p>The contract was for USD 586.03 per MT under an irrevocable 90 days letter of credit (LC) and the Ministry negotiated a lower price of USD 578.80 per MT during the assignment of the contract from NCPB to the Ministry and the terms of the LC changed from 90 days to on sight delivery. (upon delivery)</p> <p>The Ministry when depositing the funds to the bank to liquidate the LC inadvertently paid Ksh.1,436,278,584.40 using the initial contract price of USD 586.03 per MT at an exchange rate of Kshs 88.90 to the USD instead of the negotiated price of USD 578.80 per MT.</p> <p>The bank however upon fulfilment of the terms of the LC paid to the supplier Kshs.1,397,512,600 based on the negotiated price of USD 578.80 per MT. The commission charge by the bank on the LC was Kshs.3,378,045.40 giving a total expenditure of Ksh.1,400,890,645.40. The difference between the deposited amount and the actual expenditure of Kshs.35,387,939.00 remained in the Ministry's fertilizer collection account at Kenya Commercial Bank until 11th February, 2014 when it was credited to the Ministry's Development bank account. The delay to recall the money was unintentional and is regretted.</p> <p>The fertilizer collection account is a current account which is non interest bearing. The receipt of the money in the Ministry's Development Account a journal entry was made thus adjusting the Appropriation Account. The audited financial statements therefore reflected a true position of the</p>	<p>Florence Keitany- Senior Assistant Accountant General</p>	<p>Not resolved</p>	

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23.	Unaccounted for Fertilizer	<p>Ministry</p> <p>The Ministry procured a total of 27,821.7 Metric Tons in 2012/2013 and contracted both Buzeki Enterprises and Rift Valley Railways (RVR) to transport the fertilizers to various National Cereals and Produce Board Depots. Buzeki Enterprises was paid Kshs.151,724,420 to transport 385,779 bags. However Buzeki delivered 385,033 and thereby under delivering by 746 bags. This shortfall has already been addressed since the firm has delivered 769 bags to cater for undelivered bags.</p> <p>Under the same arrangement, Rift Valley Railways was paid Kshs.65,144,399.90 to transport 170,655 bags but supplied 169,530 bags resulting in under delivery by 1,125 bags. However, dispatch report from the National Cereals and Produce Board indicate the under delivery was 1,115 bags. The Ministry communicated to Rift Valley Railways to make good for the under delivery of 1,115 bags. The Rift Valley Railways have communicated back requesting for some time to verify the under delivery.</p> <p>The shortfalls were not noticed in time due to the large quantities of fertilizers that were delivered to the various NCPB depots scattered all over the country.</p> <p>In order to prevent such losses in future, the Ministry has strengthened monitoring during distribution. During this 2014/2015 financial year, the monitoring will be done on quarterly basis. The Ministry is also working on electronic distribution system which is more full proof, efficient and less paper work.</p>	<p>Florence Keitany- Senior Assisstant Accountant General</p>	Not resolved	
24.	Uncompleted Works for Construction of Civil Works and irrigation at Igoji – KARI sub-station	<p>The Ministry awarded to a construction firm at a contract sum of Kshs.14, 994,769 in December, 2011 the construction of civil works and irrigation at Igoji-KARI sub-station.</p> <p>The main focus of the project was to augment the water supply system to increase the capacity of the substation to produce more of the traditional high value crops seeds for distribution to farmers. Though at the time of audit there were several uncompleted works, the Project Implementation Team (PIT)/Project Steering Committee visited the site on 12<sup>th</sup> and 13<sup>th</sup> June, 2014 and certified</p>	<p>Florence Keitany- Senior Assisstant Accountant General</p>	Not resolved	

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		<p>that 75 mm or 3" inches pipes were used at the intake and there was water flowing. The expected water flow from the current pipeline is 40.8 liters per second equivalent to 100 cubic liters per hour.</p> <p>Further, work has already commenced at the centre where a fruit tree nursery with 1,500 Tissue culture bananas seedlings, 800 Mango seedlings, 800 Avocado seedlings and 3,000 other assorted fruit tree seedlings are in place. The sub centre also had sweet potatoes varietal trial plots, Maize trial, Pigeon Peas trial, millet, bananas and a Mango orchard. There is also a soil sterilizing unit being used to train farmers by the sub county agricultural officer. Below are pictures of some of the trial plots</p>			
25.	<p>Irregular Award of Tender for Renovation Works at Plant Protection Station</p>	<p>The contract for the proposed renovation works for a corridor and washrooms at the Plant Protection Section at KARI Offices contract No.DQO/WESTLANDS/D10/2012-2013 was awarded to a firm at a contract sum of Kshs.4,996,804.40 following adjudication by the Ministerial Tender Committee in its meeting held on 14 February, 2013. At the time of audit several unsatisfactory matters were established.</p> <p>The contract was signed on 28<sup>th</sup> February, 2013 and the contractor was instructed to immediately start the works and the site handover to them by the Ministry of Works. When the Ministry of Works issued the first payments certificate on 15<sup>th</sup> March, 2013 it was realized that payment could not be effected because the contractor's details had not been captured in the IFMIS. To fully process the payment through the IFMIS a Local Service Order (LSO) has to be prepared although for construction projects the LSO may not be necessary. However the LSO was issued on 19<sup>th</sup> March 2013 was therefore to enable the capturing of the contractor's details and the payment was effected. On the issue of uncompleted works, the defects were corrected and the Ministry of Public Works have issued certificate to confirm the same.</p>	<p>Florence Keitany- Senior Assistant Accountant General</p>	<p>Not resolved</p>	
26.	<p>Doubtful Expenditure on Construction of Muroki Water Pan – District Agricultural Office – Trans Nzoia West District</p>	<p>The Ministry of Agriculture was implementing a water harvesting programme for food security through construction of water pans and earth dams for organized group in various Districts.</p> <p>The funding modalities were that the funds would be utilized for payment of AMS staff allowances, purchase of materials for civil works (toilet</p>	<p>Florence Keitany- Senior Assistant Accountant General</p>	<p>Not resolved</p>	

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	<p>construction, Troughs and Draw-off system) and fuel for excavations and logistical support for District Agricultural Officer (DAO).</p> <p>in the financial year 2012/ 2013 under review the District Agricultural Officer –Trans Nzoia District was issued with AIE of Kshs 2,500,000 to establish a water pan in the district. The District benefited in the second half of the financial year.</p> <p>It true that the said payments were made towards the construction of water pan as detailed below;</p> <ol style="list-style-type: none"> <li>1. Kshs 961,800.00 was paid to AMS Kitale towards the end of the financial year 2012/2013 by the District Agricultural Officer Trans Nzoia West for construction of Muroki water pan as government Revenue and was deposited in the Ministry of Agriculture ,Revenue Account.</li> <li>2. Kshs 175,000.00 was paid to Shalom contractors through a quotation for the supply of pipes and fittings for the draw-off system</li> <li>3. Kshs 107,025 was paid to Adech General Merchants through a quotation for other auxiliary works –troughs, toilet.</li> <li>4. Kshs 358,500 was paid out as allowances for officers.</li> <li>5. Kshs 833,080 was paid to a petroleum dealer for supply of fuel for excavation and logistical support to the office of DAO</li> </ol> <p>At the time of audit on 7<sup>th</sup> February 2014, though all the materials had been supplied and paid for, the excavation work had not commenced due to:</p> <ul style="list-style-type: none"> <li>• Heavy rains in the area which made the operations impossible, and</li> <li>• Break down of the low loader which was required to ferry the Dozer to the site</li> </ul> <p>However construction works by the Agricultural Mechanization Services (AMS) Kitale Station started on 10<sup>th</sup> March, 2014 and was completed on 5<sup>th</sup> April, 2014. The draw-off system, the troughs and toilet were also completed as was required.</p> <p>The advance payment for the excavation was made to the AMS since it was a policy that services are paid for in advance following previous experience of non payment.</p>	<p>The District Agricultural Office, Turkana West district procured poultry materials and chicken feeds worth Kshs1,699,500.00 using quotations where five bids were sent out. The lowest bidder was awarded.</p> <p>The same quotations included the 1,000 layer chicks. Only one of the suppliers quoted for the chicks. The district tender committee awarded the supply of the chicks to the only bidder who responded.</p>	<p>Florence Keitany- Senior Assistant Accountant General</p>	<p>Not resolved</p>	
27.	<p>Irregular Procurement of Goods – District Agricultural Office – Turkana West District(D.E)</p>				

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28.	Unsupported Casual Wages Expenditure	The bidder is Kenchick appointed agent  The District Agricultural Office also incurred an expenditure of Kshs.400,000.00 in respect of bush clearing and fencing of Integrated Food Security for Arid and Semi arid land project farm. A total of 80 casual labours worked on the 70 Ha of land for 10 days each and were paid 500/= each per day. The master roll is herewith attached.	Florence Keitany- Senior Asssistant Accountant General	Not resolved	
29.	Doubtful Payment for Building Materials – District Agricultural Office – Turkana South District – (DIRECTOR POLICY)	Turkana South District Agricultural Office Received AIEs amounting to K.shs.5,225,000.00 for Development Vote, out of which an amount of 759,000.00 was paid to a local entrepreneur on 27th June, 2013 vide cheque No.242 of Kshs.245,000.00 and No.248 of Kshs.514,000.00 for supply of building materials for rehabilitation of buildings. Although the materials are indicated as having been supplied, there has been no information to show who requisitioned for the materials or how the materials paid for were used. In addition, Bills of Quantities, Engineers estimates and information relating to the contractor who was to undertake the renovations was not provided for audit verification. The requisition was done by the District Agricultural Officer and the relevant documents are attached as Annex. The building is complete and in use.	Florence Keitany- Senior Asssistant Accountant General	Not resolved	
30.	Unaccounted for Juba Banana Suckers – District Agricultural Office Garissa (NALEP)	10,000 pieces of Juba banana suckers worth Ksh.1,500,000 were procured and payment made on 30th June, 2013 through cheque No.2994 after the goods were purportedly received vide counter receipt voucher No.6656509 dated 24th June, 2013. However a physical verification carried out on 16th July, 2013 however confirmed that the suckers had actually not been delivered. The cheque was prepared but not signed as the financial year was coming to an end and the management of the project intended to secure the funds. The delay in delivery of the banana suckers has	Florence Keitany- Senior Asssistant Accountant General	Not resolved	

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31.	Unsupported payments – District Agricultural Officer – Galole District.	<p>been due to the delays in laying the piping works for the project by the University of Nairobi. The University of Nairobi has now installed light trackers (solar panels) and solar pump for pumping water from Tana River to the farm for banana, green grams and pasture. The piping system to take the water from the river to the farm is underway and the water should flow to the farm by 25th August 2014, following which the banana suckers will be delivered on 26th August 2014. The error in preparing the cheque before delivery is however regretted.</p> <p>ASDSP is a programme covering the 47 counties and funded by the Swedish Government under SIDA and GOK. The programme is implemented through an ASDSP co-ordinator who manages all activities within a county. The Programme therefore does not deal with District Agricultural officers. Galole falls under the Tana river county co-ordinator. During the period under review, Kshs.3,527,500 was disbursed to Tana River county and the expenditure was Kshs.2,863,155 00.</p> <p>The funds were audited at the county level by the Auditor General's officers in charge of the Ministry of Agriculture and all the documents were availed and are in the custody of the District Accountant Tana River.</p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	
32.	Long outstanding Balances	<p>The Statement of Assets and Liabilities for Vote D110 as at 30<sup>th</sup> June 2013 reflects brought forward debit balances totalling Kshs.18,404,557,300.85 for five account items and General Account of Vote (GAV) credit balance of Ksh.16,602,914,683.30 relating to 2011/12 and prior years which remained uncleared. The Exchequer and GAV balances have not been cleared since the adjustment is done after the National Treasury recovers the amounts from the Ministry's account.</p> <p>The outstanding imprests relating to the years between 2007/8 and 2011/12 have always been analysed.</p> <p>Analysis and clearance of the outstanding amounts under Agency Account, General Suspense Account and Provincial/District Suspense Account has not been done due to the difficulties in retrieval of records due to the numerous mergers and separation of</p>	Florence Keitany- Senior Assistant Accountant General	Not resolved	

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33.	Exchequer Account	<p>The Ministry undertakes to liaise with the National Treasury on clearance of these long outstanding balances.</p> <p>The Statement also reflects an Exchequer Account balance of Kshs.4,356,038,660.00 for 2012/2013 which differs with the figure of Kshs.4,344,079,200.00 indicated in the records maintained by the Office of the Controller of Budget by Kshs. 11,959,400.00. The difference is attributed to errors during the uploading of the Supplementary Estimates II into the IFMIS, and the Ministry requests to be allowed to adjust the figure since the total expenditure for the Development Vote is less than the total budgetary allocation thus the adjustment will not result in any excess vote.</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	
34.	Unanalyzed Balances	<p>The statement additional shows imprests and Agency Accounts balances of Kshs.36,523,499.20 and Kshs.250,608,469.25 respectively not supported with analysis.</p> <p>This balances are for 2007/2008 and earlier years. This were balances from districts and provinces that were directly incorporated in the Ministry's ledger. The Ministry undertakes to liaise with the National Treasury on clearance of these long outstanding balances.</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	
35.	Unsupported Cleared Balances	<p>The statement further shows a General Suspense Account balance of Kshs.81,363,918.18 for 2011/2012 cleared during the year. This balance has been outstanding and is for 2006/07 and earlier years. Which have not been analysed since they accrued at different times of mergers and separations of the Ministries. The Ministry undertakes to liaise with the National Treasury on clearance of this long outstanding balances.</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	
36.	General Account of Vote (GAV)	<p>The net surplus to be surrendered to the exchequer is Kshs.3,104,322,555.40 as reflected in the Development Appropriation Account for the year and the figure agrees with that reflected in the General Account of Vote (GAV).</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	
37.	Paymaster General (PMG) Account	<p>The statement reflects a Paymaster General Account Credit balance of Kshs.1,770,573,216.45 while the cash book reflected a debit balance of Kshs.30,887,900.90. The development cashbook was re-opened to capture payments totalling Ksh.30,733,680.00 which had been made and appropriated during the year, but were</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	

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38.	Presentation of the Statements	erroneously omitted from the cashbook. I submit that the corrections in the cashbook should have been countersigned by the board of survey but this was not done. The omission is regretted. The Assets and Liabilities for Vote D110 as at 30th June, 2013 did not comply with the required format. The statement was revised to comply with Treasury Circular and Paymaster General Account and submitted for audit verification	Florence Keitany-Senior Assistant Accountant General		
39.	Differing Balances	The statement of assets and liabilities for Deposits 110 as at 30 <sup>th</sup> June 2013 reflects Demonstration Farms Fund (DFF) balance of Kshs 249,543,355.59 which differs with Cashbook figure of Kshs 62,989,306 by Kshs 186,554,059.59. Similarly the Agricultural Information Resource Centre (AIRC) balance of Kshs 16,843,246.60 differs with the Cashbook figure of Kshs 16,229,236.85 by Kshs 544,010. The differences were reconciled and submitted for audit verification as per attached bank reconciliations.(	Florence Keitany-Senior Assistant Accountant General	Not resolved	
40.	Unanalyzed Balance	The Sundry Deposit Account credit balance of Kshs 103,442,978.55 increased by Kshs 47,629,949.30 from Kshs 55,813,029.25 as at 30 <sup>th</sup> June 2012. The analysis has been done and is herewith attached. The delay is regretted	Florence Keitany-Senior Assistant Accountant General	Not resolved	
41.	Failure to avail a Trial Balance	The Statement of Assets and Liabilities for Deposits 110 balances had not been supported with a trial balance as at 30 <sup>th</sup> June 2013. The trial balance was later provided for audit verification as attached. The omission is regretted	Florence Keitany-Senior Assistant Accountant General	Not resolved	
42.	Presentation of Financial Statements	The Demonstration Farms Fund financial statements submitted for audit did not include a statement of cash flows, and notes to the financial statements. Further, the balances reflected in the financial statements were not supported with a trial balance as at the balance sheet date. The Cash flow, trial balance and notes to the financial statements were inadvertently excluded. They were later forwarded to the Auditor for verification as attached	Florence Keitany-Senior Assistant Accountant General	Not resolved	
43.	Cash and Bank Balance	The Fund's statement of financial position (Balance Sheet) as at 30 <sup>th</sup> June, 2013 had a cash balance of Kshs.249,543,365.59 which differs with the cashbook figure of Ksh.62,989,306 by Ksh.186,554,059.59.	Florence Keitany-Senior Assistant Accountant General	Not resolved	

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44.	Fixed Assets/Non-Current Assets	<p>A bank reconciliation for the two sets of balances was forwarded to the Auditor for verification.</p> <p>The Funds statement of financial position reflects non-current assets and biological assets balances of Kshs.1,477,467,693 and Kshs.251,088,161 respectively. The Ministry did not provide valuation reports and assets register for confirmation of asset balances and the balance of Kshs.1,477,467,693 for non current asset includes land and building balance of Kshs.1,165,270,025, and out of which, only title deeds for Miyare and Kwale ATCs were provided for audit verification.</p> <p>This is because the valuation was done by a team comprised of the District Officer, Public Works Officer, District Mechanical Officer, District Livestock officer and the District Agricultural Officer since the cost to engage professional valuers as prohibitive.</p> <p>Only three ATCs i.e Bungoma, Miyare and Matuga (Kwale) have title deeds. The other ATCs are on government land i.e KARI, Livestock holding ground, Vet Farms and Soil Conservation Farms.</p>			
45.	Current Assets	<p>The current assets balance of Ksh.589,455,920.59 as at 30th June, 2013 includes Ksh.88,824,394.00 in respect of training and accommodation explained as representing assets used for training purposes, which had also been accounted for under farm inputs. This was an error where Ksh.38,824,394.00 had been included under farm inputs and also as a stand alone item. This has been corrected in revised accounts and revised figure is Ksh.24,034,885.15.</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	
46.	Variances in the Financial Statements	<p>There was variance of between the financial statement figure and available supporting record. The variance were caused by revaluation and addition of assets. The variance was reconciled and forwarded to auditor for verification.</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	
47.	Capital 2 and financing by GOK and Donor	<p>The balance sheet reflects Capital 2 balances of Kshs.245,492,339.00 and an increase of Kshs.115,980,388.34 in respect of Finance by GOK and Donor during the year. This was an error whereby purchase of motor vehicles and other assets were erroneously captured as additional capital. The error is regretted and was corrected and submitted for audit verification. Ksh.115,980,388.34 increase in respect of finance by GOK and donor during the year was an error. The correct figure is</p>	Florence Keitany-Senior Assistant Accountant General	Not resolved	

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48.	Variances between the financial statements and the ledger	Ksh.113,520,000.00 representing additional land and building acquired using GOK funds. Some of the figures in the financial in the statements and those in the ledger as at 30 <sup>th</sup> June 2013 have variances. This is because the ledger captures sub items whereas the financial statements capture expenditure classes. The variances were reconciled and forwarded for audit verification.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
49.	Presentation of the Financial Statements	A statement of changes in net assets/reserves for the year had not been submitted for audit and the Cash flow statement submitted was not in compliance with International Accounting Standards (IAS) NO. 7. The cash flow was revised in compliance with IAS NO. 7 and the statement of changes in net assets/reserves was done and submitted for audit verification.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
50.	Cash and Bank Balances	The balance sheet reflected cash at bank of Kshs 16,843,246.60 which differed with the cash book balance of Kshs 16,299,236.85. This was an error where the bank balance was reflected instead of the cash book balance. The bank reconciliation was done as attached and forwarded for audit verification.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
51.	Debtors	The balance sheet reflects a debtors account balance of Kshs.14,218,290.00 which included an amount of Kshs.4,807,830 relating to 2011/12 and earlier years. An amount of Kshs 1,147,800.00 has since been recovered. Of the KSh.9,410,416.00 (14,218,290-4,807,830) for the year 2012/2013, Ksh.7,864,670.00 has since been recovered leaving a balance of Ksh.1,545,790.00.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
52.	Non-Current Assets	In a bid to reduce debts the management has imposed 50% down payment policy before services are rendered. The financial statements submitted did not include notes on Non-Current Assets. The notes were done and submitted for audit verification.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
53.	Revenue	The funds's income and expenditure account for the year ended 30th June 2013 reflects total income of Kshs. 35,110,765.00 while the receipts for the year were Kshs.29,611,825.00. The resultant difference of Kshs.5,498,940.00.	Florence Keitany-Senior Asssistant Accountant General	Not resolved	
<b>State Department of Livestock</b>					
699	Under -collection of Appropriations-in-Aid	The Recurrent Appropriation Account for vote R. 119 for the year ended 30 June 2013 reflects under-collection of Appropriations-In-	Benson M. Mwangi	Not resolved	In two days

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	<p>The Recurrent Appropriation Account for Vote R.119 for the year ended 30 June 2013 reflects under-collection of Appropriations-in-Aid of Kshs.15,924,411.00 or about 66.4% of estimates of Kshs.24,000,000. However, the Ministry has not indicated the measures it has taken to forestall the recurrence of a similar situation in future.</p>	<p>Aid of Kshs. 15,924,411 or about 66.4% of estimates of Kshs.24,000,000. The State Department of Livestock will closely monitor the A.I.A. collection and where it is not achievable, its budget will be revised downwards in subsequent supplementary budgets.</p>	Principal Accountant		
700	<p><b>Accuracy of the Appropriation Account</b> The Recurrent Appropriation Account for the year ended 30 June 2013 reflects numerous expenditure figures which differ with the respective amounts shown in the trial balance at the same period.</p> <p>The Appropriation Account further reflects total net expenditure of Kshs.3,928,857,455 while the Appropriation Account Summary shows a figure of Kshs.4,194,975,156.55 and therefore a difference of Kshs.266,117,702.</p> <p>In addition, the Appropriation Account reflects net approved estimates of Kshs.4,526,892,995 while the printed estimates book reflects approved estimates of Kshs.4,527,683,995 and therefore a difference of Kshs.791,000. No explanations or reconciliations have been provided for these differences.</p>	<p>It is true that the Recurrent Appropriation Account for the year ended June 2013 reflects numerous expenditure figures which differ with the respective amounts. However, the Appropriation account for Recurrent was revised and the difference of Kshs.266,117,702 addressed through the revised Appropriation Account which was resubmitted to Kenya National Audit Office (KENAO)</p> <p>It is also true the appropriation account reflects net approved estimates of Kshs.4,526,892,995 while the printed estimates book reflects approved estimates of Kshs.4,527,683,995 which resulted to a difference of Kshs.791,000.00. This was noted and the National Treasury was informed vide letter Ref No. MLDAC/CASH MGT/VOL.IV/205 dated February 27th 2014 (Appendix II). Once correction has been done by Treasury the corrected version of Appropriation Account shall be resubmitted.</p>			

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701	Grants to Government Agencies and Other Levels of Government	<p>The revised appropriation account which was resubmitted reflected grants totaling Kshs.41,107,250.00 to four (4) institutions during the year.</p> <p>The Grants disbursed to KMC were paid from the Development vote amounting to Kshs.106,000,000.00 while the balance of Kshs.92,063,136.90 was paid from the Deposit vote, as per the acknowledgement letter ref. KMC/MC/MALF/04/04 dated 28th April 2014.</p> <p>Further, it is true that records maintained at the Ministry indicate that grants and subsidies totaling Kshs.9,364,000.00 were disbursed to five (5) collaborating institutions during the year.</p> <p>However, acknowledgement receipt of Kshs.750,000.00 from Animal Production society of Kenya which is attached constitutes an amount of Kshs.650,000.00 which was a contribution from Director of Livestock Production headquarters while an amount of Kshs.100,000.00 was a contribution from ministry headquarters giving a total receipt of Kshs.750,000 as per acknowledgement letter attached.</p> <p>Under Animal Production Services, acknowledgement letter was for Kshs.600,000.00 while the balance of Kshs.600,000.00 was paid under District Expenditure. Additional Kshs.14,000.00 was also paid under district expenditure under Sheep and Goats Improvement Station.</p>			
702	Personnel Expenses	<p>It is true that the Appropriation Account reflects, under various Heads, an expenditure of Kshs.3,571,676,660 against personal emoluments. However, payment vouchers, the payroll and other related documents reflect an expenditure of Kshs.3,879,299,383.25 against the item, hence a difference of Kshs.307,622,723.25. The difference of Kshs.307,622,723.25 was as a result of delay in IFMIS system Journal No.7859736 that was in progress. The journal has now been incorporated in the Appropriation Account</p>			
703	Misallocation of Expenditure	<p>It is true that during the year under review, the State Department of Livestock incurred expenditure totaling Kshs.8,975,992.00 on various goods. However the expenditure was incurred under different items.</p> <p>The expenditure of Kshs.8,045,992.00 was charged to sub-item 2211015 Food and Ration which falls under principal item</p>			

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704	Pending Bills	<p>2211000 – Specialized Supplies. Expenditure of Kshs.800,000.00 was wrongly posted to sub-item 2211103 instead of 2211003 due to close similarity of numbers. With the introduction of new approval hierarchies in the IFMIS system the error will not occur.</p> <p>It is true that bills amounting to Kshs.27,742,073 chargeable to R119 and relating to financial year 2012/2013 were not settled during the year. Had the bills been paid and expenditure charged to the accounts for financial year 2012/2013, the appropriation account would have reflected a reduced net surplus of Kshs.304,175,765.45 instead of Kshs.331,917,838.45 as shown. The challenges that made the State Department of Livestock find itself in the above scenario was due to exchequer under-issue in Recurrent vote.</p>			
705	Failure to give explanations for material differences	<p>It is true the appropriation account reflects several items with over or under expenditure exceeding Kshs.1,000,000 that had not been explained as required by the financial regulations and procedures. However, during the resubmission of the appropriation accounts footnotes were attached.</p>			
706	Trial Balance and Ledger	<p>It is true that the statements were not supported by ledger and trial balances. This was due to the fact that the data for appropriation accounts were generated from Integrated Financial Management Systems (IFMIS). While the appropriation figures generated from the system were reliable, below the line figures were extraneous and did not reflect the reality. Consequently, it was deemed prudent to extract the figures manually from the cash book (PMG), the various registers/manual and ledgers maintained for the preparation of the statements. The PMG, Registers, manual ledgers used for the preparation are available for confirmation and verification of the statements at your own convenient time.</p>			
707	Long Outstanding Balances	<p>Advances are payments which are recoverable beyond a financial year. During the year, the under review recoveries were made and other advances issued resulting to a decrease net effect of Kshs.9,168.25 making the account close at Kshs.781,511.70.</p>			
708	Exchequer Account	<p>It is true the exchequer under-issue account balance showed a figure of Kshs.127,892,994.50 relating to 2012/2013. The figure was arrived at based on the last Ministry's recurrent exchequer issues No RE 1390/12/13 of 26th June 2013 which indicated cumulative exchequer releases as Kshs.4,399,000,000 (copy</p>			

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709	Unanalyzed Balances	attached) instead of Kshs.4,449,000,000 However on realization, the Statement of Asset and Liability was revised and the correct under-issue arrived at Kshs.77,892,995.00.			
710	Paymaster General Account	The Agency, Ministry of Fisheries and Ex-chequer accounts figures of Kshs. 482,192.00, 35,747,058.30 and 29,537,272.50 respectively are dormant accounts which were analyzed during the financial year they first appeared. The variance in relation to bank statement has been addressed in the subsequent months and as at October 2013, the bank statement and cashbook tallied at Kshs.308,120.50.			
711	Unsupported Cleared Balances	At the time of the Audit, documents for balances of Kshs.9,168.25 and Kshs.149,162.00 relating to salary advance, imprests and advance account respectively that were cleared during the year under review were not availed for audit review. However, the vouchers and payrolls that constituted the clearances are now available for audit inspection.			
712	Under-expenditure arising from under-collection of Appropriations-in-Aid	It is true the appropriation account for Vote D.119 for the year ended 30th June 2013 reflects gross under-expenditure of Kshs.591,012,368.65 or about 13% of approved estimates of Kshs.4,460,971,426. The account also reflects under-collection of Appropriation-In-Aid of Kshs 178,790,525.30 or about 58% of approved estimated receipts of Kshs.307,060,750. This arose because the projects' budgets are usually based on approved work plans. Due to lengthy procurement processes, some of the funds could not be utilized resulting to under collection. This anomaly has been noted and the Ministry is in liaison with project coordinators and accountants to ensure that the budgets are reviewed whenever there is a revision window according to the absorption levels.			
713	Capital Grants to Government Agencies and Other Levels of Government The Appropriation Account for Vote D.119 reflects under various Expenditure Heads, Item 2630200 –	It is true the Appropriation account for Vote D. 119 reflects under various Expenditure Heads, items 2630200- capital Grants to Government Agencies and Other Levels of Government, Development Grants totaling Kshs. 41,675,000 disbursed to two (2) institutions. It is also true the appropriation account further reflects under Head			

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	<p>Capital Grants to Government Agencies and Other Levels of Government, Development Grants totaling Kshs.41,675,000 disbursed to two (2) institutions while the audited financial statements for these organizations for the same year show receipts amounting to Kshs.57,435,000.</p> <p>The difference of Kshs.15,760,000 has not been explained or reconciled.</p> <p>The Appropriation Account further reflects under Head 0003, Sub-Head 01, item 2630100 – Current Grants to Government Agencies, Grants totaling Kshs.202,000,000 disbursed to Kenya Meat Commission while the Ministry records indicate Kshs.106,000,000 was issued to the institution. Kenya Meat Commission's financial statements on the other hand show that Kshs.196,063,131 was received from the Ministry during the year. Further verification revealed that amount of Kshs.96,000,000 captured in the ledgers as disbursed to Kenya Meat Commission during 2012/2013 was also included among pending bills as at 30 June 2013. No explanation has been provided for the discrepancies.</p>	<p>0003, sub-head 01, and item 2630100-current grants to Government Agencies Grants totaling Kshs.202,000,000 disbursed to Kenya Meat Commission while the Ministry records indicate that a total of Kshs.106,000,000 was disbursed to the institution. It is also true that further verifications revealed that amount of Kshs.96,000,000 captured in the ledgers as disbursed to Kenya Meat Commission during 2012/2013 was also included among pending bills as at June 30th 2013.</p>			
714	Irregular Transfer of funds to Deposit Account	As observed, the Ministry transferred Kshs.130 million to Deposit Bank Account and the same was recorded in the Deposit Ledger (FO 40) as appropriate. This transfer was necessitated by the formulation of Livestock Restocking and Enterprises Development Fund regulation, of 2009 and a budget provided for during 2008/2009 financial year. (A copy of the Kenya Gazette is attached for ease of reference).			

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		<p>During 2012/2013 financial year, 354 million was provided for the fund under item 2630200 i.e. Capital grants to Government Agencies and other levels. It was against this provision that Kshs.250 million was transferred from Development Vote to Deposit Bank account and appropriately accounted for in the deposit ledger.</p> <p>In the Gazette that established the fund, it set out an establishment of a supervisory board which had to be constituted of various Ministries. However, an amendment was made to this requirement in a 2012 Kenya Gazette Notice that required the Minister to appoint chairman and five (5) members who should not be public officers (Gazette attached for reference).</p> <p>It is against the above background of non appointment of a supervisory board that has hindered the operationalization of the fund. However with budgeted provision, it was deemed prudent to transfer the funds to Deposit Account awaiting the Board to be constituted. I wish to assure you that the money is safe in the Deposit bank account except for kshs.92 million that was used to bail out KMC when creditors had threatened to sue the institution.</p>			
715	Construction of Biosafety Level 3 Laboratory	<p>It is true that the project was scheduled for completion on 3rd February 2014 and is behind the schedule with the value of permanent works estimates at 49.5% against the completion period which had elapsed.</p> <p>The delay was due to Exchequer under issue which was beyond the ministry's control resulting to the ministry having pending bills amounting to Kshs.385,880,105.65 of which M/S Wamunyoro was amongst them leading the contractor to abscond the project due to non-payment</p> <p>It is true that bills amounting to Kshs.385,880,105.65 relating to 2012/2013 and chargeable to Development vote were not settled but were carried forward to 2013/2014 financial year. The Ministry is also in agreement that had the bills been paid, the appropriation would have reflected Kshs. 26,341,737,70 instead of what the appropriations reflected.</p> <p>The challenges mentioned above were due to exchequer under issue</p>			
716	Pending Bills				

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717	Non Maintenance of Procurement Records For the Construction of Hay Store – Kshs.2,998,490.	<p>It is true that the District Livestock Development Office – Balambara awarded a contract for Kshs.2,998,490.00 to Horseed Construction Company of Box 341 Garissa for construction of Hayshed at Jarajara.</p> <p>It is also true that , the payments of Kshs.1,634,765.00 vide voucher No. 429 and Kshs.1,363,725.00 vide Voucher 466 were made to the contractors . It is also true that a project file was not availed during the audit as it was at the district Treasury. The file has since been retrieved from the District Treasury and is now available for perusal and confirmation of the documents at the Auditors convenience. The payments made were supported by Bill of Quantity from the firm that won the tender, tender opening minutes, tender evaluation minutes and the technical drawings of the project that were not attached to the payment voucher but they were available in the project file. Therefore, the due procurement process was adhered in the awarding of the contract</p> <p>It is true that District Livestock Production Officer (DLPO) Turkana East awarded contract for construction of the DLPO's office to Joel Building and Construction Company of Box 38 Lodwar of sum of Kshs.2,710,264.27.</p>			
718	Unsupported Expenditure – District Livestock Production Office, Turkana East District	<p>It is also true that , the contractor was paid a sum of Kshs.2,315,940.02 vide cheque No.0139 that was prepared from voucher No. 089 on 29th June 2013 of Kshs.2,662,00.00 contrary to the audit figure of Kshs.2,439,237.87. The amount in the cheque paid to the contractor was less by Kshs.346,060.00 to that raised in the voucher. This was because of retention fee of Kshs.266,200 or 10% and withholding tax of Kshs.79,860.00 that was deducted. The figure quoted by the audit of Kshs.123,297.87 therefore does not arise.</p> <p>It is true that the payment voucher was raised and signed on 29th June 2012 before works completion certificate was issued. The money was held at the district suspense account until the public works certificate was issued on 9th September 2013. The cheque was issued to the contractor on 18th September 2013.</p> <p>It is true that at the time of audit the bill of quantities, tender committee minutes and signed contract document, inspection and acceptance report were not availed at the time of audit since they were at custody of the sub-county procurement office. These</p>			

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719	Trial Balance and Ledger	<p>Documents have since been availed</p> <p>It is true that the statements were not supported by ledger and trial balances. This was due to the fact that the data for appropriation accounts were generated from integrated financial management systems (IFMIS). While the appropriation figures generated from the system were reliable, below the line figures were extraneous and did not reflect the reality. Consequently, it was deemed prudent to extract the figures manually from the cash book (PMG) and the various registers/manual ledgers maintained for the preparation of the statements. The PMG, Registers, manual ledgers used for the preparation of the statements are available for confirmation/verification.</p>			
720	Long Outstanding Balances	<p>Exchequer and General Account of Vote Kshs.1,177,009,760.90 and Kshs.2,297,707,157.95 Respectively</p> <p>The long outstanding balance of exchequer and general account of Vote can only be cleared through an advice from the National Treasury which is being awaited.</p> <p>Imprests: Advances of Kshs.19,051,330.00</p> <p>While imprests should be accounted for during the financial year it is issued, defaulters are analyzed and the same recovered from their salaries. As the recoveries were being done in the subsequent year, other imprests were being issued.</p> <p>During the year under review Kshs.1,608,943.10 were recovered as indicated in the analysis attached to the statements.</p> <p>Prior to the financial year 2008/2009 and the earlier years when the Ministry used to produce financial statement using the Manual Ledger Management System (MLMS) the figures produced for the imprest account were correct and reliable. However, when the Ministry was compelled to produce the accounts using the IFMIS data during the financial year 2009/2010, the figures the system generated were erroneous and have made it difficult to clear the account.</p> <p>District Suspense Account Kshs.400,176,820.00</p>			

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721	Unsupported Cleared Balances	<p>As at the time of the audit, documents amounting to Kshs.1,608,943.10 against imprest could not be availed. However, they are currently available and could be inspected at your own convenience.</p> <p>The Kshs.26,988,859.60 against General suspense account for stale cheques credited back to the cashbook and their details were attached to the Statement of Assets and Liabilities.</p>			
722	Ministry of Fisheries Development Account	<p>The figure arose after the ministry was split to create the Ministry of Fisheries Development. The ministry has liaised with the Ministry of Fisheries to have the figure cleared and will communicate the same once the exercise is accomplished.</p>			
723	Paymaster General Account	<p>The variance between the cashbook and bank statement as at 30.06.2013 have been addressed and as at 30.10.2013, the cashbook and bank statement were at par.</p>			
724	Unsupported cleared balances	<p>As at the time of Audit, documents amounting to Kshs 1,132,956.00 relating to imprest and advances were not available. However, they are currently available and can be inspected at your own convenience.</p> <p>The Kshs.72,000.00 relating to the suspense account was for stale cheques that were credited back to the cashbook. The details were attached to the statement account.</p>			
725	Long outstanding balances	<p>Other than imprest and advances which recorded a recovery of Kshs.1,132,956.00 during the year under review, the rest of the accounts are dormant which have remained in the Ministry's books. The Ministry is perusing the records relating to past deposits account transactions in order to ascertain what the figures entail with a view to clearing them.</p>			

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726	Un-analysed Balances	Once the perusal of (2) above is accomplished, the figures will be analyzed and cleared.			
727	Trial Balance/Ledger	It is true that the statements were not supported by ledger and trial balances. This was due to the fact that the data for appropriation accounts were generated from integrated financial management systems (IFMIS). While the appropriation figures generated from the system were reliable, below the line figures were extraneous and did not reflect the reality. Consequently, it was deemed prudent to extract the figures manually from the cash book (PMG) and the various registers/manual ledgers maintained for the preparation of the statements. The PMG, Registers, manual ledgers use for the preparation are available for confirmation/verification of the statements at your own convenient time.			
728	Irregular Transfers from Account and Unapproved Development	Only Kshs.250 million for the livestock restocking fund was transferred to the deposits bank account in the year under review awaiting the constitution of the management board of the fund as per the Gazette notice constituting the board or otherwise as it may directed.  The Kshs.822,323.35 was remittances from various districts erroneously transmitted to the account instead of the Veterinary Service Development Fund (VSDF). However, with the closure of the bank account, the Ministry has requested the amount be transferred to the exchequer.			
729	Veterinary Services Development Revolving Fund Unapproved re-allocation	It is true that During the Year Under Review the Management Re-allocated Kshs.62,857,500.00 from Various items to item 2211003 (Purchase of Specialized Materials), Contrary to Regulation 6 of the Exchequer and Audit (Veterinary Services Development Fund) which Provides that the annual Budget of the Fund Shall be Submitted to Treasury for Approval, and any Remission of the Approved Budget Shall be Referred to Treasury For Necessary Action. It should however be noted that the Director of Veterinary Services had sought the Approval Vide Letter Ref: Dev/4/Vol.XVIII/113. The feedback To This Approval was never Received in Time Forcing The Management to go on with the Re-			

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Reference 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)
730	Unsupported Cleared Balance	<p>Allocation to make some funds available under the Item in question for dealing with the Anthrax and RVF diseases outbreaks occurrence. The management also needed some funds to urgently cater for the purchase of feeds and some drugs for the various farms in the country which were facing disease threats. The anomaly is Highly Regretted.</p> <p>It's true that the Balance Sheet as at 30 June 2013 Reflects a comparative (2011/2012 balance) of Kshs.2,716,327.70 relating to DVO's (District Veterinary Officers) Suspense Account that was cleared under the year in Review, however it should be noted that this amount included Kshs.530,406.50 which was in respect of uncollected cheques by Various DVO's. These cheques were reversed in the Cash Book and removed from the list of Unspent AIEs (See F.O 17 Attached). The rest of the Unspent AIE's of Kshs.2,185,921.20 were fully accounted for by the respective DVOs and the necessary Adjustments made in the Cash Book.</p>			
731	Cash and Bank Balances	<p>It is true that the Balance Sheet Reflects a Cash and Bank balance of Kshs.867,099.35 that agrees with the Reconciled Cash Book Balance as at 30 June 2013. However, the bank reconciliation statement as at that date reflects receipts in Bank not recorded in the Cash book totaling Kshs.11,677,018.40 out of which an amount of Kshs.2,874,310.00 relates to the Month of May 2013. The cash book was not updated with these receipts because the respective DVO's had not presented the Banking Slips to our office to necessitate us receipt the same in our Books. Some of These slips have so far been Received and the necessary recording done in our Books.</p> <p>It is also true that the statement similarly reflects payments in Bank statement not recorded in the Cash Book totaling Kshs.2,474,968.38 out of which Payments totaling Kshs.1,497,310.75 relates to the period between 7th January and 31st May 2013. This amount included Bank Charges and was erroneously left out while preparing the respective Adjustment of documents. To date the necessary Adjustments have been made as per attached reconciliation statement and PV No. 0562</p> <p>The statement further reflects Receipts in Cash book not recorded</p>			

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**


**Reports and Financial Statements**


**For the year ended June 30, 2014**

Reference 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)
		<p>in the Bank Statement totaling Kshs.8,639,964.00 out of which receipts totaling Kshs.1,069,791.00 relate to the period between 8th January and 31st May 2013 that had not been cleared. This amount comprised of various receipts which were earlier received in our books as part of cash book adjustments and later erroneously on receiving the banking slips they were received again. This error has so far been rectified as per attached reconciliation statement.</p> <p>It is also true that the receipts in Cash book not in Bank included Kshs.7,454,778.00 attributed to Various Cash book overcasts. This was also as a result of Receipt in Cash Book from Various DVO's banking which had earlier been adjusted for being outstanding for a long time. The Double Receipt has so far been reversed as per attached reconciliation statement and PV No. 0563.</p>			
732	Fixed Assets	<p>It is true that the Balance Sheet Reflects a Cash and Bank balance of Kshs.867,099.35 that agrees with the Reconciled Cash Book Balance as at 30 June 2013. However, the bank reconciliation statement as at that date reflects receipts in Bank not recorded in the Cash book totaling Kshs.11,677,018.40 out of which an amount of Kshs.2,874,310.00 relates to the Month of May 2013. The cash book was not updated with these receipts because the respective DVO's had not presented the Banking Slips to our office to necessitate us receipt the same in our Books. Some of These slips have so far been Received and the necessary recording done in our Books.</p> <p>It is also true that the statement similarly reflects payments in Bank statement not recorded in the Cash Book totaling Kshs.2,474,968.38 out of which Payments totaling Kshs.1,497,310.75 relates to the period between 7th January and 31st May 2013. This amount included Bank Charges and was erroneously left out while preparing the respective Adjustment of documents. To date the necessary Adjustments have been made as per attached reconciliation statement and PV No. 0562.</p> <p>The statement further reflects Receipts in Cash book not recorded in the Bank Statement totaling Kshs.8,639,964.00 out of which receipts totaling Kshs.1,069,791.00 relate to the period between 8th January and 31st May 2013 that had not been cleared. This amount comprised of various receipts which were earlier received</p>			

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**  
**Reports and Financial Statements**  
**For the year ended June 30, 2014**

Reference 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)
733	Creditors	<p>in our books as part of cash book adjustments and later erroneously on receiving the banking slips they were re-credited again. This error has so far been rectified as per attached reconciliation statement.</p> <p>It is also true that the receipts in Cash book not in Bank included Kshs.7,454,778.00 attributed to Various Cash book overcasts. This was also as a result of Receipt in Cash Book from Various DVO's banking which had earlier been adjusted for being outstanding for a long time. The Double Receipt has so far been reversed as per attached reconciliation statement and PV No. 0563.</p> <p>It True the Financial Statements Reflects Creditors (Pending Bills) Balance of Kshs.17,141,150.00 as at 30 June 2013 and No explanation has been provided for the over commitment. However it should be noted that the over commitment was as a result of the Anthrax and RVF diseases outbreak which needed substantial amount of funds in order to curb it. The management also needed some funds to urgently cater for the purchase of feeds and some drugs for the various farms in the country which were facing disease threats.</p>			

  
Principal Secretary

  
Principal Accounts Controller

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

**Reports and Financial Statements**

**For the year ended June 30, 2014**

**STATE DEPARTMENT OF AGRICULTURE**  
**PENDING BILLS FOR THE YEAR 2013/2014**

**RECURRENT**

<b>NO</b>	<b>PAYEE</b>	<b>AMOUNT</b>	<b>REASONS FOR NON-PAYMENT</b>
1	Amin Building Construction	43,516	NOT INVOICED
2	Balesa Building Contractors	479,210	NOT INVOICED
3	Ndeka William	19,000	INSUFFICIENT FUNDS
2	Longrock Tours & Travel Ltd	133,970	INSUFFICIENT FUNDS PURCHASE ORDER NOT COMMITTED
3	Fairton Agencies	92,999	IN IFMIS
4	Tom O. Dienya	33,000	NOT INVOICED
3	Jane Kioko	24,000	NOT INVOICED
4	Brue Tower Security Services	57,750	NOT INVOICED
5	Sagem Security Guards Ltd	180,000	NOT DEFINED
4	Justus N. Omari	89,373	NOT INVOICED
5	Bidan W. Macharia	87,373	LACK OF BANK DETAILS
6	Dominic M. Kamau	87,373	LACK OF BANK DETAILS
5	Edamar General supplies	46,635	NOT INVOICED
6	Musa C. Sang	92,373	CHARGEABLE ACCOUNT NOT INDICATED
7	David Rop	91,373	CHARGEABLE ACCOUNT NOT INDICATED
6	Peter K.Kangangi	91,373	CHARGEABLE ACCOUNT NOT INDICATED
7	Pius K. Cheboi	91,373	CHARGEABLE ACCOUNT NOT INDICATED
8	Christopher O. Milielic	91,373	CHARGEABLE ACCOUNT NOT INDICATED
7	Tamaryna general supplies	118,600	NOT INVOICED
8	Simon K. Kirui	91,373	CHARGEABLE ACCOUNT NOT INDICATED
9	Eng. Allan K. Mususi	87,373	CHARGEABLE ACCOUNT NOT INDICATED
8	Japheth I. Diru	87,373	NOT INVOICED
9	Eng Kirubi Muchiri	87,373	NOT INVOICED
10	Tom O. Musa	87,046	NOT INVOICED
9	Benson N.Githua	92,373	CHARGEABLE ACCOUNT NOT INDICATED
10	Edamar General supplies	78,920	NOT INVOICED
11	Angelica Weboko	92,373	NOT INVOICED
10	Josphat Omari	92,373	NOT INVOICED
11	Leonard Matheri	92,373	CHARGEABLE ACCOUNT NOT INDICATED
12	John W. Rwaru	92,373	LACK OF BANK DETAILS
11	Eng. Charles W. Barasa	90,373	NOT INVOICED
12	Joel D. O. Hwaga	90,673	CHARGEABLE ACCOUNT NOT INDICATED
13	John Kamau	26,500	LACK OF SUPPORTING DOCUMENTS
12	Attorney General	1,064,252	LACK OF SUPPORTING DOCUMENTS
13	Jogat Supplies Ltd	15,400	PURCHASE ORDER CLOSED

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

**Reports and Financial Statements**

**For the year ended June 30, 2014**

14	Davis & Movers Enterprises	16,950	NOT INVOICED
13	millenium concepts	133,300	NOT INVOICED
14	Kibra General Supplies	159,250	LACK OF SUPPORTING DOCUMENTS
15	Fast Track Suppliers	92,886	NOT MATCHING
14	LongRock Tours & Travel	608,645	INSUFFICIENT FUNDS
15	Sicham Aviation Ltd	345,950	NOT SIGNED BY AIE HOLDER
16	Kendo Works Ltd	460,230	LACK OF BANK DETAILS
15	General Motors	114,626	NOT INVOICED
16	D. T. Dobie	103,740	NOT INVOICED
17	Toyota Kenya Ltd	57,349	NOT INVOICED
16	Toyota Kenya Ltd	56,925	NOT INVOICED
17	viclair general supplies	950,000	NOT INVOICED
18	Toyota Kenya Ltd	72,420	NOT INVOICED
17	Toyota Kenya Ltd	212,059	NOT INVOICED
18	Toyota Kenya Ltd	91,105	NOT INVOICED
19	The Standard Group Ltd	375,840	NOT INVOICED
18	Mwingi Auto Garage	260,700	NOT INVOICED
19	CMC Motors Group Ltd	78,601	NOT INVOICED
20	Rentokil Initial	101,767	NOT SIGNED BY AIE HOLDER
19	Standard Media Group Ltd	300,672	NOT INVOICED
20	Roset general supplies	169,660	NOT INVOICED
21	Michaelsons Clothing Designs	819,000	NOT SIGNED BY AIE HOLDER
20	Simba Corporation Ltd	147,491	NOT INVOICED PURCHASE ORDER NOT COMMITTED
21	Simba Corporation Ltd	47,209	IN IFMIS PURCHASE ORDER NOT COMMITTED
22	Simba Colt Motors Ltd	277,490	IN IFMIS PURCHASE ORDER NOT COMMITTED
21	CMC Motors Ltd	287,903	IN IFMIS
22	Chebii Kilel	21,525	NOT INVOICED
23	The Star Publication Ltd	263,088	NOT INVOICED
22	Gig International	369,800	INSUFFICIENT FUNDS
23	linkages general supplies	65,475	NOT INVOICED
24	Mileva (E.A.) Solutions	380,000	NOT RECEIVED BY PROCUREMENT
23	Mileva (E.A.) Solutions	218,525	INVOICE/LPO CANCELLED
24	MF Document Limited	932,465	INSUFFICIENT FUNDS
25	Bit-Defender Systems	173,768	NOT INVOICED
24	Fast Track Supplies	69,920	NOT INVOICED
25	Agriculture Information Centre	201,000	NOT INVOICED
26	Sizemado Services	511,000	LACK OF SUPPORTING DOCUMENTS
25	linkages general supplies	28,290	NOT INVOICED
26	Longrock Tours and Travel Ltd	69,360	PURCHASE ORDER CLOSED
27	Longrock Tours and Travel Ltd	250,890	NOT SIGNED BY AIE HOLDER
26	Rose Janet Juma	113,500	NOT INVOICED PURCHASE ORDER NOT COMMITTED
27	Pakanje Enterprises	60,100	IN IFMIS
28	Pakanje Enterprises	81,190	INSUFFICIENT FUNDS

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

**Reports and Financial Statements**

**For the year ended June 30, 2014**

27	Mcneesh General Merchants	74,150	INSUFFICIENT FUNDS
28	Muts and Company Limited	77,300	INSUFFICIENT FUNDS
29	Bokaj Agencies	278,000	NOT INVOICED
28	Mary Mwale	37,584	NOT SIGNED BY CLAIMANT
29	Roset general supplies	4,900	NOT INVOICED
30	MFI Document Solutions LTD	180,856	INSUFFICIENT FUNDS
29	Winberly Enterprises	395,940	NOT VALIDATED
30	Esther W. Kamau	13,250	INSUFFICIENT FUNDS
31	Embu Agricultural Training Centre	11,160	NOT INVOICED
30	Nation Media Group	49,373	INSUFFICIENT FUNDS
31	Marianne Nthenya	5,000	NOT INVOICED
	<b>SUB TOTAL 1</b>	<b>15,498,351</b>	

NO	PAYEE	AMOUNT	REASONS FOR NON-PAYMENT
1	Suvine Investment	619,800	
2	Insync Africa	227,600	NOT INVOICED
3	Insync Africa	440,000	NOT INVOICED
4	Rockey Africa Ltd	1,900,000	LACK OF TECHNICAL REPORT
5	Rozet Enterprises	202,850	INSUFFICIENT FUNDS
6	Dec Investments	197,185	NOT INVOICED
7	Bismura General Merchants	492,140	
8	Mintland Investment	247,840	NOT INVOICED
9	Kibra General Supplies	78,130	NOT INVOICED
10	Raydoll Tours & Travel Ltd	25,620	
11	Bevlink General Suppliers	71,500	NOT INVOICED
12	Longrock Tours & Travel Ltd	34,318	INSUFFICIENT FUNDS
13	Bevlink General Suppliers	30,700	INSUFFICIENT FUNDS
14	Office Solutions	437,000	NOT INVOICED
15	Belige Enterprises	126,700	NOT RECEIVED BY PROCUREMENT
16	Belige Enterprises	49,400	NOT SIGNED BY AIE HOLDER
17	Mileva (E.A.) Solutions	607,000	NOT INVOICED
18	Wratel Services	124,000	NOT SIGNED BY AIE HOLDER
19	Wratel Services	149,000	NOT SIGNED BY AIE HOLDER
20	Twera Enterprises	12,000	NOT SIGNED BY AIE HOLDER
21	Salbatini Enterprises	151,868	NOT SIGNED BY AIE HOLDER
22	Raham Enterprises	53,278	NOT RECEIVED BY PROCUREMENT
23	Phineya Supplies	155,670	NOT SIGNED BY AIE HOLDER
24	National Cereals and Produce Board	200,061,716	LACK OF EXCHEQUER
25	National Cereals and Produce Board	16,600,870	LACK OF EXCHEQUER
26	National Cereals and Produce Board	10,439,287	LACK OF EXCHEQUER
27	National Cereals and Produce Board	36,986,560	LACK OF EXCHEQUER
28	National Cereals and Produce Board	387,992,953	LACK OF EXCHEQUER
29	National Cereals and Produce Board	17,000,000	LACK OF EXCHEQUER

# MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES

## Reports and Financial Statements

For the year ended June 30, 2014

30	National Cereals and Produce Board	68,974,729	LACK OF EXCHEQUER
31	National Cereals and Produce Board	169,303,680	LACK OF EXCHEQUER
32	National Cereals and Produce Board	163,726,507	LACK OF EXCHEQUER
33	National Cereals and Produce Board	70,159,386	LACK OF EXCHEQUER
34	National Cereals and Produce Board	95,018,902	LACK OF EXCHEQUER
35	National Cereals and Produce Board	58,151,390	LACK OF EXCHEQUER
36	National Cereals and Produce Board	140,142,632	LACK OF EXCHEQUER
	<b>SUBTOTAL 2</b>	<b>1,440,992,211</b>	

### STATE DEPARTMENT OF LIVESTOCK

#### RECURRENT

1	M/s CMC Motor Group Ltd	109,360	Covers two financial years
2	Michael Mganga	516,780	Inspection Report
3	M/s Gazetti Ltd	7,920	attach copy of previous receipts
4	M/s Puremark Dew Supplies	43,500	attach MPC minutes ; No. of items bought
5	M/s Nyox Agencies	364,000	LPO not approved
6	M/s Naphec General Supplies	73,450	Not inspected
7	M/s Various ( meal allowances)	305,000	No. funds (if)
8	M/s Various ( lunch for ASK show)	1,138,687	No. funds (if)
9	M/s Everlyene Ferdinand	10,000	No. funds (if)
10	M/s P/s MOLD ( Charles Otumbi)	11,000	wrong a/c / attach receipts
11	M/s Joane Nyamasyo (Pno. 86078170)	180	no. bank details
12	M/s Public Trustee Nakuru P/no 80003703 Catherine Njoroge	105,000	no allocation
13	M/s Samuel N. Kiminza Pno. 97049142 M/s D.C. Imenti North Pno 85065530 G.	98,967	no funds
14	Kimathi M/s D.C. Nandi North 87080390 S.	118,506	no funds
15	Mutai	11,226	no ifmis/ no bank a/c
16	M/s Biking Enterprise	165,000	late submission
17	M/s Biking Enterprise	281,200	late submission
18	M/s Asapo Enterprises	9,350	late submission
19	Beatrice Miruka	8,000	no quotations
20	M/s Gladys Mosoti	8,000	no. funds
21	M/s Everlyne Ferdinand	10,000	no. funds
22	M/s Agricultural Society of Kenya	464,000	no. funds
23	M/s Qumran Merchants	163,000	D & R charged: not inspected
24	Various	56,000	No Acc. Numbers
25	Joseph Mukuyu	9,000	2012 PVS requires Ac off. Approval
26	John Mwangi	11,250	No Funds
27	Evans Makokha	21,599	No Funds
28	Robin Mbae	53,042	No Funds
29	Various MOALF	90,000	Meals to be approved
30	Harrisson ochiel	50,000	
31	Julius Kiptarus	22,500	No Funds
32	M/s Broken Enterprises	78,184	Tax compliance Cert to be attach.
33	Joseph O. Egesa	21,070	Attach approved letter

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES****Reports and Financial Statements****For the year ended June 30, 2014**

34	George Waroga Kamau	27,000	to attach original travel
35	Julius Kiptarus	15,000	No Funds
36	Various	40,000	Sign cert at the back
37	Cecilia Wamaitha Warui	20,000	No Acc. Numbers
38	Automodel Motor Garage	139,800	Inspection report
39	Joseph Mokaya	13,500	Not in Invoiced
40	Various	31,763	Not in Invoiced
41	M/s Karura Engineering works	3,356,000	Late, No minutes, no inspection
42	M/s Best choice supplies & Sta.	2,780,000	Late, No inspection
43	Kenya School of Government	126,000	MTC aproval minutes
44	M/s Supplies Branch	452,120	No Funds
45	Joseph O. Egesa	33,600	PSC attach request for funds
46	Julius Kiptarus	22,500	No Funds
47	Daniel Keter	11,600	Sign Receipts
48	M/s Corwe Miolity systems	43,360	Amount Differs
49	M/s Nation Media Group	119,103	Not Inspected
50	Various	90,000	Insufficient funds
51	AIRWAYS TOURS AND TRAVEL	115,500	More details of excess expenditure required
52	AIRWAYS TOURS AND TRAVEL	28,200	LPO NOT MATCHING
53	AIRWAYS TOURS AND TRAVEL	1,750	LPO NOT MATCHING
54	CAVIESTA INTERNATIONAL SUPPLIES	32,500	Minutes not approved
55	CAVIESTA INTERNATIONAL SUPPLIES	150,000	Minutes not approved
56	CAVIESTA INTERNATIONAL SUPPLIES	15,000	Minutes not approved
57	NATHAN SONGOK	46,300	NO FUNDS
58	NAFTALI L MWANIKI	40,500	NO BANK DETAILS
59	DR MOSES GATHURA	37,500	NO BANK DETAILS
60	DR MOSES GATHURA	12,500	NO BANK DETAILS
61	BEATRICE KARIMI	5,000	NO BANK DETAILS
62	GEORGE GAKONYA	7,500	NO BANK DETAILS
63	KENYA POWER AND LIGHTING CO	129,781	INSUFFICIENT FUNDS
64	NORAH KANDIE	15,000	NO BANK DETAILS
65	PENINNAH KHAN	10,000	NO BANK DETAILS
66	KENYA SCHOOL OF GOVERNMENT	701,800	NO FUNDS
67	JANE NYAWIRA	11,250	NO FUNDS
68	PAUL MUTECI	15,000	NO FUNDS
69	HENRY OCHIENG	15,000	NO FUNDS
70	RH DEVANI	113,417	NO FUNDS
71	DR EUNICE C CHEPKWONY	50,500	NO FUNDS
72	DR CHARLES M WANJIGI	30,000	NO BANK DETAILS
73	KENYA POWER AND LIGHTING CO	9,666	INSUFFICIENT FUNDS
74	KIKEMU GENERAL SUPPLIES	289,000	NOT IN THE SYSTEM
75	M/S VIECLARE ENTERPRISES	82,000	NO BANK DETAILS
76	DRPULITY NGUHIU	42,500	NO BANK DETAILS

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES****Reports and Financial Statements****For the year ended June 30, 2014**

77	RISPER ACHIENG OCHIENG	20,000	NO IFMIS & BANK A/C
78	DR MBOGO M NJOKA	19,800	NO FUNDS
79	THE STANDARD GROUP	130,000	NO FUNDS
80	LUCY MUNGAI	5,000	NO BANK DETAILS
81	M/S BANCO AGENCIES	357,260	NO FUNDS
82	KENYA SCHOOL OF GOVERNMENT	379,900	NO FUNDS
83	BIOSYSTEM RESEARCH & DIAGNOSTICS LTD	100,000	TO ATTACH DOCUMENTS
84	ZABLON ABAE JILO	12,400	NO BANK DETAILS
85	MONICAH KINYA GIKONYO	5,000	NO BANK DETAILS
86	VARIOUS(CASUAL WAGES)	124,238	NO BANK DETAILS
87	RH DEVANI	599,912	NOT IN THE SYSTEM
88	M/S BROKEN Q ENTERPRISES	16,185	NO INSPECTION
89	M/S GRAMUS ENTERPRISES	182,000	PURCHASES ORDER CLOSED
90	M/S BROKEN Q ENTERPRISES	46,690	NO REQUISITION
91	VARIOUS(CASUAL WAGES)	146,827	NO FUNDS
92	BEACON HILL LTD	495,500	NO FUNDS
93	Airways Tours & Travel Ltd	298,000	Not invoiced
	<b>SUBTOTAL 3</b>	<b>16,701,993</b>	

**DEVELOPMENT**

1	Various	170,000	No Funds
2	Various	400,000	No Funds
3	Richard Lang'at	27,288	No Funds
4	Joseph Munyao	350,000	No Funds
5	Various	242,500	No Funds
6	Kenya School of Government	137,460	MTC minutes & Request
7	Joseph O. Egesa	122,440	Not invoiced Wrong distribution in the procurement module
8	Toplands nineering suerveys	1,000,000	
9	Mary Mwambia	78,991	No Funds
10	M/S Square Edge Services	500,000	No Funds
11	Various	130,000	Wrong Account
12	Joseph O. Egesa	125,250	No Funds
13	M/s Limunda Enterprises	210,500	No Funds
14	Various MOLD	135,000	No Funds
15	Various	305,000	No approval
16	Pancras Ngati	147,390	Claim from Igad
17	Various	295,000	No Funds
18	Ride on Agencies	17,050	
19	Sally Chepkoi	199,187	Not invoiced
20	Dickens Odari	5,500	AIE holder to sign
21	Various	42,474	No Funds
22	M/s Ever fortune	480,433	Approval to employ Casuals
23	M/s signushus system	185,000	Retention & Withholding

# MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES

## Reports and Financial Statements

For the year ended June 30, 2014

24	Friba Enterprises	130,800	Late submission,
25	Moonlink Constructors	222,500	Attach quotations
26	Joseph O. Egesa	20,553	No Funds
27	Mary Mwambia	51,261	No Funds
28	M/s Kewsonery Mkt	906,632	No Funds
29	M/s Jania Enterprises	668,600	Attach contract document
30	M/s CPracam Enterprises	629,000	No Funds
31	Joseph Mukuyu	26,000	Items not received
32	Various	260,000	2012 PVS requires Ac off. Approval
33	M/s Hector Technologies	127,756	No Funds
34	M/s Siaki Office Supplies	231,285	Not Inspected
35	Project Cord. ASAL Livelihood	13,272	Not Inspected
36	KEVEVAPI	3,000,000	LPO NOT MATCHING
	<b>SUBTOTAL 4</b>	<b>11,594,121</b>	

### PENDING BILLS UNDER DEPOSIT ACCOUNT

1	M/s Serinda Agencies ( Renovations)	634,799	not inspected
2	Kenya Broadcasting Corporation4-	20,000	not inspected
3	Rigge firm enterprises	977,797	Captured in wrong vote for G-pay
4	Syrus engineering	418,704	not transmitted on time
5	Top coat enterprises	2,250	Use FO 21
6	M/s La .inda Ltd	695,000	no MTC minutes attached
7	Nakims Merchants &Contractors	573,612	
8	M/s Yakim Merchants	299,435	Attach Original triplicate copy
	<b>SUB TOTAL 5</b>	<b>3,621,597</b>	In old bank account

### STATE DEPARTMENT OF FISHERIES

#### RECURRENT

1	Market View logistics	250,000	The firm did not provide bank details
2	Market View logistics	263 100	The firm did not provide bank details
3	Deohill	1,034,000	The firm did not provide bank details
4	Kenya Bureau of Standards	822,800	Lack of funds
5	CMC Motors Group Limited	561,403	Lack of funds
6	Intercity Secure Homes Ltd	410,000	Insufficient funds
7	Metro Consultants and Guardian Ltd	62,640	Lack of funds
8	Rodentic Cleaning Company	15,033	Lack of funds
9	Lamu Security Guards	144,000	Lack of funds
10	Longrock Tours	139,031	Insufficient funds
11	Pago Airways	459,720	Insufficient funds
	<b>SUB TOTAL 6</b>	<b>4,171,727</b>	

#### DEVELOPMENT

1	Ms Hi-tech Air conditioning and Refrigeration services	2,350,286	Funds allocated was reduced during supplementary
2	Samika Construction Co Ltd	4,001,056	Funds allocated was reduced during supplementary

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**

**Reports and Financial Statements**

**For the year ended June 30, 2014**

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3	Agim Enterprises Company	1,731,346	Funds allocated was reduced during supplementary
	Taphes and Nitram enterprises- Marsabit		Funds allocated was reduced during supplementary
4		241,213	
5	Dayern Enterprises	10,452,282	No exchaquer
6	Johns Graham –Hanssen A/S (JGH)	600,000,000	No exchaquer
	<b>SUB TOTAL 7</b>	<b>618,776,183</b>	

**GRAND TOTAL** **2,111,356,183**

**ASSETS BOUGHT IN FINANCIAL YEAR 2013-2014-SDL**

S/No	Item description	Unit of issue	QTY	Unit price	Total price	Remarks.
1.	Poultry Processing Equipment 1000 Birds per hour	No	1	17,197,740	17,197,740	
2.	Poultry Processing Equipment 500 Birds per hour	No	1	12,910,968	12,910,968	
3.	Liquid Chromatograph Mass Spectrometers -	No	1	29,000,000	29,000,000	
4.	Gas Chromatograph Mass Spectrometers	No	1	23,000,000	23,000,000	
5.	Milk Cooling Tanks	No	3	7,388,746	22,166,238	
6.	Milk Cooling Tanks	No	11	8,633,000	94,963,000	
7.	Milk Cooling Tanks	No	3	6,735,000	20,205,000	
8.	Milk Cooling Tanks	No	3	9,117,600	27,352,800	
9.	Milk Cooling Tanks	No	1	6,903,000	6,903,000	
10.	Hay Baler	No	1	4,800,000	4,800,000	
11.	Digital Milk Weighing Scales	No	10			
12.	Digital Milk Weighing Scales	No	10			
13.	Mobile Phones					
14.	Scanner heavy dutyt	No	1	63,500	63,500	
15.	Network printer	No	1	210,000	210,000	
16.	1,000VA UPs	No	2	24,000	48,000	
17.	Digital Readers	No	2	124,500	249,000	
18.	I-Pad (Apple)	No	1	130,000	130,000	
19.	I-pad as per specs	No	1	129,950	129,950	
20.	External hard disk500Gb	No	2	22,000	44,000	
21.	Harddisks 500 Gb External	No	2	14,950	29,900	
22.	Wall mounhted LCD projector	No	1	184,800	184,800	
23.	Electric projector screen	No	1	99,500	99,500	
24.	Nokia 625 lumia	No	1	30,000	30,000	
25.	Water dispenser	pcs	1	26,000	26,000	
26.	Electric lock	No	1	20,000	20,000	
27.	48 port category	no	4	12,500	50,000	
28.	KVA up 1.5	No	2	57,500	115,000	
29.	Presidential portrait	No	200	215	43,000	
30.	2.5 fire extinguisher co2 gas	No	10	12,500	125,000	
31.	9 litre water fire extinguisher	No	10	14,500	145,000	
32.	Fibre optic cable	mts	30	600	18,000	
33.	Fibre cable terminal	mts	30	3,500	105,000	
34.	Laptop (Hp pro-book)	pcs	1	166,000	166,000	
35.	Nokia Lumia 620	NO	2	25,000	50,000	

CULTURE  
 GOVT OF KARNATAKA  
 13 JAN 2015  
 688

ASSETS PROCURED DURING 2013/2014 FINANCIAL YEAR - *AGRICULTURE*

LPO NO.	ITEM DESCRIPTION	QUANTITY	VALUE	DEPT	SUPPLIER
1921093	Scanner	2	137,000.00	Agribusiness	Gigi International
"	External hard disk	12	232,800.00	"	"
1966420	Power supply unit SPS 248 for Karel PABX DC200	2	120,640.00	ADM	AZP Technologies ltd
	Lorry truck M/Benz GK B081F	1	7,533,500.00	EAAPP	D.T Dobie
1778774	I Pad Air (APS)	1	125,000.00	KAPAP	Wisepro office solutions
"	External speakers (computer)	2	2,700.00	"	"
"	Dell key board (computer)	1	3,150.00	"	"
"	Computer work station	1	19,005.00	"	"
1778767	Imaging unit -Ricoh 2232c	80	2,040,000.00	"	Davlink enterprises
"	Transfer belt	10	490,000.00	"	"
1776057	Large volume colour printer (Kyocera TASKKAIFA W550Ci)	1	838,359.56	NAAIAP	MFI office solutions ltd
	Animal weighbridge Gallaghton x DS 5000	4	19,995,900.00	EAAPP	Sandro laboratory suppliers
	Digital weighing balance (ADAM)	2	252.00	"	"
	Analytical weighing balance micro	2	1,757,160.00	"	"
	Analytical balance macro (BM 22)	1	1,781,640.00	"	"
	Motor cycle trail (KTM TM 175 GY-2)	18	3,510,000.00	"	Rockey Africa ltd
	Thin layer chromatography equipment 10% balance	2	6,951,092.32	"	Science scope ltd
	Sleeping bags	30	288,600.00	AES	Equip agencies ltd
1921087	Laptop computer S/nos 2CE3371VJB, 2CE3371VHY, 2CE3371VJM	3	326,550.00	Finance	Julicom Intertrade (Africa)
"	I Pad S/nos DMOM8032F4YK, DMPM80EAF4YK	2	249,280.00	"	"
1921097	Computer desktop S/nos TRF3521BGP, TRF4020CFW	2	232,800.00	SCU	Peacelyn supplies
1603579	LCD Projector -2000 Ansi lumens (Sony UP2 EX100)	21	2,498,580.00	ASDSF	Paxwide enterprises
2067213	Fire proof cabinet 4 drawer	2	441,600.00	ADM	Rubets Investments
1921090	Laser printer medium duty	4	454,720.00	Finance	Shepherd company ltd
"	Colour printer	1	118,975.00	"	"
1921088	UPS Light duty	2	66,300.00	"	Ventag enterprises ltd
2135877	Steel cabinet 4 drawer	2	87,000.00	ADM	Davton supplies
2135918	Cassava lifter	2	499,990.00	Crops	Metropolitan agencies
"	Cassava washing trough	2	430,000.00	"	"

1778850	Digital scanner	1	89,500.00	KAPP	Kistar enterprises ltd
1778850	Tablets	4	398,000.00	KAPP	Kistar enterprises
"	Digital camera	2	136,000.00	"	"
1921018	Digital camera 16.2 Pixel	10	389,000.00	EAAPP	Stellent agencies
"	External hard disk	15	270,000.00	"	"
1921023	Laminators	2	80,000.00	EAAPP	Pasam enterprises
"	Shredder	6	300,000.00	"	"
"	Scanner	6	480,000.00	"	"
1921022	Multifunctional printer	2	450,000.00	"	Stewaki general merchants
"	Binding machines	7	266,000.00	"	"
1921020	Laboratory refrigerators	5	452,500.00	"	Zanetti enterprises
1921086	Executive chair	4	128,000.00	Finance	Roskir agencies
"	Fire proof cabinet 4 drawer	1	220,000.00	"	"
"	Office sheer size 220"x83"	20	210,000.00	"	"
1921085	Computer table	1	26,950.00	"	"
"	Computer chair	1	28,500.00	"	"
"	Computer multimedia speaker	4	16,800.00	"	"
"	Secretarial chair	2	57,000.00	"	"
2067240	Ulva application (Micro Ulva)	250	3,237,500.00	PPSD	Bevlink general supplies
2209914	Drip irrigation kit (200lts drum unit)	4	378,000.00	Ext &Tr	Dikton enterprises
"	Refrigerator for vaccines S/no. 4011NBS10485	1	71,540.00	"	"
"	Hydroponics fodder unit	2	194,600.00	"	"
"	Wheel barrows	10	73,000.00	"	"
1921243	Agricultural tractor 4x2, 45-65HP	1	1,900,000.00	"	Rockey Africa ltd
213589	Knapsack sprayers	200	1,590,000.00	PPSD	Betacamp general supplies
1966492	Laptop computer S/no 5CD3391V3	1	109,600.00	ADM	Fiona enterprises
"	Scanner S/no CN3A4WH01R	1	€7,420.00	"	"
"	Forge analysis equipment	1	2,266,250.00	EAAPP	F&S Scientific ltd
1999687	Microscope ML500 Trinocular	1	850,000.00	ADM	Medsurge
"	M.croscope ML5400	1	695,000.00	"	"
"	Computer microscope	1	1,200,000.00	"	"
"	Refrigerator	1	550,000.00	"	"
1999685	Microscope ML5300 Trinocular	1	850,000.00	"	"
"	Microscope ML5300	1	695,000.00	"	"
"	Refrigerator	1	550,000.00	"	"
1778779	I Pad Air S/nos DLXM9264F4YG,	2	250,000.00	KAPAP	Wisepro office solutions

*[Handwritten signature]*



**STATE DEPARTMENT OF FISHERIES: LIST OF ASSETS PROCURED IN THE FINANCIAL  
YEAR 2013-2014**

S/NO	ITEM DESCRIPTION	Qty issued	S/NO	TOTAL COST (KSHS)
1	Deepfreeze	1	03579/100241	2,053,780.00
		1	03835/101065	
		1	03598/100359	
		1	03598/1002491	
		1	03598/100242	
		1	03598/100252	
		1	03598/100241	
		1	03598/100239	
		1	03579/100247	
		1	03579/100240	
2.	Cold Display Unit	1	001	18,437,000.00
		1	002	
		1	003	
		1	004	
		1	005	
		1	006	
		1	007	
		1	008	
		1	009	
		1	010	
3.	Fish Meat Grinder	1	TC001	1,410,000.00
		1	TC009	
		1	TC003	
		1	TC007	
		1	TC002	
		1	TC006	
		1	TC004	
		1	TC005	
		1	TC008	
		1	TC010	
4.	Motorcycle cooler boxes	1	001	
		1	002	
		1	003	
		1	004	
		1	005	

		1	006	335,000.00
		1	007	
		1	008	
		1	009	
		1	010	
5.	Dough and cake mixer	1	AA201404017	1,870,400.00
		1	AA201404014	
		1	AA201404012	
		1	AA201404015	
		1	AA201404013	
		1	AA201404018	
		1	AA201404041	
		1	AA201404102	
		1	AA201404016	
		1	AA201404014	
6.	Sausage filler machine	1	P140014	2,631,320.00
		1	P140010	
		1	P140012	
		1	P140008	
		1	P140016	
		1	P140017	
		1	P140011	
		1	P140013	
		1	P140009	
		1	P140015	
7.	Table top fryers (two tanks)	1	140301167	1,660,000.00
		1	2014033107/1	
		1	2014033107/2	
		1	2014033107/3	
		1	2014033107/4	
		1	2014033107/5	
		1	2014033107/6	
		1	2014033107/7	
		1	2014033107/8	
		1	2014033107/9	
8.	Table top fryers (one tank)	1	GF006	
		1	GF001	
		1	GF004	

		1	GF009	1,465,950.00
		1	GF002	
		1	GF008	
		1	GF007	
		1	GF010	
		1	GF003	
		1	GF005	
9.	Fish ball grill machine	1	EH001	1,613,150.00
		1	EH005	
		1	EH003	
		1	EH006	
		1	EH008	
		1	EH007	
		1	EH009	
		1	EH001	
		1	EH002	
		1	EH004	
10.	Fish roasters	1	FY008	1,338,460.00
		1	FY004	
		1	FY001	
		1	FY004	
		1	FY 003	
		1	FY009	
		1	FY006	
		1	FY006	
		1	FY007	
		1	FY005	
11.	Fish ball making machine	1	201404033	1,721,220.00
		1	201404026	
		1	201404024	
		1	201404027	
		1	201404028	
		1	201404023	
		1	201404032	
		1	201404025	
		1	201404022	
		1	201404026	
12.	Fire proof cabinet (4 drawer)	1	DL14019849	
		1	DL14019854	

		1	DL14019827	699,000.00
13.	Cooler fan	1		50,000.00
14.	Television set	1	LGDF3DA00448D	195,000.00
		1	LGDF3DA00851R	
		1	LGDF3DA00869E	
15.	Printer	1	PHHGB03585	309,060.00
		1	VNF3800555	
		1	PHHNF03650	
		1	VNF3888325	
16.	Hoover Machine	1	AVCWD30140331	20,330.00
17.	Fridge medium	1	MEZ64589202	37,380.00
18.	Photocopier	1	L4N2907997	150,900.00
19.	Uv lights pumps	1	ASW14W001	365,000.00
		1	ASW14W002	
		1	ASW14W003	
		1	ASW14W004	
		1	ASW14W005	
		1	ASW14W006	
		1	ASW14W007	
		1	ASW14W008	
		1	ASW14W009	
		1	ASW 14W010	
20.	Desktop computer	1	441305303789	277,380.00
		1	UPS2673	

21.	Scanner	1	L1911B	75,800.00
22.	Steel Cabinet (4 door)	1		37,100.00
23.	Ice packs	700 pcs		483,000.00
24.	Executive computer table	1		41,500.00
25.	Executive office desk	3		420,000.00
26.	Executive orthopaedic chair	2		190,000.00
27.	Visitors chairs	6		219,000.00
28.	Executive cabinet bookshelf	1		73,000.00
29.	Ups	11		289,080.00
30.	Coffee table with glass top	1		44,000.00
31.	Office sofa set (5 seater)	1		220,000.00
32.	Panasonic telephone	5		47,500.00
33.	Secretarial seat	1		45,000.00
34.	Aquarium	20		2,491,728.00
35.	Executive bookshelf 3door	1		77,380.00
36.	Cooler fan	2		50,000.00

**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES**  
**Reports and Financial Statements**  
**For the year ended June 30, 2014**

**ANNEX 1 – FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost (Kshs) 2013/14</b>	<b>Historical Cost (Kshs) 2012/13</b>
Land		
Buildings and structures		
Transport equipment		
Office equipment, furniture and fittings		
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
<b>Total</b>		

THE ACCOUNTANT GENERAL  
 NATIONAL TREASURY  
 P.O. BOX 30007,  
 NAIROBI.

MINISTRY OF FISHERIES DEVELOPMENT  
 P.O BOX 58187  
 NAIROBI

VOTE RECURRENT 156


REPUBLIC OF KENYA  
 BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2013 STATION NAIROBI

	SHS	CTS	SHS	CTS	SHS	CTS
BALANCE AS PER BANK CERTIFICATE					37,824,565.10	
LESS:						
1. Payments in Cash Book not yet recorded in Bank Statement	5,864,997.00					
2. Receipts in Bank Statement not yet recorded in Cash Book			5,864,997.00			
ADD:						
3. Payments in Bank Statement not yet recorded in Cash Book	551,987.70					
4. Receipts in Cash Book not yet recorded in Bank Statement			551,987.70			
BALANCE AS PER CASHBOOK					32,511,555.80	

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconcillation is correct.



FOR P.A.C.

SIGNATURE

DESIGNATION

DATE

ENCL.

CC. AUDITOR IN CHARGE  
 KENYA NATIONAL AUDIT OFFICE  
 KILIMO HOUSE  
 NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
 MINISTRY OF FISHERIES DEVELOPMENT  
 P.O BOX 34188  
 NAIROBI

THE ACCOUNTANT GENERAL  
NATIONAL TREASURY  
P.O.BOX 30007,  
NAIROBI.

MINISTRY OF FISHERIES DEVELOPMENT  
P.O BOX 58187  
NAIROBI

VOTE DEVELOPMENT 156


REPUBLIC OF KENYA  
BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2013 STATION NAIROBI

	SHS	CTS	SHS	CTS	SHS.	CTS
BALANCE AS PER BANK CERTIFICATE					9,454,002.20	
LESS:						
1. Payments in Cash Book not yet recorded in Bank Statement	138,730,227.80					
2. Receipts in Bank Statement not yet recorded in Cash Book	84,659.90		138,814,887.70			
ADD:						
3. Payments in Bank Statement not yet recorded in Cash Book	15,142.40					
4. Receipts in Cash Book not yet recorded in Bank Statement	140,000,000.00		140,015,142.40			
BALANCE AS PER CASHBOOK					10,654,256.90	

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconciliation is correct.



SIGNATURE

FOR P.A.C.

DESIGNATION

DATE

ENCL.

CC. AUDITOR IN CHARGE  
KENYA NATIONAL AUDIT OFFICE  
KILIMO HOUSE  
NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
MINISTRY OF FISHERIES DEVELOPMENT  
P.O BOX 34188  
NAIROBI

THE ACCOUNTANT GENERAL  
NATIONAL TREASURY  
P.O. BOX 30007,  
NAIROBI.

MINISTRY OF FISHERIES DEVELOPMENT  
P.O BOX 58187  
NAIROBI

VOTE DEPOSIT 156

REPUBLIC OF KENYA  
BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2013 STATION NAIROBI

	SHS	CTS	SHS	CTS	SHS.	CTS
BALANCE AS PER BANK CERTIFICATE					21,841,274.65	
LESS:						
1. Payments in Cash Book not yet recorded in Bank Statement						
2. Receipts in Bank Statement not yet recorded in Cash Book						
ADD:						
3. Payments in Bank Statement not yet recorded in Cash Book						
4. Receipts in Cash Book not yet recorded in Bank Statement	3,657,480.60		3,657,480.60			
BALANCE AS PER CASHBOOK					25,498,755.25	

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconciliation is correct.

B. W.

FOR P.A.C.

SIGNATURE

DESIGNATION

DATE

ENCL.

CC. AUDITOR IN CHARGE  
KENYA NATIONAL AUDIT OFFICE  
KILIMO HOUSE  
NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
MINISTRY OF FISHERIES DEVELOPEMENT  
P O BOX 34188  
NAIROBI

# REPUBLIC OF KENYA



## MINISTRY OF AGRICULTURE

Telegraphic Address "MINAG" NAIROBI  
Telex 22766  
Telephone 2718870/9  
When replying please quote;

KILIMO HOUSE  
CATHEDRAL ROAD  
P. O. BOX 30028  
NAIROBI.

REF NO: AC/ACCT/PMG/BANK/VOL.V/  
The Permanent Secretary  
Office of Deputy Prime Minister &  
Ministry of Finance  
P.O. Box 30007.

10TH SEPT. 2013

NAIROBI

Att: The Accountant General

### REF: BANK RECONCILIATION STATEMENTS

Enclosed herewith, please find Bank Reconciliation Statements for this Ministry Recurrent, Development and Deposit Accounts as listed below.

1. Recurrent 10 Account -June 2013
2. Development 10 Account June 2013
3. Deposit 10 Account June 2013

Thanks.

STEPHEN W MACHARIA  
PAC  
FOR: PERMANENT SECRETARY

Encl.

CC: The Controller & Auditor General  
P.O. Box 30084  
NAIROBI.

Assistant Director Of Audit  
Ministry of Agriculture  
P.O. Box 30028  
NAIROBI.

(iii) Cashier  
MOA Hqr



THE ACCOUNTANT GENERAL  
 OFFICE OF DEPUTY PRIME MINISTER &  
 MINISTRY OF FINANCE  
 P.O BOX 30007  
 NAIROBI

MINISTRY OF AGRICULTURE  
 P.O BOX 30028  
 NAIROBI

VOTE : DEVELOPMENT 10

REPUBLIC OF KENYA  
 BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2012 STATION NAIROBI

	SHS	CTS	SHS	CTS	SHS.	CTS
BALANCE AS PER BANK CERTIFICATE					58,273,941.95	
LESS:						
1. Payments in Cash Book not yet recorded in Bank Statement		27,858,798.75				
2. Receipts in Bank Statement not yet recorded in Cash Book				27,858,798.75		
ADD:						
3. Payments in Bank Statement not yet recorded in Cash Book				108,268.75		
4. Receipts in Cash Book not yet recorded in Bank Statement		344,073.95		452,342.70		
CALCULATED CASH BOOK BALANCE					30,867,485.90	
ACTUAL CASH BOOK BALANCE					30,867,485.90	

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconciliation is correct.

*M. Schava*  
 SIGNATURE

PAC  
 DESIGNATION

18/09/13  
 DATE

PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)							SHS.	CTS
CHEQUE NO.	DATE	PAYEE	AMOUNT		CHEQUE NO.	DATE		
			SH	CTS				

ENCL.  
 SEE ATTACHED SCHEDULES

CC THE CONTROLLER & AUDITOR GENERAL  
 P.O BOX 30084  
 NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
 P.O BOX 30028  
 NAIROBI





NOTE : DEVELOPMENT 116

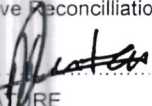
REPUBLIC OF KENYA  
BANK RECONCILLIATION

F. O 30

AS AT 30 JUNE 2014 STATION NAIROBI

	SHS	CTS	SHS	CTS	SHS.	CTS
BALANCE AS PER BANK CERTIFICATE					58,449,938.40	
LESS:						
1 Payments in Cash Book not yet recorded in Bank Statement	4,473,539,975.65					
2 Receipts in Bank Statement not yet recorded in Cash Book		515,263.80			4,474,055,239.45	
ADD:						
Payments in Bank Statement not yet recorded in Cash Book		41,374,808.30				
4 Receipts in Cash Book not yet recorded in Bank Statement	4,388,295,252.00				4,429,670,060.30	
CALCULATED CASH BOOK BALANCE					9,064,759.25	
ACTUAL CASH BOOK BALANCE					9,064,759.25	

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconcilliation is correct.

  
SIGNATURE

AAG  
DESIGNATION

28/8/14  
DATE

PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)							SHS.	CTS
CHEQUE	PAYEE		AMOUNT		CHEQUE			
NO.	DATE		SH	CTS	NO.	DATE		

INCL  
SEE ATTACHED SCHEDULES

C. THE CONTROLLER & AUDITOR GENERAL

P.O BOX 30084  
NAIROBI

THE PRINCIPAL INTERNAL AUDITOR

P.O BOX 30028  
NAIROBI



REPUBLIC OF KENYA



**MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES  
STATE DEPARTMENT OF LIVESTOCK**

Telegraphic Address "MINAG"NAIROBI  
Telex: 22766  
Telephone: 2 719013  
Fax:718318  
When replying please quote;

KILIMO HOUSE  
CATHEDRAL ROAD  
P.O.Box 30028  
NAIROBI

**Re No:** AC/ACCT/PMG/BANK/VOL.V/62

**Date:** November27, 2014

Accountant General  
The National Treasury  
P.O. Box 30007 – 00100  
NAIROBI

**RE: BANK RECONCILIATION STATEMENT RECURRENT VOTE 119 – JUNE 2013**

---

Forwarded herewith please find Bank Reconciliation Statement in respect of the above account for your necessary action.

  
HARRISON W KAMAU.  
For: PRINCIPAL SECRETARY

c.c. Kenya National Audit  
NAIROBI

Internal Auditor General  
NAIROBI

THE ACCOUNTANT GENERAL  
 NATIONAL TREASURY  
 P.O. BOX 30007,  
 NAIROBI.

STATE DEPARTMENT OF LIVESTOCK  
 P.O BOX 34188  
 NAIROBI

VOTE RECURRENT 119

REPUBLIC OF KENYA  
 BANK RECONCILLIATION

F. O 30


AS AT 30 JUNE 2013 STATION NAIROBI

- BALANCE AS PER BANK CERTIFICATE
- LESS:
1. Payments in Cash Book not yet recorded in Bank Statement
  2. Receipts in Bank Statement not yet recorded in Cash Book
- ADD:
3. Payments in Bank Statement not yet recorded in Cash Book
  4. Receipts in Cash Book not yet recorded in Bank Statement

SHS	CTS	SHS	CTS	SHS.	CTS
				285,888,449.85	
342,422,955.10					
1,182,205.00		343,605,160.10			
5,287,203.80					
52,687,358.95		57,974,562.75			
				257,852.50	

BALANCE AS PER CASHBOOK

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconcilliation is correct.

  
 SIGNATURE

FOR P.A.C.  
 DESIGNATION

27/12/14  
 DATE

ENCL.

CC. AUDITOR IN CHARGE  
 KENYA NATIONAL AUDIT OFFICE  
 KILIMO HOUSE  
 NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
 STATE DEPARTMENT OF LIVESTOCK  
 P.O BOX 34188  
 NAIROBI

REPUBLIC OF KENYA



MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES  
STATE DEPARTMENT OF LIVESTOCK

Telegraphic Address "MINAG"NAIROBI  
Telex: 22766  
Telephone: 2 719013  
Fax:718318  
When replying please quote:

KILIMO HOUSE  
CATHEDRAL ROAD  
P.O.Box 30028  
NAIROBI

Re No: AC/ACCT/PMG/BANK/VOL.V/62

Date: November 27, 2014

Accountant General  
The National Treasury  
P.O. Box 30007 – 00100  
NAIROBI

RE: BANK RECONCILIATION STATEMENT DEVELOPMENT VOTE 119 – JUNE 2013

Forwarded herewith please find Bank Reconciliation Statement in respect of the above account for your necessary action.

A handwritten signature in black ink, appearing to read 'Harrison W Kamau'.

HARRISON W KAMAU.  
For: PRINCIPAL SECRETARY

c.c. Kenya National Audit  
NAIROBI

Internal Auditor General  
NAIROBI

THE ACCOUNTANT GENERAL  
NATIONAL TREASURY  
P.O.BOX 30007,  
NAIROBI.

STATE DEPARTMENT OF LIVESTOCK  
P.O BOX 34188  
NAIROBI

VOTE DEVELOPMENT 119

REPUBLIC OF KENYA  
BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2013 STATION NAIROBI

	SHS	CTS	SHS	CTS	SHS.	CTS
BALANCE AS PER BANK CERTIFICATE					5,647,684.45	
LESS:						
1. Payments in Cash Book not yet recorded in Bank Statement	61,530,793.20					
2. Receipts in Bank Statement not yet recorded in Cash Book	200,000.00		61,730,793.20			
ADD:						
3. Payments in Bank Statement not yet recorded in Cash Book	7,626,287.80					
4. Receipts in Cash Book not yet recorded in Bank Statement	50,000,120.00		57,626,407.80			
BALANCE AS PER CASHBOOK					1,543,299.05	

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconcillation is correct.



SIGNATURE

FOR P.A.C.

DESIGNATION

27/12/14  
DATE

ENCL.

CC. AUDITOR IN CHARGE  
KENYA NATIONAL AUDIT OFFICE  
KILIMO HOUSE  
NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
STATE DEPARTMENT OF LIVESTOCK  
P.O BOX 34188  
NAIROBI

REPUBLIC OF KENYA



MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES  
STATE DEPARTMENT OF LIVESTOCK

Telegraphic Address "MINAG" NAIROBI  
Telex: 22766  
Telephone: 2 719013  
Fax: 718318  
When replying please quote:

KILIMO HOUSE  
CATHEDRAL ROAD  
P.O. Box 30028  
NAIROBI

Re No: AC/ACCT/PMG/BANK/VOL.V/62

Date: November 27, 2014

Accountant General  
The National Treasury  
P.O. Box 30007 – 00100  
NAIROBI

RE: BANK RECONCILIATION STATEMENT DEPOSIT VOTE 119 – JUNE 2013

Forwarded herewith please find Bank Reconciliation Statement in respect of the above account for your necessary action.

  
HARRISON W KAMAU.  
For: PRINCIPAL SECRETARY

c.c. Kenya National Audit  
NAIROBI

Internal Auditor General  
NAIROBI

THE ACCOUNTANT GENERAL  
NATIONAL TREASURY  
P.O.BOX 30007,  
NAIROBI.

STATE DEPARTMENT OF LIVESTOCK  
P.O BOX 34188  
NAIROBI

VOTE DEPOSIT 119

REPUBLIC OF KENYA  
BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2013 STATION NAIROBI

BALANCE AS PER BANK CERTIFICATE

LESS:

1. Payments in Cash Book not yet recorded in Bank Statement
2. Receipts in Bank Statement not yet recorded in Cash Book

ADD:

3. Payments in Bank Statement not yet recorded in Cash Book
4. Receipts in Cash Book not yet recorded in Bank Statement

SHS	CTS	SHS	CTS	SHS.	CTS
				370,014,468.90	
	1,559,431.60				
	101,461.00		1,660,892.60		
	867,812.50		867,812.50		
				369,221,388.80	

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconciliation is correct.

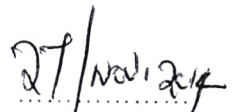


SIGNATURE

FOR

P.A.C.

DESIGNATION



DATE

ENCL.

CC. AUDITOR IN CHARGE  
KENYA NATIONAL AUDIT OFFICE  
KILIMO HOUSE  
NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
STATE DEPARTMENT OF LIVESTOCK  
P.O BOX 34188  
NAIROBI

THE ACCOUNTANT GENERAL  
NATIONAL TREASURY  
P.O. BOX 30007,  
NAIROBI.

MINISTRY OF FISHERIES DEVELOPMENT  
P.O BOX 58187  
NAIROBI

VOTE RECURRENT 156

REPUBLIC OF KENYA  
BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2013 STATION NAIROBI

BALANCE AS PER BANK CERTIFICATE  
LESS:  
1. Payments in Cash Book not yet recorded in Bank Statement  
2. Receipts in Bank Statement not yet recorded in Cash Book  
ADD:  
3. Payments in Bank Statement not yet recorded in Cash Book  
4. Receipts in Cash Book not yet recorded in Bank Statement

SHS	CTS	SHS	CTS	SHS.	CTS
				37,824,565.10	
	5,864,997.00				
			5,864,997.00		
	551,987.70				
			551,987.70		
				32,511,555.80	

BALANCE AS PER CASHBOOK

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconciliation is correct.



SIGNATURE

FOR P.A.C.

DESIGNATION

DATE

ENCL.

CC. AUDITOR IN CHARGE  
KENYA NATIONAL AUDIT OFFICE  
KILIMO HOUSE  
NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
MINISTRY OF FISHERIES DEVELOPMENT  
P.O BOX 34188  
NAIROBI

THE ACCOUNTANT GENERAL  
 NATIONAL TREASURY  
 P.O. BOX 30007,  
 NAIROBI.

MINISTRY OF FISHERIES DEVELOPMENT  
 P.O BOX 58187  
 NAIROBI

VOTE DEVELOPMENT 156

REPUBLIC OF KENYA  
 BANK RECONCILIATION

F. O 30

AS AT 30 JUNE 2013 STATION NAIROBI

	SHS	CTS	SHS	CTS	SHS.	CTS
BALANCE AS PER BANK CERTIFICATE						9,454,002.20
LESS:						
1. Payments in Cash Book not yet recorded in Bank Statement	138,730,227.80					
2. Receipts in Bank Statement not yet recorded in Cash Book	84,659.90		138,814,887.70			
ADD:						
3. Payments in Bank Statement not yet recorded in Cash Book	15,142.40					
4. Receipts in Cash Book not yet recorded in Bank Statement	140,000,000.00		140,015,142.40			
BALANCE AS PER CASHBOOK						10,654,256.90

I certify that I have verified the bank balance in the cash book with the bank statement and the above Reconcillation is correct.


 FOR P.A.C.  
 SIGNATURE DESIGNATION DATE

ENCL.

CC. AUDITOR IN CHARGE  
 KENYA NATIONAL AUDIT OFFICE  
 KILIMO HOUSE  
 NAIROBI

THE PRINCIPAL INTERNAL AUDITOR  
 MINISTRY OF FISHERIES DEVELOPEMENT  
 P.O BOX 34188  
 NAIROBI